

Agency Base Budget Comparison

The following table compares the base budget with the expenditures adopted by the legislature 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	711.91	735.26	735.26	23.35	1.6%
State/Other Special Rev. Funds	99,157,465	112,587,637	112,106,020	26,378,727	13.3%
Federal Spec. Rev. Funds	34,443,293	33,749,552	33,799,053	(1,337,981)	(1.9%)
Total Funds	133,600,758	146,337,189	145,905,073	25,040,746	9.4%
Personal Services	63,075,639	65,747,931	65,927,198	5,523,851	4.4%
Operating Expenses	64,045,497	73,508,003	73,332,120	18,749,129	14.6%
Equipment & Intangible Assets	1,140,054	1,741,687	1,306,187	767,766	33.7%
Grants	1,577,888	1,577,888	1,577,888		0.0%
Benefits & Claims	18,800	18,800	18,800		0.0%
Transfers	3,101,537	3,101,537	3,101,537		0.0%
Debt Service	641,343	641,343	641,343		0.0%
Total Expenditures	133,600,758	146,337,189	145,905,073	25,040,746	9.4%
Total Ongoing	133,600,758	145,625,351	145,628,735	24,052,570	9.0%
Total One-Time-Only	450,000	711,838	276,338	88,176	9.8%

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Agency Highlights

**Department of Fish, Wildlife, and Parks
Major Budget Highlights**

The legislature adopted an increase of 9.4% or \$25.0 million above FY 2025 base funding. In addition to the statewide present law adjustment of \$3.3 million, which includes:

- Aircraft and vehicle fleet rate increases: \$6.1 million
- Game and nongame programs operational increase: \$5.6 million
- New positions, 20.35 PB: \$4.7 million
- Equipment purchases: \$767,800
- USGS stream gage network support: \$630,000
- Technology and website improvements: \$575,600
- Legal unit caseload increase: \$570,500
- Proprietary maintenance increase: \$500,000
- Operations increase for wildlife studies: \$491,000
- Overtime and pay adjustments: \$478,000
- One-time-only AmeriCorps operations increase: \$354,000
- Montana Outdoor Magazine operations increase: \$250,000
- Grizzly bear operations: \$240,000
- One-time-only fishing and water access site maintenance: \$237,300
- One-time-only Stream Protection Act permitting in support of MDT projects: \$214,500

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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	63,838,740	65,281,995	63,075,639	65,747,931	65,927,198
Operating Expenses	53,239,719	59,181,358	64,495,497	73,508,003	73,332,120
Equipment & Intangible Assets	1,303,892	1,674,254	1,140,054	1,741,687	1,306,187
Grants	1,752,987	1,793,379	1,577,888	1,577,888	1,577,888
Benefits & Claims	19,500	27,502	18,800	18,800	18,800
Transfers	1,147,232	2,222,856	3,101,537	3,101,537	3,101,537
Debt Service	634,468	686,518	641,343	641,343	641,343
Total Expenditures	\$121,936,538	\$130,867,862	\$134,050,758	\$146,337,189	\$145,905,073
State/Other Special Rev. Funds	89,204,489	97,186,403	99,607,465	112,587,637	112,106,020
Federal Spec. Rev. Funds	32,732,049	33,681,459	34,443,293	33,749,552	33,799,053
Total Funds	\$121,936,538	\$130,867,862	\$134,050,758	\$146,337,189	\$145,905,073
Total Ongoing	\$121,895,196	\$130,287,862	\$133,600,758	\$145,625,351	\$145,628,735
Total OTO	\$41,342	\$580,000	\$450,000	\$711,838	\$276,338

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Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2025	Executive Budget Fiscal 2026	Legislative Budget Fiscal 2026	Leg — Exec. Difference Fiscal 2026	Executive Budget Fiscal 2027	Legislative Budget Fiscal 2027	Leg — Exec. Difference Fiscal 2027	Biennium Difference Fiscal 26-27
Personal Services	63,075,639	66,205,386	65,747,931	(457,455)	66,384,653	65,927,198	(457,455)	(914,910)
Operating Expenses	64,495,497	73,251,165	73,508,003	256,838	73,056,741	73,332,120	275,379	532,217
Equipment & Intangible Assets	1,140,054	1,741,687	1,741,687	0	1,306,187	1,306,187	0	0
Capital Outlay	0	0	0	0	0	0	0	0
Grants	1,577,888	1,577,888	1,577,888	0	1,577,888	1,577,888	0	0
Benefits & Claims	18,800	18,800	18,800	0	18,800	18,800	0	0
Transfers	3,101,537	3,101,537	3,101,537	0	3,101,537	3,101,537	0	0
Debt Service	641,343	641,343	641,343	0	641,343	641,343	0	0
Total Costs	\$134,050,758	\$146,537,806	\$146,337,189	(\$200,617)	\$146,087,149	\$145,905,073	(\$182,076)	(\$382,693)
State/other Special Rev. Funds	99,607,465	112,430,463	112,587,637	157,174	111,945,005	112,106,020	161,015	318,189
Federal Spec. Rev. Funds	34,443,293	34,107,343	33,749,552	(357,791)	34,142,144	33,799,053	(343,091)	(700,882)
Other	0	0	0	0	0	0	0	0
Total Funds	\$134,050,758	\$146,537,806	\$146,337,189	(\$200,617)	\$146,087,149	\$145,905,073	(\$182,076)	(\$382,693)
Total Ongoing	\$133,600,758	\$145,944,593	\$145,625,351	(\$319,242)	\$145,929,436	\$145,628,735	(\$300,701)	(\$619,943)
Total OTO	\$450,000	\$593,213	\$711,838	\$118,625	\$157,713	\$276,338	\$118,625	\$237,250

For the biennium, the budget adopted by the legislature is \$382,693 lower than the executive proposals. In addition to the executive proposals, the legislature adopted:

- Fishing and stream access site maintenance: \$237,250
- One-time-only AmeriCorps operations increase: \$354,000
- The legislature did not approve 8.00 PB in the Education Division: (\$934,510)
- The legislature adopted adjustments to fixed costs: (\$39,433)

Funding

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

Total Department of Fish, Wildlife, and Parks 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
02409 General License	155,868,273	838,676		1,114,826	157,821,775	47.8%
02334 Hunting Access	25,262,385				25,262,385	7.7%
02411 State Parks Miscellaneous	18,657,409	149,500		124,702	18,931,611	5.7%
02274 FWP Accommodations Tax				9,625,508	9,625,508	2.9%
02061 Nongame Wildlife Account	6,678,990				6,678,990	2.0%
Other State Special Revenue	17,238,424			226,298	17,464,722	5.3%
State Special Revenue Total	223,705,481	988,176	-	11,091,334	235,784,991	71.4%
03097 Fish(WB)-Wldlf(Pr) Restor Grnt	51,236,985			625,400	51,862,385	15.7%
03403 Misc Federal Funds	14,388,437				14,388,437	4.4%
03408 State Wildlife Grants	1,616,845				1,616,845	0.5%
03098 Parks Federal Revenue	225,816				225,816	0.1%
03129 USFWS Section 6	80,522				80,522	0.0%
Federal Special Revenue Total	67,548,605	-	-	625,400	68,174,005	20.6%
06513 FWP Maintenance Fund			15,798,287		15,798,287	4.8%
06502 FWP Fleet Fund			7,767,210		7,767,210	2.4%
06540 DFWP Aircraft			1,349,034		1,349,034	0.4%
06068 MFWP Visitor Services			1,117,356		1,117,356	0.3%
06503 F & G Warehouse Inventory			208,372		208,372	0.1%
Proprietary Fund Total	-	-	26,240,259	-	26,240,259	7.9%
Total of All Funds	291,254,086	988,176	26,240,259	11,716,734	330,199,255	
Percent of All Sources of Authority	88.2%	0.3%	7.9%	3.5%		

The agency's largest source of funding is state special revenue, which funds 76.9% of HB 2, and 71.4% of total funding. Primary sources of state special revenue are from the sale of hunting and fishing licenses, a portion of the marijuana tax revenues, a portion of the light vehicle registration tax, and a portion of the accommodations tax.

The primary source of federal revenue is from an excise tax on hunting and fishing equipment. This revenue is used to match state special revenue generated from the sale of hunting and fishing licenses.

Non-budgeted proprietary program supports the maintenance of the agency's fleet of vehicles, aircraft, and maintenance on other assets.

Statutory appropriations are primarily funded from the accommodations tax and are used for the maintenance of facilities in state parks that have both resident and nonresident use.

The agency has no appropriations from the general fund.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Department of Fish, Wildlife, and Parks 2027 Biennium HB 2 Base Budget and 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
Base Budget	0	99,157,465	34,443,293	133,600,758	91.3%	0	99,157,465	34,443,293	133,600,758	91.6%
Statewide PL										
Personal Services	0	542,003	(54,844)	487,159	0.3%	0	685,947	(34,407)	651,540	0.4%
Fixed Costs	0	1,297,450	0	1,297,450	0.9%	0	1,241,117	0	1,241,117	0.9%
Inflation Deflation	0	(112,379)	(89,664)	(202,043)	(0.1%)	0	(75,951)	(60,600)	(136,551)	(0.1%)
Total Statewide PL	0	1,727,074	(144,508)	1,582,566	1.1%	0	1,851,113	(95,007)	1,756,106	1.2%
Present Law (PL)	0	6,632,955	0	6,632,955	4.5%	0	6,810,388	0	6,810,388	4.7%
New Proposals	0	5,070,143	(549,233)	4,520,910	3.1%	0	4,287,054	(549,233)	3,737,821	2.6%
Total HB 2 Adjustments	0	13,430,172	(693,741)	12,736,431	8.7%	0	12,948,555	(644,240)	12,304,315	8.4%
Total Budget	0	112,587,637	33,749,552	146,337,189		0	112,106,020	33,799,053	145,905,073	

Language and Statutory Authority

The Department of Fish, Wildlife, and Parks is authorized to adjust the appropriations between state special and federal special revenue by like amounts in order to respond to increases or reductions in annual federal funding received during the biennium.

The snowmobile trail groomer appropriation in the Parks and Outdoor Recreation Division of \$300,000 a year is biennial.

Fish, Wildlife, and Parks will report to the Environmental Quality Council, and the Joint Interim Budget Committee for Natural Resources and Transportation by the first day of December of each year of the 2027 Biennium on the actual habitat enhanced and actual areas treated for weeds.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	39.00	40.00	40.00	1.00	1.3%
State/Other Special Rev. Funds	8,642,397	10,135,261	10,107,169	2,957,636	17.1%
Federal Spec. Rev. Funds	167,895	167,895	167,895		0.0%
Total Funds	8,810,292	10,303,156	10,275,064	2,957,636	16.8%
Personal Services	4,045,921	4,163,186	4,172,478	243,822	3.0%
Operating Expenses	4,608,918	5,984,517	5,947,133	2,713,814	29.4%
Equipment & Intangible Assets	53,111	53,111	53,111		0.0%
Transfers	102,342	102,342	102,342		0.0%
Total Expenditures	8,810,292	10,303,156	10,275,064	2,957,636	16.8%
Total Ongoing	8,810,292	10,303,156	10,275,064	2,957,636	16.8%
Total One-Time-Only					0.0%

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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 adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals	Approp.	Approp.	Legislative	Legislative
	Fiscal 2024	Fiscal 2024	Fiscal 2025	Fiscal 2026	Fiscal 2027
Personal Services	3,590,701	3,872,491	4,045,921	4,163,186	4,172,478
Operating Expenses	3,985,877	4,625,777	4,608,918	5,984,517	5,947,133
Equipment & Intangible Assets	9,483	53,111	53,111	53,111	53,111
Transfers	0	102,342	102,342	102,342	102,342
Debt Service	55,046	56,000	0	0	0
Total Expenditures	\$7,641,107	\$8,709,721	\$8,810,292	\$10,303,156	\$10,275,064
State/Other Special Rev. Funds	7,497,240	8,541,826	8,642,397	10,135,261	10,107,169
Federal Spec. Rev. Funds	143,867	167,895	167,895	167,895	167,895
Total Funds	\$7,641,107	\$8,709,721	\$8,810,292	\$10,303,156	\$10,275,064
Total Ongoing	\$7,641,107	\$8,709,721	\$8,810,292	\$10,303,156	\$10,275,064
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

The Technical Services Division is funded primarily from state special revenue, and federal sources that fund less than 2.0% of the program. State special revenue is from the general license account. Revenues include the sale of fishing and hunting licenses, camping fees, permit sales, and other miscellaneous revenue.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Technical Services Division 2027 Biennium HB 2 Base Budget and 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
Base Budget	0	8,642,397	167,895	8,810,292	85.5%	0	8,642,397	167,895	8,810,292	85.7%
Statewide PL										
Personal Services	0	20,038	0	20,038	0.2%	0	28,052	0	28,052	0.3%
Fixed Costs	0	1,076,798	0	1,076,798	10.5%	0	1,039,415	0	1,039,415	10.1%
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	0	1,096,836	0	1,096,836	10.6%	0	1,067,467	0	1,067,467	10.4%
Present Law (PL)	0	75,000	0	75,000	0.7%	0	75,000	0	75,000	0.7%
New Proposals	0	321,028	0	321,028	3.1%	0	322,305	0	322,305	3.1%
Total HB 2 Adjustments	0	1,492,864	0	1,492,864	14.5%	0	1,464,772	0	1,464,772	14.3%
Total Budget	0	10,135,261	167,895	10,303,156		0	10,107,169	167,895	10,275,064	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	0	20,038	0	20,038	0.00	0	28,052	0	28,052
DP 2 - Fixed Costs	0.00	0	1,076,798	0	1,076,798	0.00	0	1,039,415	0	1,039,415
DP 103 - Website Support	0.00	0	75,000	0	75,000	0.00	0	75,000	0	75,000
Grand Total All Present Law Adjustments	0.00	\$0	\$1,171,836	\$0	\$1,171,836	0.00	\$0	\$1,142,467	\$0	\$1,142,467

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted 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: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 103 - Website Support -

The legislature adopted an appropriation of state special revenue to update the FWP website. The FWP website is the main source of public information.

New Proposals -

The "New Proposals" table shows new changes to 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 101 - Technology Modernization	0.00	0	212,800	0	212,800	0.00	0	212,800	0	212,800
DP 102 - Mobile App Resources	1.00	0	108,228	0	108,228	1.00	0	109,505	0	109,505
Total	1.00	\$0	\$321,028	\$0	\$321,028	1.00	\$0	\$322,305	\$0	\$322,305

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

DP 101 - Technology Modernization -

The legislature adopted appropriations of state special revenue for technology updates.

DP 102 - Mobile App Resources -

The legislature adopted increased state special authority to fund 1.00 new PB. The new position will support the MyFWP mobile application.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	173.69	173.69	173.69	0.00	0.0%
State/Other Special Rev. Funds	10,926,591	11,944,464	11,896,121	1,987,403	9.1%
Federal Spec. Rev. Funds	13,586,508	13,587,765	13,616,094	30,843	0.1%
Total Funds	24,513,099	25,532,229	25,512,215	2,018,246	4.1%
Personal Services	13,538,505	13,672,484	13,704,147	299,621	1.1%
Operating Expenses	8,846,227	9,731,378	9,679,701	1,718,625	9.7%
Equipment & Intangible Assets	385,000	385,000	385,000		0.0%
Grants	307,070	307,070	307,070		0.0%
Benefits & Claims	3,000	3,000	3,000		0.0%
Transfers	1,420,392	1,420,392	1,420,392		0.0%
Debt Service	12,905	12,905	12,905		0.0%
Total Expenditures	24,513,099	25,532,229	25,512,215	2,018,246	4.1%
Total Ongoing	24,513,099	25,424,988	25,404,974	1,803,764	3.7%
Total One-Time-Only		107,241	107,241	214,482	0.0%

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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 adopted budget 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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	13,323,663	13,613,178	13,538,505	13,672,484	13,704,147
Operating Expenses	7,888,505	8,390,096	8,846,227	9,731,378	9,679,701
Equipment & Intangible Assets	724,980	789,200	385,000	385,000	385,000
Grants	202,645	211,870	307,070	307,070	307,070
Benefits & Claims	6,000	6,000	3,000	3,000	3,000
Transfers	18,406	723,642	1,420,392	1,420,392	1,420,392
Debt Service	13,076	13,080	12,905	12,905	12,905
Total Expenditures	\$22,177,275	\$23,747,066	\$24,513,099	\$25,532,229	\$25,512,215
State/Other Special Rev. Funds	9,996,648	11,249,625	10,926,591	11,944,464	11,896,121
Federal Spec. Rev. Funds	12,180,627	12,497,441	13,586,508	13,587,765	13,616,094
Total Funds	\$22,177,275	\$23,747,066	\$24,513,099	\$25,532,229	\$25,512,215
Total Ongoing	\$22,177,275	\$23,747,066	\$24,513,099	\$25,424,988	\$25,404,974
Total OTO	\$0	\$0	\$0	\$107,241	\$107,241

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Funding

The division is funded from state special revenue and federal sources. State special revenue is primarily funded from the general license account, which derives revenue from the sale of fishing and hunting licenses, camping fees, permit sales, a portion of vehicle license fees and other miscellaneous revenue. Revenues for aquatic invasive species come primarily from fees charged to anglers, and boat owners.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Fisheries Division 2027 Biennium HB 2 Base Budget and 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
Base Budget	0	10,926,591	13,586,508	24,513,099	96.0%	0	10,926,591	13,586,508	24,513,099	96.1%
Statewide PL										
Personal Services	0	108,376	25,603	133,979	0.5%	0	119,601	46,041	165,642	0.6%
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	0	(31,566)	(24,346)	(55,912)	(0.2%)	0	(21,334)	(16,455)	(37,789)	(0.1%)
Total Statewide PL	0	76,810	1,257	78,067	0.3%	0	98,267	29,586	127,853	0.5%
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	941,063	0	941,063	3.7%	0	871,263	0	871,263	3.4%
Total HB 2 Adjustments	0	1,017,873	1,257	1,019,130	4.0%	0	969,530	29,586	999,116	3.9%
Total Budget	0	11,944,464	13,587,765	25,532,229		0	11,896,121	13,616,094	25,512,215	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	0	108,376	25,603	133,979	0.00	0	119,601	46,041	165,642
DP 3 - Inflation Deflation	0.00	0	(31,566)	(24,346)	(55,912)	0.00	0	(21,334)	(16,455)	(37,789)
Grand Total All Present Law Adjustments	0.00	\$0	\$76,810	\$1,257	\$78,067	0.00	\$0	\$98,267	\$29,586	\$127,853

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 3 - Inflation Deflation -

The legislature adopted 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.

New Proposals -

The "New Proposals" table shows new changes to 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 301 - SPA Coordination (OTO)	0.00	0	107,241	0	107,241	0.00	0	107,241	0	107,241
DP 302 - Non-Game Fisheries Request	0.00	0	833,822	0	833,822	0.00	0	764,022	0	764,022
Total	0.00	\$0	\$941,063	\$0	\$941,063	0.00	\$0	\$871,263	\$0	\$871,263

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

DP 301 - SPA Coordination (OTO) -

The legislature adopted a one-time-only increase in state special revenue to fund 1.00 temporary position to perform Stream Protection Act permitting. Increased case load is anticipated due to the Department of Transportation initiative to rehabilitate or replace 500 – 700 bridges across the state of Montana over the next five years.

DP 302 - Non-Game Fisheries Request -

The legislature adopted an increase in state special authority for the nongame native fisheries program. New funding will support inventorying and monitoring high-priority species, and gather data for conserving and restoring native nongame fish populations and habitats.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	119.00	126.00	126.00	7.00	2.9%
State/Other Special Rev. Funds	15,034,105	17,035,890	16,680,217	3,647,897	12.1%
Federal Spec. Rev. Funds	595,459	46,226	46,226	(1,098,466)	(92.2%)
Total Funds	15,629,564	17,082,116	16,726,443	2,549,431	8.2%
Personal Services	11,900,370	12,902,791	12,938,743	2,040,794	8.6%
Operating Expenses	3,518,533	3,943,664	3,552,039	458,637	6.5%
Equipment & Intangible Assets	107,200	132,200	132,200	50,000	23.3%
Transfers	53,044	53,044	53,044		0.0%
Debt Service	50,417	50,417	50,417		0.0%
Total Expenditures	15,629,564	17,082,116	16,726,443	2,549,431	8.2%
Total Ongoing	15,629,564	17,082,116	16,726,443	2,549,431	8.2%
Total One-Time-Only					0.0%

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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 adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals	Approp.	Approp.	Legislative	Legislative
	Fiscal 2024	Fiscal 2024	Fiscal 2025	Fiscal 2026	Fiscal 2027
Personal Services	11,022,856	11,513,676	11,900,370	12,902,791	12,938,743
Operating Expenses	2,873,573	3,169,752	3,518,533	3,943,664	3,552,039
Equipment & Intangible Assets	62,326	237,200	107,200	132,200	132,200
Benefits & Claims	1,500	1,502	0	0	0
Transfers	53,000	53,044	53,044	53,044	53,044
Debt Service	0	50,417	50,417	50,417	50,417
Total Expenditures	\$14,013,255	\$15,025,591	\$15,629,564	\$17,082,116	\$16,726,443
State/Other Special Rev. Funds	13,043,101	13,891,548	15,034,105	17,035,890	16,680,217
Federal Spec. Rev. Funds	970,154	1,134,043	595,459	46,226	46,226
Total Funds	\$14,013,255	\$15,025,591	\$15,629,564	\$17,082,116	\$16,726,443
Total Ongoing	\$14,013,255	\$14,895,591	\$15,629,564	\$17,082,116	\$16,726,443
Total OTO	\$0	\$130,000	\$0	\$0	\$0

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Funding

The largest source of funding for the division is the general license account. Revenues funding the division include the sale of fishing and hunting licenses, camping fees, permit sales, a portion of vehicle license fees, and other miscellaneous revenue. Other sources of funding come from motor vehicle registrations, snowmobile permits and pass fees.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Enforcement Division 2027 Biennium HB 2 Base Budget and 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
Base Budget	0	15,034,105	595,459	15,629,564	91.5%	0	15,034,105	595,459	15,629,564	93.4%
Statewide PL										
Personal Services	0	89,448	0	89,448	0.5%	0	125,400	0	125,400	0.7%
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	0	(53,997)	0	(53,997)	(0.3%)	0	(36,494)	0	(36,494)	(0.2%)
Total Statewide PL	0	35,451	0	35,451	0.2%	0	88,906	0	88,906	0.5%
Present Law (PL)	0	263,983	0	263,983	1.5%	0	263,983	0	263,983	1.6%
New Proposals	0	1,702,351	(549,233)	1,153,118	6.8%	0	1,293,223	(549,233)	743,990	4.4%
Total HB 2 Adjustments	0	2,001,785	(549,233)	1,452,552	8.5%	0	1,646,112	(549,233)	1,096,879	6.6%
Total Budget	0	17,035,890	46,226	17,082,116		0	16,680,217	46,226	16,726,443	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	0	89,448	0	89,448	0.00	0	125,400	0	125,400
DP 3 - Inflation Deflation	0.00	0	(53,997)	0	(53,997)	0.00	0	(36,494)	0	(36,494)
DP 401 - Sergeant Pay Adjustment	0.00	0	88,594	0	88,594	0.00	0	88,594	0	88,594
DP 404 - Base Equipment Authority Increase	0.00	0	25,000	0	25,000	0.00	0	25,000	0	25,000
DP 405 - Overtime Base Adjustment Request	0.00	0	150,389	0	150,389	0.00	0	150,389	0	150,389
Grand Total All Present Law Adjustments	0.00	\$0	\$299,434	\$0	\$299,434	0.00	\$0	\$352,889	\$0	\$352,889

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 3 - Inflation Deflation -

The legislature adopted 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.

DP 401 - Sergeant Pay Adjustment -

The legislature adopted an increase in starting base pay for sergeants to bring pay in line with their supervisory responsibilities.

DP 404 - Base Equipment Authority Increase -

The legislature adopted an increase in authority for the ongoing equipment budget. Typical purchases would replace unsafe and outdated equipment necessary for daily activities such as boats, all-terrain vehicles, utility task vehicles, bear traps and snowmobiles.

DP 405 - Overtime Base Adjustment Request -

The legislature adopted an increase in state special revenue for overtime. Overtime costs are not captured in the snapshot (DP1). The pay plan approved by the 2023 Legislature increased base pay and therefore overtime cost for game wardens. FWP game wardens have the ability for each warden to earn 100 hours of overtime per year.

New Proposals -

The "New Proposals" table shows new changes to 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 402 - Game Warden Resources	7.00	0	1,153,118	0	1,153,118	7.00	0	743,990	0	743,990
DP 406 - Coast Guard Funding Switch	0.00	0	549,233	(549,233)	0	0.00	0	549,233	(549,233)	0
Total	7.00	\$0	\$1,702,351	(\$549,233)	\$1,153,118	7.00	\$0	\$1,293,223	(\$549,233)	\$743,990

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

DP 402 - Game Warden Resources -

The legislature adopted an increase in state special authority to support 7.00 PB new game wardens.

DP 406 - Coast Guard Funding Switch -

The legislature adopted a funding shift from federal to state special revenues. The US Coast Guard notified FWP of deficiencies in state boating licensing requirements. Addressing these would require multiple statute changes, increasing costs and bureaucracy for boaters. To maintain the current boating program without these changes, FWP proposes replacing USCG authority with general license account funding.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	102.48	102.48	102.48	0.00	0.0%
State/Other Special Rev. Funds	8,289,240	12,798,359	12,665,155	8,885,034	53.6%
Federal Spec. Rev. Funds	11,838,645	11,692,880	11,714,052	(270,358)	(1.1%)
Total Funds	20,127,885	24,491,239	24,379,207	8,614,676	21.4%
Personal Services	8,875,979	9,115,796	9,136,192	500,030	2.8%
Operating Expenses	10,554,659	14,290,063	14,443,635	7,624,380	36.1%
Equipment & Intangible Assets	147,867	536,000	250,000	490,266	165.8%
Grants	395,800	395,800	395,800		0.0%
Benefits & Claims	6,800	6,800	6,800		0.0%
Transfers	146,780	146,780	146,780		0.0%
Total Expenditures	20,127,885	24,491,239	24,379,207	8,614,676	21.4%
Total Ongoing	20,127,885	24,205,239	24,379,207	8,328,676	20.7%
Total One-Time-Only		286,000		286,000	0.0%

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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 adopted budget 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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	10,450,185	10,459,988	8,875,979	9,115,796	9,136,192
Operating Expenses	9,222,380	9,600,402	10,554,659	14,290,063	14,443,635
Equipment & Intangible Assets	144,241	147,867	147,867	536,000	250,000
Grants	697,461	699,870	395,800	395,800	395,800
Benefits & Claims	8,500	8,500	6,800	6,800	6,800
Transfers	49,101	87,849	146,780	146,780	146,780
Total Expenditures	\$20,571,868	\$21,004,476	\$20,127,885	\$24,491,239	\$24,379,207
State/Other Special Rev. Funds	8,723,854	9,106,855	8,289,240	12,798,359	12,665,155
Federal Spec. Rev. Funds	11,848,014	11,897,621	11,838,645	11,692,880	11,714,052
Total Funds	\$20,571,868	\$21,004,476	\$20,127,885	\$24,491,239	\$24,379,207
Total Ongoing	\$20,571,868	\$21,004,476	\$20,127,885	\$24,205,239	\$24,379,207
Total OTO	\$0	\$0	\$0	\$286,000	\$0

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Funding

The division is funded with state and federal special revenues. State special revenues primarily come from the general license account, which is funded by the sale of hunting and fishing licenses, camping fees, and permit sales. These funds are used to benefit both anglers and hunters. Additionally, the Nongame Wildlife Account receives a portion of marijuana taxes and voluntary donations from income tax filings. The Habitat Trust Account, which supports the Habitat Montana Program, is funded by interest from the habitat trust and a portion of hunting license revenues. Federal funding is derived from an excise tax on fishing equipment, sporting arms, and ammunition. These federal funds are allocated to support fish and wildlife management projects.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Wildlife Division 2027 Biennium HB 2 Base Budget and 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
Base Budget	0	8,289,240	11,838,645	20,127,885	82.2%	0	8,289,240	11,838,645	20,127,885	82.6%
Statewide PL										
Personal Services	0	320,264	(80,447)	239,817	1.0%	0	340,661	(80,448)	260,213	1.1%
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	0	0	(65,318)	(65,318)	(0.3%)	0	0	(44,145)	(44,145)	(0.2%)
Total Statewide PL	0	320,264	(145,765)	174,499	0.7%	0	340,661	(124,593)	216,068	0.9%
Present Law (PL)	0	3,902,855	0	3,902,855	15.9%	0	4,035,254	0	4,035,254	16.6%
New Proposals	0	286,000	0	286,000	1.2%	0	0	0	0	0.0%
Total HB 2 Adjustments	0	4,509,119	(145,765)	4,363,354	17.8%	0	4,375,915	(124,593)	4,251,322	17.4%
Total Budget	0	12,798,359	11,692,880	24,491,239		0	12,665,155	11,714,052	24,379,207	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	320,264	(80,447)	239,817	0.00	0	340,661	(80,448)	260,213
DP 3 - Inflation Deflation	0.00	0	0	(65,318)	(65,318)	0.00	0	0	(44,145)	(44,145)
DP 502 - Operations Increase to cover modified workers	0.00	0	245,500	0	245,500	0.00	0	245,500	0	245,500
DP 503 - Nongame Program Increase	0.00	0	1,360,342	0	1,360,342	0.00	0	1,346,342	0	1,346,342
DP 504 - Increase Survey & Inventory	0.00	0	300,000	0	300,000	0.00	0	300,000	0	300,000
DP 505 - Equipment Increase	0.00	0	102,133	0	102,133	0.00	0	102,133	0	102,133
DP 506 - Grizzly Bears Operations Increase	0.00	0	120,000	0	120,000	0.00	0	120,000	0	120,000
DP 508 - UGBEP Operations Increase	0.00	0	50,000	0	50,000	0.00	0	50,000	0	50,000
DP 912 - Aircraft Rate Base Increase	0.00	0	1,474,880	0	1,474,880	0.00	0	1,621,279	0	1,621,279
DP 913 - Maintenance Rate Base Increase	0.00	0	250,000	0	250,000	0.00	0	250,000	0	250,000
Grand Total All Present Law Adjustments	0.00	\$0	\$4,223,119	(\$145,765)	\$4,077,354	0.00	\$0	\$4,375,915	(\$124,593)	\$4,251,322

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 3 - Inflation Deflation -

The legislature adopted 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.

DP 502 - Operations Increase to cover modified workers -

The legislature adopted an increase in state special authority to cover personal services costs for the division's current 35.08 modified HB 2 positions in the proprietary maintenance program. These positions support CWD surveillance and response plans, Grizzly and Black Bear specialists to reduce conflicts on private lands, Grizzly and Black Bear coordinators and technicians, Mountain Lion technicians, Wolf technicians, State Wildlife Action Plan (SWAP) coordinator, nongame technicians, Marten technicians, Sharp-tailed Grouse technicians, and Swift Fox technicians.

DP 503 - Nongame Program Increase -

The legislature adopted increased state special revenue funding for operating expenses to support technicians for involved in wildlife surveys and monitoring. This aims to prevent endangered species listings, protect landowners, conserve priority species, develop a Watchable Wildlife Program, and enhance interagency conservation collaboration.

DP 504 - Increase Survey & Inventory -

The legislature adopted an increase in state special revenue to support a survey and inventory of game and nongame animals.

DP 505 - Equipment Increase -

The legislature adopted an increase to ongoing authority for equipment purchases to replace existing equipment at the end of its life cycle. Typical equipment includes trailers, all-terrain vehicles, snowmobiles, and habitat management equipment.

DP 506 - Grizzly Bears Operations Increase -

The legislature adopted an increase in state special revenue authority to support growing grizzly bear conflicts. Specialists work with landowners and communities to prevent conflicts and to respond to conflicts that do occur. This authority would support increased travel and supplies. This funding would support additional operations staff in regions 1-5.

DP 508 - UGBEP Operations Increase -

The legislature adopted an increase in state special revenue authority for the Upland Game Bird Program. The program conserves and enhances upland game bird habitats and populations and provides public hunting opportunities through its work with landowners across the state. Funding is intended to support increased costs of travel, signage, program materials, and public meetings.

DP 912 - Aircraft Rate Base Increase -

The legislature adopted an increase in state special revenue authority for increases in aircraft proprietary rates. FWP operates a proprietary aircraft unit. Each biennium rates are calculated in the proprietary program to ensure that the agency is equipped with safe, secure, and reliable aircraft to perform wildlife surveys, fish planting and general flight needs.

DP 913 - Maintenance Rate Base Increase -

The legislature adopted an increase in state special revenue for proprietary maintenance rates. FWP operates a proprietary maintenance unit. Each biennium rates are calculated in the proprietary program to ensure that the agency can perform necessary maintenance across all FWP sites.

New Proposals -

The "New Proposals" table shows new changes to 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 507 - Equipment (BIEN/OTO)	0.00	0	286,000	0	286,000	0.00	0	0	0	0
Total	0.00	\$0	\$286,000	\$0	\$286,000	0.00	\$0	\$0	\$0	\$0

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

DP 507 - Equipment (BIEN/OTO) -

The legislature adopted a one-time-only appropriation of state special revenue for specialized wildlife equipment including trucks, tracked UTVs, tree planter, snowmobiles, elk traps, and camper trailers to support wildlife technicians.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	101.72	109.07	109.07	7.35	3.6%
State/Other Special Rev. Funds	28,017,310	28,781,487	28,655,400	1,402,267	2.5%
Federal Spec. Rev. Funds	5,462,218	5,462,218	5,462,218		0.0%
Total Funds	33,479,528	34,243,705	34,117,618	1,402,267	2.1%
Personal Services	8,279,749	8,511,952	8,528,985	481,439	2.9%
Operating Expenses	24,258,345	24,640,819	24,647,199	771,328	1.6%
Equipment & Intangible Assets	419,238	568,738	419,238	149,500	17.8%
Grants	517,696	517,696	517,696		0.0%
Benefits & Claims	4,000	4,000	4,000		0.0%
Debt Service	500	500	500		0.0%
Total Expenditures	33,479,528	34,243,705	34,117,618	1,402,267	2.1%
Total Ongoing	33,479,528	33,975,580	33,998,993	1,015,517	1.5%
Total One-Time-Only	350,000	268,125	118,625	(313,250)	(44.8%)

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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 adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals	Approp.	Approp.	Legislative	Legislative
	Fiscal 2024	Fiscal 2024	Fiscal 2025	Fiscal 2026	Fiscal 2027
Personal Services	9,497,535	9,718,466	8,279,749	8,511,952	8,528,985
Operating Expenses	18,497,549	21,255,643	24,608,345	24,640,819	24,647,199
Equipment & Intangible Assets	352,917	419,238	419,238	568,738	419,238
Grants	513,159	517,696	517,696	517,696	517,696
Benefits & Claims	2,500	6,500	4,000	4,000	4,000
Debt Service	478	500	500	500	500
Total Expenditures	\$28,864,138	\$31,918,043	\$33,829,528	\$34,243,705	\$34,117,618
State/Other Special Rev. Funds	23,468,638	26,460,618	28,367,310	28,781,487	28,655,400
Federal Spec. Rev. Funds	5,395,500	5,457,425	5,462,218	5,462,218	5,462,218
Total Funds	\$28,864,138	\$31,918,043	\$33,829,528	\$34,243,705	\$34,117,618
Total Ongoing	\$28,822,796	\$31,568,043	\$33,479,528	\$33,975,580	\$33,998,993
Total OTO	\$41,342	\$350,000	\$350,000	\$268,125	\$118,625

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Funding

The division is funded with revenue from day-use park entry fees, camping fees, cabin site rentals, a portion of state gasoline dealers license and distribution tax, coal tax dollars, recreational and commercial user fees for floating and camping on the Smith River, hunting and fishing licenses, and other miscellaneous taxes, fees, and permit revenue. Statutory appropriations come from 6.5% of the total accommodations bed tax and issued for the maintenance of facilities in state parks that have both resident and non-resident use (15-65-121(2)(c), MCA).

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Parks and Outdoor Recreation Division 2027 Biennium HB 2 Base Budget and 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
Base Budget	0	28,017,310	5,462,218	33,479,528	97.8%	0	28,017,310	5,462,218	33,479,528	98.1%
Statewide PL										
Personal Services	0	(197,384)	0	(197,384)	(0.6%)	0	(180,397)	0	(180,397)	(0.5%)
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	0	(19,822)	0	(19,822)	(0.1%)	0	(13,396)	0	(13,396)	(0.0%)
Total Statewide PL	0	(217,206)	0	(217,206)	(0.6%)	0	(193,793)	0	(193,793)	(0.6%)
Present Law (PL)	0	189,500	0	189,500	0.6%	0	40,000	0	40,000	0.1%
New Proposals	0	791,883	0	791,883	2.3%	0	791,883	0	791,883	2.3%
Total HB 2 Adjustments	0	764,177	0	764,177	2.2%	0	638,090	0	638,090	1.9%
Total Budget	0	28,781,487	5,462,218	34,243,705		0	28,655,400	5,462,218	34,117,618	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	0	(197,384)	0	(197,384)	0.00	0	(180,397)	0	(180,397)
DP 3 - Inflation Deflation	0.00	0	(19,822)	0	(19,822)	0.00	0	(13,396)	0	(13,396)
DP 603 - Region 4 Smith River-Budget Authority Increase	0.00	0	40,000	0	40,000	0.00	0	40,000	0	40,000
DP 606 - Recreational Equipment (BIEN/OTO)	0.00	0	149,500	0	149,500	0.00	0	0	0	0
Grand Total All Present Law Adjustments	0.00	\$0	(\$27,706)	\$0	(\$27,706)	0.00	\$0	(\$153,793)	\$0	(\$153,793)

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 3 - Inflation Deflation -

The legislature adopted 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.

DP 603 - Region 4 Smith River-Budget Authority Increase -

The legislature adopted an increase in state special revenue authority to support increased operating costs. This proposal is to be funded out of the Smith River Corridor Enhancement state special revenue fund, which receives revenues from charges for services, permit and license fees, outfitter fees, and other miscellaneous income related to the Smith River recreational activities.

DP 606 - Recreational Equipment (BIEN/OTO) -

The legislature adopted a one-time-only and biennial appropriation from state special revenue for small equipment purchases.

New Proposals -

The "New Proposals" table shows new changes to 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 604 - Gartside Reservoir FAS Dam Operator	0.00	0	25,000	0	25,000	0.00	0	25,000	0	25,000
DP 605 - State Parks Statewide Resources	7.35	0	471,258	0	471,258	7.35	0	471,258	0	471,258
DP 610 - AmeriCorps Operations Increase(OTO)	0.00	0	177,000	0	177,000	0.00	0	177,000	0	177,000
DP 6307 - Fishing and Water Access Sites (RST/BIEN/OTO)	0.00	0	51,750	0	51,750	0.00	0	51,750	0	51,750
DP 6308 - Fishing Access Weed Control & Riparian Habitat (RST/BIEN/OTO)	0.00	0	66,875	0	66,875	0.00	0	66,875	0	66,875
Total	7.35	\$0	\$791,883	\$0	\$791,883	7.35	\$0	\$791,883	\$0	\$791,883

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

DP 604 - Gartside Reservoir FAS Dam Operator -

The legislature adopted state special revenue to fund a contractor to assume duties as the Gartside Reservoir Dam Operator. Duties are currently performed by FWP maintenance staff located in Miles City (approximately 120 miles from dam location). Gartside Reservoir Dam is classified by DNRC as a High Hazard Dam.

DP 605 - State Parks Statewide Resources -

The legislature adopted new 7.35 PB to the Montana State Parks system.

DP 610 - AmeriCorps Operations Increase(OTO) -

The legislature adopted a one-time-only an increase in appropriation from the State Parks Miscellaneous state special revenue account to expand the AmeriCorps program. The state special revenue in this decision package must be matched with federal funds.

DP 6307 - Fishing and Water Access Sites (RST/BIEN/OTO) -

The legislature adopted a one-time-only increase in appropriation of state special revenue to address increases in recreational use of fishing and water access sites.

The legislature intends that the agency seeks outside contractors should there not be sufficient resources within the agency to complete the task.

It is the intent of the legislature that the agency will not use more than 5.0% of the fund to administer contracts.

DP 6308 - Fishing Access Weed Control & Riparian Habitat (RST/BIEN/OTO -

The legislature adopted a one-time-only increase of state special revenue to improve riparian habitat and increase weed control at fishing access sites.

Where available, the legislature intends that the agency to contract with conservation districts or other contractors for the weed spraying activities.

It is the intention of the legislature that the agency will not use more than 5.0% of the fund to administer contracts.

The following language will be included in HB 2:

Fish, Wildlife, and Parks will report to the Environmental Quality Council, and the Joint Interim Budget Committee for Natural Resources and Transportation by the first day of December of each year of the 2027 Biennium on the actual habitat enhanced and actual areas treated for weeds.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	27.50	27.50	27.50	0.00	0.0%	
State/Other Special Rev. Funds	4,502,852	4,745,452	4,756,358	496,106	5.5%	
Federal Spec. Rev. Funds	1,033,441	1,033,441	1,033,441		0.0%	
Total Funds	5,536,293	5,778,893	5,789,799	496,106	4.5%	
Personal Services	2,590,863	2,623,988	2,633,274	75,536	1.5%	
Operating Expenses	2,584,108	2,754,583	2,756,203	342,570	6.6%	
Equipment & Intangible Assets		39,000	39,000	78,000	0.0%	
Grants	357,322	357,322	357,322		0.0%	
Benefits & Claims	2,000	2,000	2,000		0.0%	
Transfers	2,000	2,000	2,000		0.0%	
Total Expenditures	5,536,293	5,778,893	5,789,799	496,106	4.5%	
Total Ongoing	5,536,293	5,728,421	5,739,327	395,162	3.6%	
Total One-Time-Only		50,472	50,472	100,944	0.0%	

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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 adopted budget 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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	2,699,821	2,708,782	2,590,863	2,623,988	2,633,274
Operating Expenses	2,061,599	2,276,671	2,584,108	2,754,583	2,756,203
Equipment & Intangible Assets	0	0	0	39,000	39,000
Grants	339,722	363,943	357,322	357,322	357,322
Benefits & Claims	0	2,000	2,000	2,000	2,000
Transfers	0	0	2,000	2,000	2,000
Total Expenditures	\$5,101,142	\$5,351,396	\$5,536,293	\$5,778,893	\$5,789,799
State/Other Special Rev. Funds	4,199,534	4,383,304	4,502,852	4,745,452	4,756,358
Federal Spec. Rev. Funds	901,608	968,092	1,033,441	1,033,441	1,033,441
Total Funds	\$5,101,142	\$5,351,396	\$5,536,293	\$5,778,893	\$5,789,799
Total Ongoing	\$5,101,142	\$5,351,396	\$5,536,293	\$5,728,421	\$5,739,327
Total OTO	\$0	\$0	\$0	\$50,472	\$50,472

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Funding

The division is funded almost entirely from the state general license account and federal sources. State special revenues are from the sale of fishing and hunting licenses, camping fees, permit sales, commercial use fees, and other miscellaneous state revenues. Federal revenue sources are from an excise tax on the sale of fishing gear, sporting arms, and ammunition.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Communication and Education Division 2027 Biennium HB 2 Base Budget and 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
Base Budget	0	4,502,852	1,033,441	5,536,293	95.8%	0	4,502,852	1,033,441	5,536,293	95.6%
Statewide PL										
Personal Services	0	33,125	0	33,125	0.6%	0	42,411	0	42,411	0.7%
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	0	(4,997)	0	(4,997)	(0.1%)	0	(3,377)	0	(3,377)	(0.1%)
Total Statewide PL	0	28,128	0	28,128	0.5%	0	39,034	0	39,034	0.7%
Present Law (PL)	0	125,000	0	125,000	2.2%	0	125,000	0	125,000	2.2%
New Proposals	0	89,472	0	89,472	1.5%	0	89,472	0	89,472	1.5%
Total HB 2 Adjustments	0	242,600	0	242,600	4.2%	0	253,506	0	253,506	4.4%
Total Budget	0	4,745,452	1,033,441	5,778,893		0	4,756,358	1,033,441	5,789,799	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	0	33,125	0	33,125	0.00	0	42,411	0	42,411
DP 3 - Inflation Deflation	0.00	0	(4,997)	0	(4,997)	0.00	0	(3,377)	0	(3,377)
DP 803 - MT Outdoors Ops Increase	0.00	0	125,000	0	125,000	0.00	0	125,000	0	125,000
Grand Total All Present Law Adjustments	0.00	\$0	\$153,128	\$0	\$153,128	0.00	\$0	\$164,034	\$0	\$164,034

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

52010 - Department Of Fish, Wildlife, And Parks 08-Communication and Education Division

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 3 - Inflation Deflation -

The legislature adopted 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.

DP 803 - MT Outdoors Ops Increase -

The legislature adopted an increase in state special revenue to produce the Montana Outdoor Magazine. This funding would cover inflationary increases in printing, mailing and operations costs.

New Proposals -

The "New Proposals" table shows new changes to spending.

	-----Fiscal 2026-----					-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 802 - Com Ed Equipment	0.00	0	39,000	0	39,000	0.00	0	39,000	0	39,000
DP 805 - Publication Specialist (OTO)	0.00	0	50,472	0	50,472	0.00	0	50,472	0	50,472
Total	0.00	\$0	\$89,472	\$0	\$89,472	0.00	\$0	\$89,472	\$0	\$89,472

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

DP 802 - Com Ed Equipment -

The legislature approved the establish of an equipment budget funded with state special revenue for the Communication and Education Division. This base equipment budget addition will allow the purchase and replacement of equipment on an annual basis.

DP 805 - Publication Specialist (OTO) -

The legislature adopted a one-time-only temporary position to facilitate the transition of a new Montana Outdoors editor. The modified position would fund the retention of the retiring editor during the transition period to a new editor and to update public program materials.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	148.52	156.52	156.52	8.00	2.7%
State/Other Special Rev. Funds	23,744,970	27,146,724	27,345,600	7,002,384	14.7%
Federal Spec. Rev. Funds	1,759,127	1,759,127	1,759,127		0.0%
Total Funds	25,504,097	28,905,851	29,104,727	7,002,384	13.7%
Personal Services	13,844,252	14,757,734	14,813,379	1,882,609	6.8%
Operating Expenses	9,674,707	12,162,979	12,306,210	5,119,775	26.5%
Equipment & Intangible Assets	27,638	27,638	27,638		0.0%
Benefits & Claims	3,000	3,000	3,000		0.0%
Transfers	1,376,979	1,376,979	1,376,979		0.0%
Debt Service	577,521	577,521	577,521		0.0%
Total Expenditures	25,504,097	28,905,851	29,104,727	7,002,384	13.7%
Total Ongoing	25,504,097	28,905,851	29,104,727	7,002,384	13.7%
Total One-Time-Only	100,000			(200,000)	(100.0%)

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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 adopted budget 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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	13,253,979	13,395,414	13,844,252	14,757,734	14,813,379
Operating Expenses	8,710,236	9,863,017	9,774,707	12,162,979	12,306,210
Equipment & Intangible Assets	9,945	27,638	27,638	27,638	27,638
Benefits & Claims	1,000	3,000	3,000	3,000	3,000
Transfers	1,026,725	1,255,979	1,376,979	1,376,979	1,376,979
Debt Service	565,868	566,521	577,521	577,521	577,521
Total Expenditures	\$23,567,753	\$25,111,569	\$25,604,097	\$28,905,851	\$29,104,727
State/Other Special Rev. Funds	22,275,474	23,552,627	23,844,970	27,146,724	27,345,600
Federal Spec. Rev. Funds	1,292,279	1,558,942	1,759,127	1,759,127	1,759,127
Total Funds	\$23,567,753	\$25,111,569	\$25,604,097	\$28,905,851	\$29,104,727
Total Ongoing	\$23,567,753	\$25,011,569	\$25,504,097	\$28,905,851	\$29,104,727
Total OTO	\$0	\$100,000	\$100,000	\$0	\$0

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Funding

The division is funded primarily with state special revenue from the sale of hunting and fishing licenses. Proprietary revenue includes charges for the vehicle fleet, and warehouse fees. Statutory expenditures are for Payment in Lieu of Taxes (PILT). PILT are payments to local governments to help offset losses in property taxes due to the existence of state or federal lands not subject to property taxes.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Administration 2027 Biennium HB 2 Base Budget and 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
Base Budget	0	23,744,970	1,759,127	25,504,097	88.2%	0	23,744,970	1,759,127	25,504,097	87.6%
Statewide PL										
Personal Services	0	168,136	0	168,136	0.6%	0	210,219	0	210,219	0.7%
Fixed Costs	0	220,652	0	220,652	0.8%	0	201,702	0	201,702	0.7%
Inflation Deflation	0	(1,997)	0	(1,997)	(0.0%)	0	(1,350)	0	(1,350)	(0.0%)
Total Statewide PL	0	386,791	0	386,791	1.3%	0	410,571	0	410,571	1.4%
Present Law (PL)	0	2,076,617	0	2,076,617	7.2%	0	2,271,151	0	2,271,151	7.8%
New Proposals	0	938,346	0	938,346	3.2%	0	918,908	0	918,908	3.2%
Total HB 2 Adjustments	0	3,401,754	0	3,401,754	11.8%	0	3,600,630	0	3,600,630	12.4%
Total Budget	0	27,146,724	1,759,127	28,905,851		0	27,345,600	1,759,127	29,104,727	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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
Present Law Adjustments										
DP 1 - Personal Services	0.00	0	168,136	0	168,136	0.00	0	210,219	0	210,219
DP 2 - Fixed Costs	0.00	0	220,652	0	220,652	0.00	0	201,702	0	201,702
DP 3 - Inflation Deflation	0.00	0	(1,997)	0	(1,997)	0.00	0	(1,350)	0	(1,350)
DP 22 - Fixed Cost Adjustment for Robert's Rules	0.00	0	(2,814)	0	(2,814)	0.00	0	(2,814)	0	(2,814)
DP 23 - Fixed Costs Adjustment for Office/Non-Office Rent	0.00	0	(16,373)	0	(16,373)	0.00	0	(17,432)	0	(17,432)
DP 902 - USGS Funding	0.00	0	300,000	0	300,000	0.00	0	330,000	0	330,000
DP 905 - Irrigation Infrastructure Improvements	0.00	0	50,000	0	50,000	0.00	0	50,000	0	50,000
DP 909 - Organizational Development Operations	0.00	0	16,000	0	16,000	0.00	0	16,000	0	16,000
DP 911 - Fleet Rate Base Increase	0.00	0	1,230,283	0	1,230,283	0.00	0	1,375,913	0	1,375,913
DP 912 - Aircraft Rate Base Increase	0.00	0	201,120	0	201,120	0.00	0	221,083	0	221,083
DP 914 - Havre Area Office Ongoing Operations and Maintenance	0.00	0	13,131	0	13,131	0.00	0	13,131	0	13,131
DP 918 - Legal Unit Operations	0.00	0	285,270	0	285,270	0.00	0	285,270	0	285,270
Grand Total All Present Law Adjustments	0.00	\$0	\$2,463,408	\$0	\$2,463,408	0.00	\$0	\$2,681,722	\$0	\$2,681,722

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted 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: warrant writer, motor pool, 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 legislature adopted 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.

DP 22 - Fixed Cost Adjustment for Robert's Rules -

The legislature adopted an adjustment to fixed cost that removed new appropriations for Robert's Rules of Order training included in DP 2.

DP 23 - Fixed Costs Adjustment for Office/Non-Office Rent -

The legislature adopted an adjustment to fixed costs that reduced office and non-office rent included in DP 2.

DP 902 - USGS Funding -

The legislature adopted an increase in state special revenue authority to contract with United States Geological Survey (USGS) to provide stream gaging services. This service provides real-time data via the USGS website in addition to quality-controlled data compiled for each site.

DP 905 - Irrigation Infrastructure Improvements -

The legislature adopted an increase in state special revenue authority to work with water users across the state on improving the efficiency of irrigation practices, upgrading irrigation infrastructure and/or leasing of water to improve instream flows for trout and other aquatic organisms. This proposal would support one or more large projects each biennium.

DP 909 - Organizational Development Operations -

The legislature adopted an increase in state special revenue for in person employee training for new employees, supervisors, and agency leadership training.

DP 911 - Fleet Rate Base Increase -

The legislature adopted an increase in state special revenue authority for increases in fleet proprietary rates. FWP operates a proprietary fleet program like the MDT motor pool program. Each biennium rates are calculated in the proprietary program to ensure that the agency is equipped with safe, secure, and reliable vehicles for all staff statewide.

DP 912 - Aircraft Rate Base Increase -

The legislature adopted an increase in state special revenue authority for increases in aircraft proprietary rates. FWP operates a proprietary aircraft unit. Each biennium rates are calculated in the proprietary program to ensure that the agency is equipped with safe, secure, and reliable aircraft to perform wildlife surveys, fish planting and general flight needs.

DP 914 - Havre Area Office Ongoing Operations and Maintenance -

The legislature adopted an increase in state special revenue for ongoing operations and maintenance costs of the new Havre Area Office facility approved in House Bill 5 during the 2021 legislative session. This proposal would increase the base budget.

DP 918 - Legal Unit Operations -

The legislature adopted an increase in state special authority to support a threefold increase in caseloads and inflationary costs in the legal unit. This proposal would fund an attorney to address the workload as well as an increase to the operations resources available for the contracts and litigation costs.

New Proposals -

The "New Proposals" table shows new changes to 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 901 - Land & Water Hydrology Resources	1.00	0	111,836	0	111,836	1.00	0	115,403	0	115,403
DP 904 - Aircraft Pilot Resources	1.00	0	105,441	0	105,441	1.00	0	105,986	0	105,986
DP 906 - Research Unit Resources	2.00	0	240,337	0	240,337	2.00	0	226,014	0	226,014
DP 907 - FWP Genetics Program Resources	2.00	0	213,617	0	213,617	2.00	0	204,390	0	204,390
DP 910 - Statewide Fish Health Resources	2.00	0	267,115	0	267,115	2.00	0	267,115	0	267,115
Total	8.00	\$0	\$938,346	\$0	\$938,346	8.00	\$0	\$918,908	\$0	\$918,908

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

DP 901 - Land & Water Hydrology Resources -

The legislature adopted 1.00 PB to work on aquatic habitat protection through expanded surface water measurements, technical investigations, and stream gage programming across Montana.

DP 904 - Aircraft Pilot Resources -

The legislature adopted to add a new staff pilot, 1.00 PB in the Great Falls and Lewistown area. The department's pilots conduct wildlife surveys and stock remote mountain lakes.

DP 906 - Research Unit Resources -

The legislature adopted a new fisheries research biologist and a research coordinator, 2.00 PB, to the agency's research unit.

DP 907 - FWP Genetics Program Resources -

The legislature adopted the expansion of the genetics program within the Research Unit by 2.00 PB. The expansion would meet growing demand for fisheries and wildlife genetic services. This includes adding in-house expertise to support conservation efforts, manage hatchery brood stock, and address Endangered Species listings.

DP 910 - Statewide Fish Health Resources -

The legislature adopted the expansion of the fish health lab staff by 2.00 PB. New positions would include a disease ecologist, and a technician.

Agency Base Budget Comparison

The following table compares the base budget with the expenditures adopted by the legislature 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	367.04	376.04	376.04	9.00	1.2%
General Fund	6,751,689	8,286,014	8,292,637	3,075,273	22.8%
State/Other Special Rev. Funds	34,851,429	37,448,364	37,488,795	5,234,301	7.5%
Federal Spec. Rev. Funds	25,843,362	26,424,836	26,446,828	1,184,940	2.3%
Total Funds	67,446,480	72,159,214	72,228,260	9,494,514	7.0%
Personal Services	34,929,402	36,423,717	36,508,445	3,073,358	4.4%
Operating Expenses	27,011,859	30,230,278	30,214,596	6,421,156	11.9%
Equipment & Intangible Assets	101,740	101,740	101,740		0.0%
Grants	1,938,835	1,938,835	1,938,835		0.0%
Benefits & Claims	425,000	425,000	425,000		0.0%
Transfers	3,039,644	3,039,644	3,039,644		0.0%
Total Expenditures	67,446,480	72,159,214	72,228,260	9,494,514	7.0%
Total Ongoing	67,446,480	72,159,214	72,228,260	9,494,514	7.0%
Total One-Time-Only	1,513,825			(3,027,650)	(100.0%)

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Agency Highlights

<p>Department of Environmental Quality Major Budget Highlights</p>
<p>The legislature adopted an increase of 7.0% or \$9.5 million in total appropriations above base funding. In addition to statewide present law adjustments of \$1.7 million the legislature adopted:</p> <ul style="list-style-type: none"> • Mine reclamation: \$5.4 million • Additional 9.00 PB to support increasing case load and applications: \$2.3 million • Board of Environmental Review operations: \$80,000

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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	29,026,795	33,670,229	35,253,427	36,423,717	36,508,445
Operating Expenses	18,679,506	27,818,459	28,201,659	30,230,278	30,214,596
Equipment & Intangible Assets	360,243	238,395	101,740	101,740	101,740
Capital Outlay	1,531,886	1,445,500	0	0	0
Grants	1,815,250	1,938,835	1,938,835	1,938,835	1,938,835
Benefits & Claims	348,053	425,000	425,000	425,000	425,000
Transfers	496,892	1,618,644	3,039,644	3,039,644	3,039,644
Total Expenditures	\$52,258,625	\$67,155,062	\$68,960,305	\$72,159,214	\$72,228,260
General Fund	6,709,708	6,797,215	7,165,514	8,286,014	8,292,637
State/Other Special Rev. Funds	24,304,542	35,109,635	35,951,429	37,448,364	37,488,795
Federal Spec. Rev. Funds	21,244,375	25,248,212	25,843,362	26,424,836	26,446,828
Total Funds	\$52,258,625	\$67,155,062	\$68,960,305	\$72,159,214	\$72,228,260
Total Ongoing	\$51,861,805	\$65,615,926	\$67,446,480	\$72,159,214	\$72,228,260
Total OTO	\$396,820	\$1,539,136	\$1,513,825	\$0	\$0

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Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2025	Executive Budget Fiscal 2026	Legislative Budget Fiscal 2026	Leg — Exec. Difference Fiscal 2026	Executive Budget Fiscal 2027	Legislative Budget Fiscal 2027	Leg — Exec. Difference Fiscal 2027	Biennium Difference Fiscal 26-27
Personal Services	35,253,427	36,423,717	36,423,717	0	36,508,445	36,508,445	0	0
Operating Expenses	28,201,659	30,230,279	30,230,278	(1)	30,214,597	30,214,596	(1)	(2)
Equipment & Intangible Assets	101,740	101,740	101,740	0	101,740	101,740	0	0
Capital Outlay	0	0	0	0	0	0	0	0
Grants	1,938,835	1,938,835	1,938,835	0	1,938,835	1,938,835	0	0
Benefits & Claims	425,000	425,000	425,000	0	425,000	425,000	0	0
Transfers	3,039,644	3,039,644	3,039,644	0	3,039,644	3,039,644	0	0
Total Costs	\$68,960,305	\$72,159,215	\$72,159,214	(\$1)	\$72,228,261	\$72,228,260	(\$1)	(\$2)
General Fund	7,165,514	8,286,014	8,286,014	0	8,292,637	8,292,637	0	0
State/Other Special Rev. Funds	35,951,429	37,448,365	37,448,364	(1)	37,488,796	37,488,795	(1)	(2)
Federal Spec. Rev. Funds	25,843,362	26,424,836	26,424,836	0	26,446,828	26,446,828	0	0
Other	0	0	0	0	0	0	0	0
Total Funds	\$68,960,305	\$72,159,215	\$72,159,214	(\$1)	\$72,228,261	\$72,228,260	(\$1)	(\$2)
Total Ongoing	\$67,446,480	\$72,159,215	\$72,159,214	(\$1)	\$72,228,261	\$72,228,260	(\$1)	(\$2)
Total OTO	\$1,513,825	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The legislature adopted the executive proposals.

Funding

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

Total Department of Environmental Quality 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
01100 General Fund	16,578,651				16,578,651	9.5%
02058 Petroleum Storage Tank Cleanup	7,411,435			10,500,000	17,911,435	10.3%
02201 Air Quality-Operating Fees	7,320,646				7,320,646	4.2%
02278 MPDES Permit Program	7,007,137				7,007,137	4.0%
02988 Hard Rock Mining Reclamation	6,252,704				6,252,704	3.6%
02576 Natural Resources Operations	5,231,196				5,231,196	3.0%
Other State Special Revenue	41,714,041				41,714,041	23.9%
State Special Revenue Total	74,937,159			10,500,000	85,437,159	48.9%
03433 EPA Perf Partnership Grant	12,656,372				12,656,372	7.2%
03036 DEQ - Federal Aml Grant	8,756,129				8,756,129	5.0%
03816 DOI OSM A&E Grant	4,458,027				4,458,027	2.6%
03595 DW24 SRF Grant	3,862,698				3,862,698	2.2%
03231 NPS25 Staffing Grant	2,175,108				2,175,108	1.2%
Other Federal Special Revenue	20,963,330				20,963,330	12.0%
Federal Special Revenue Total	52,871,664				52,871,664	30.3%
06509 DEQ Indirects			19,764,672		19,764,672	11.3%
Proprietary Fund Total			19,764,672		19,764,672	11.3%
Total of All Funds	144,387,474		19,764,672	10,500,000	174,652,146	
Percent of All Sources of Authority	82.7%	0.0%	11.3%	6.0%		

The Department of Environmental Quality largest source of funding is state special revenue which is derived from permitting fees, fines, and bond proceeds utilized to support specific department functions such as permitting, enforcement, and remediation. The federal revenue is provided from the U.S. Environmental Protection Agency (EPA) performance partnership grant, the super fund program, and other federal grant resources. General fund is utilized for personal services, travel, communications, and equipment. Statutory appropriations are funded by a tax on petroleum based fuels and are appropriated to the administrative cost of the petroleum tank clean up.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Department of Environmental Quality 2027 Biennium HB 2 Base Budget and 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
Base Budget	6,751,689	34,851,429	25,843,362	67,446,480	93.5%	6,751,689	34,851,429	25,843,362	67,446,480	93.4%
Statewide PL										
Personal Services	530,149	(561,153)	466,499	435,495	0.6%	552,532	(521,938)	490,027	520,621	0.7%
Fixed Costs	292,082	100,239	13,454	405,775	0.6%	274,847	97,301	8,454	380,602	0.5%
Inflation Deflation	(5,772)	(12,814)	(10,685)	(29,271)	(0.0%)	(3,899)	(8,659)	(7,221)	(19,779)	(0.0%)
Total Statewide PL	816,459	(473,728)	469,268	811,999	1.1%	823,480	(433,296)	491,260	881,444	1.2%
Present Law (PL)	293,344	2,870,663	112,206	3,276,213	4.5%	292,946	2,870,662	112,206	3,275,814	4.5%
New Proposals	424,522	200,000	0	624,522	0.9%	424,522	200,000	0	624,522	0.9%
Total HB 2 Adjustments	1,534,325	2,596,935	581,474	4,712,734	6.5%	1,540,948	2,637,366	603,466	4,781,780	6.6%
Total Budget	8,286,014	37,448,364	26,424,836	72,159,214		8,292,637	37,488,795	26,446,828	72,228,260	

Language and Statutory Authority

The Water Quality Division is authorized to decrease federal special revenue and increase state special revenue in the drinking water or water pollution control revolving loan programs by a like amount within the administration account, when the amount of federal capitalization funds has been expended or when federal funds and bond proceeds will be used for other program purposes.

If HB 58 is not passed and approved, HB 2 state special revenue in the Air, Energy, and Mining Division is reduced by \$500,000 in FY 2026 and \$500,000 in FY 2027.

If HB 69 is not passed and approved, HB 2 state special revenue in the Air, Energy, and Mining Division is reduced by \$200,000 in FY 2026 and \$200,000 in FY 2027.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	20.23	22.23	22.23	2.00	4.9%
General Fund	1,309,529	1,872,582	1,879,601	1,133,125	43.3%
State/Other Special Rev. Funds	2,697,560	2,697,560	2,697,560		0.0%
Federal Spec. Rev. Funds	1,101,430	873,770	874,551	(454,539)	(20.6%)
Total Funds	5,108,519	5,443,912	5,451,712	678,586	6.6%
Personal Services	2,146,750	2,353,115	2,362,807	422,422	9.8%
Operating Expenses	2,961,769	3,090,797	3,088,905	256,164	4.3%
Total Expenditures	5,108,519	5,443,912	5,451,712	678,586	6.6%
Total Ongoing	5,108,519	5,443,912	5,451,712	678,586	6.6%
Total One-Time-Only					0.0%

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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 adopted budget 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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	2,139,473	2,048,219	2,146,750	2,353,115	2,362,807
Operating Expenses	1,047,168	2,860,010	2,961,769	3,090,797	3,088,905
Total Expenditures	\$3,186,641	\$4,908,229	\$5,108,519	\$5,443,912	\$5,451,712
General Fund	1,167,995	1,178,422	1,309,529	1,872,582	1,879,601
State/Other Special Rev. Funds	1,242,610	2,670,455	2,697,560	2,697,560	2,697,560
Federal Spec. Rev. Funds	776,036	1,059,352	1,101,430	873,770	874,551
Total Funds	\$3,186,641	\$4,908,229	\$5,108,519	\$5,443,912	\$5,451,712
Total Ongoing	\$3,186,641	\$4,908,229	\$5,108,519	\$5,443,912	\$5,451,712
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

About 64.6% of the activities in the Central Management Program are funded with non-budgeted proprietary funds that are not appropriated through HB 2. The proprietary funding is based upon a negotiated indirect rate with the Environmental Protection Agency (EPA). The indirect rate is assessed against personal services and operations. Budgeted funds constitute 35.4% of total funding sources for the program. The appropriated funds consist of general funds, 15 state special revenue funds, and federal grants. Most of the funding comes from Montana Environmental Protection Act (MEPA) fees. Other revenue comes from fees for major facility siting, environmental re-habitation and response, air quality operating fees, and pollutant discharge elimination system permits.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Central Management Program 2027 Biennium HB 2 Base Budget and 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
Base Budget	1,309,529	2,697,560	1,101,430	5,108,519	93.8%	1,309,529	2,697,560	1,101,430	5,108,519	93.7%
Statewide PL										
Personal Services	234,077	0	(227,660)	6,417	0.1%	243,386	0	(226,879)	16,507	0.3%
Fixed Costs	36,494	0	0	36,494	0.7%	34,322	0	0	34,322	0.6%
Inflation Deflation	(862)	0	0	(862)	(0.0%)	(582)	0	0	(582)	(0.0%)
Total Statewide PL	269,709	0	(227,660)	42,049	0.8%	277,126	0	(226,879)	50,247	0.9%
Present Law (PL)	293,344	0	0	293,344	5.4%	292,946	0	0	292,946	5.4%
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
Total HB 2 Adjustments	563,053	0	(227,660)	335,393	6.2%	570,072	0	(226,879)	343,193	6.3%
Total Budget	1,872,582	2,697,560	873,770	5,443,912		1,879,601	2,697,560	874,551	5,451,712	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	234,077	0	(227,660)	6,417	0.00	243,386	0	(226,879)	16,507
DP 2 - Fixed Costs	0.00	36,494	0	0	36,494	0.00	34,322	0	0	34,322
DP 3 - Inflation Deflation	0.00	(862)	0	0	(862)	0.00	(582)	0	0	(582)
DP 10002 - Additional Legal Support	2.00	253,344	0	0	253,344	2.00	252,946	0	0	252,946
DP 10011 - Board of Environmental Review	0.00	40,000	0	0	40,000	0.00	40,000	0	0	40,000
Grand Total All Present Law Adjustments	2.00	\$563,053	\$0	(\$227,660)	\$335,393	2.00	\$570,072	\$0	(\$226,879)	\$343,193

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted 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: warrant writer, motor pool, 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 legislature adopted 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.

DP 10002 - Additional Legal Support -

The legislature adopted an increase in general fund to support the addition of 2.00 PB, a new attorney and legal secretary.

DP 10011 - Board of Environmental Review -

The legislature adopted an increase in general fund to support increasing caseloads at the Board of Environmental Review.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	136.67	143.67	143.67	7.00	2.6%
General Fund	2,766,335	3,517,297	3,513,493	1,498,120	27.1%
State/Other Special Rev. Funds	8,547,420	8,475,099	8,480,537	(139,204)	(0.8%)
Federal Spec. Rev. Funds	8,406,729	8,999,405	9,009,848	1,195,795	7.1%
Total Funds	19,720,484	20,991,801	21,003,878	2,554,711	6.5%
Personal Services	13,140,844	14,032,848	14,054,787	1,805,947	6.9%
Operating Expenses	6,323,619	6,702,932	6,693,070	748,764	5.9%
Grants	252,020	252,020	252,020		0.0%
Transfers	4,001	4,001	4,001		0.0%
Total Expenditures	19,720,484	20,991,801	21,003,878	2,554,711	6.5%
Total Ongoing	19,720,484	20,991,801	21,003,878	2,554,711	6.5%
Total One-Time-Only	413,825			(827,650)	(100.0%)

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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 adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals	Approp.	Approp.	Legislative	Legislative
	Fiscal 2024	Fiscal 2024	Fiscal 2025	Fiscal 2026	Fiscal 2027
Personal Services	11,297,692	12,879,277	13,464,869	14,032,848	14,054,787
Operating Expenses	4,666,009	6,412,093	6,413,419	6,702,932	6,693,070
Grants	313,333	252,020	252,020	252,020	252,020
Transfers	0	4,001	4,001	4,001	4,001
Total Expenditures	\$16,277,034	\$19,547,391	\$20,134,309	\$20,991,801	\$21,003,878
General Fund	3,099,560	3,142,352	3,180,160	3,517,297	3,513,493
State/Other Special Rev. Funds	5,712,936	8,255,548	8,547,420	8,475,099	8,480,537
Federal Spec. Rev. Funds	7,464,538	8,149,491	8,406,729	8,999,405	9,009,848
Total Funds	\$16,277,034	\$19,547,391	\$20,134,309	\$20,991,801	\$21,003,878
Total Ongoing	\$15,880,214	\$19,108,255	\$19,720,484	\$20,991,801	\$21,003,878
Total OTO	\$396,820	\$439,136	\$413,825	\$0	\$0

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Funding

The Water Quality Division is primarily funded with state special revenue and federal grants, which together account for 83.3% of its total budget. The division's primary sources of state special revenue include fees collected for Montana pollutant discharge elimination system permits, subdivision plat reviews, and funds from wastewater and drinking water revolving funds programs. Federal funding primarily comes from Environmental Protection Agency (EPA) programs. These include the performance partnership grant and funds allocated for non-point source water projects under the federal Clean Water Act.

General fund support makes up the remaining 16.7% of the total budget, primarily covering personal services and operating expenses.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Water Quality Division 2027 Biennium HB 2 Base Budget and 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
Base Budget	2,766,335	8,547,420	8,406,729	19,720,484	93.9%	2,766,335	8,547,420	8,406,729	19,720,484	93.9%
Statewide PL										
Personal Services	145,646	(442,984)	480,470	183,132	0.9%	151,703	(437,545)	490,913	205,071	1.0%
Fixed Costs	185,704	0	0	185,704	0.9%	174,250	0	0	174,250	0.8%
Inflation Deflation	(4,910)	0	0	(4,910)	(0.0%)	(3,317)	0	0	(3,317)	(0.0%)
Total Statewide PL	326,440	(442,984)	480,470	363,926	1.7%	322,636	(437,545)	490,913	376,004	1.8%
Present Law (PL)	0	370,663	112,206	482,869	2.3%	0	370,662	112,206	482,868	2.3%
New Proposals	424,522	0	0	424,522	2.0%	424,522	0	0	424,522	2.0%
Total HB 2 Adjustments	750,962	(72,321)	592,676	1,271,317	6.1%	747,158	(66,883)	603,119	1,283,394	6.1%
Total Budget	3,517,297	8,475,099	8,999,405	20,991,801		3,513,493	8,480,537	9,009,848	21,003,878	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	145,646	(442,984)	480,470	183,132	0.00	151,703	(437,545)	490,913	205,071
DP 2 - Fixed Costs	0.00	185,704	0	0	185,704	0.00	174,250	0	0	174,250
DP 3 - Inflation Deflation	0.00	(4,910)	0	0	(4,910)	0.00	(3,317)	0	0	(3,317)
DP 20006 - PWS Requesting HB2 PB	2.00	0	112,205	112,206	224,411	2.00	0	112,205	112,206	224,411
DP 20007 - Engineering Compliance Specialist	1.00	0	131,333	0	131,333	1.00	0	131,333	0	131,333
DP 20008 - Wastewater Technical Inspector	1.00	0	127,125	0	127,125	1.00	0	127,124	0	127,124
Grand Total All Present Law Adjustments	4.00	\$326,440	(\$72,321)	\$592,676	\$846,795	4.00	\$322,636	(\$66,883)	\$603,119	\$858,872

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted 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: warrant writer, motor pool, 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 legislature adopted 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.

DP 20006 - PWS Requesting HB2 PB -

The legislature adopted an increase in state and federal special revenues to fund an additional 2.00 PB to enact the Safe Drinking Water Act. These new positions will draft rules and conduct necessary sampling to ensure compliance with EPA standards for PFAS/PFOA (Per- and polyfluoroalkyl substances/perfluorooctanoic acid).

DP 20007 - Engineering Compliance Specialist -

The legislature adopted an increase in state special revenue to fund an additional 1.00 PB for an engineering compliance specialist. This new position will be responsible for conducting all compliance investigations related to complaints received by the Engineering Bureau. Additionally, the specialist will provide training to assist businesses and individuals in adhering to regulations concerning subdivision and public water/wastewater systems.

DP 20008 - Wastewater Technical Inspector -

The legislature adopted an increase in state special revenue to fund an additional 1.00 PB for a wastewater technical advisor. This new position would assist municipalities with optimizing their wastewater systems and provide wastewater operator training.

New Proposals -

The "New Proposals" table shows new changes to 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 20001 - Establish HB2 PB for Engineering Bureau	3.00	424,522	0	0	424,522	3.00	424,522	0	0	424,522
Total	3.00	\$424,522	\$0	\$0	\$424,522	3.00	\$424,522	\$0	\$0	\$424,522

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

DP 20001 - Establish HB2 PB for Engineering Bureau -

The legislature adopted an increase in general fund for an additional 3.00 PB in the Engineering Bureau for subdivision review.

53010 - Department Of Environmental Quality 40-Waste Management and Remediation Division

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	102.36	102.36	102.36	0.00	0.0%
General Fund	681,173	739,824	743,154	120,632	8.9%
State/Other Special Rev. Funds	12,338,396	12,288,408	12,306,209	(82,175)	(0.3%)
Federal Spec. Rev. Funds	11,046,805	11,374,388	11,379,279	660,057	3.0%
Total Funds	24,066,374	24,402,620	24,428,642	698,514	1.5%
Personal Services	9,434,405	9,743,187	9,769,953	644,330	3.4%
Operating Expenses	9,805,455	9,832,919	9,832,175	54,184	0.3%
Grants	1,686,815	1,686,815	1,686,815		0.0%
Benefits & Claims	425,000	425,000	425,000		0.0%
Transfers	2,714,699	2,714,699	2,714,699		0.0%
Total Expenditures	24,066,374	24,402,620	24,428,642	698,514	1.5%
Total Ongoing	24,066,374	24,402,620	24,428,642	698,514	1.5%
Total One-Time-Only	1,100,000			(2,200,000)	(100.0%)

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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 adopted budget 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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	7,455,153	8,976,524	9,434,405	9,743,187	9,769,953
Operating Expenses	7,722,865	10,816,527	10,905,455	9,832,919	9,832,175
Capital Outlay	1,531,886	1,445,500	0	0	0
Grants	1,501,917	1,686,815	1,686,815	1,686,815	1,686,815
Benefits & Claims	348,053	425,000	425,000	425,000	425,000
Transfers	10,557	1,293,699	2,714,699	2,714,699	2,714,699
Total Expenditures	\$18,570,431	\$24,644,065	\$25,166,374	\$24,402,620	\$24,428,642
General Fund	502,208	535,830	681,173	739,824	743,154
State/Other Special Rev. Funds	9,132,415	13,217,924	13,438,396	12,288,408	12,306,209
Federal Spec. Rev. Funds	8,935,808	10,890,311	11,046,805	11,374,388	11,379,279
Total Funds	\$18,570,431	\$24,644,065	\$25,166,374	\$24,402,620	\$24,428,642
Total Ongoing	\$18,570,431	\$23,544,065	\$24,066,374	\$24,402,620	\$24,428,642
Total OTO	\$0	\$1,100,000	\$1,100,000	\$0	\$0

53010 - Department Of Environmental Quality 40-Waste Management and Remediation Division

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Funding

The Waste Management and Remediation Division is funded primarily with state and federal special revenues which combined fund 98.1% of the budget. State special revenue comes from junk vehicle fees, \$0.0075 gas tax for petroleum tank cleanup, registration fees for underground storage tanks, and interest proceeds from the Resource Indemnity Trust (RIT). Federal special revenue is derived from the federal EPA for Superfund oversight and various other activities. Other federal revenue sources include the Office of Surface Mining for the Abandoned Mine Lands Program.

The general fund supports 1.9% of the division budget and supports the Waste Management Bureau.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Waste Management and Remediation Division 2027 Biennium HB 2 Base Budget and 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
Base Budget	681,173	12,338,396	11,046,805	24,066,374	98.6%	681,173	12,338,396	11,046,805	24,066,374	98.5%
Statewide PL										
Personal Services	58,651	(77,452)	327,583	308,782	1.3%	61,981	(58,907)	332,474	335,548	1.4%
Fixed Costs	0	31,970	0	31,970	0.1%	0	29,765	0	29,765	0.1%
Inflation Deflation	0	(4,506)	0	(4,506)	(0.0%)	0	(3,045)	0	(3,045)	(0.0%)
Total Statewide PL	58,651	(49,988)	327,583	336,246	1.4%	61,981	(32,187)	332,474	362,268	1.5%
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%
Total HB 2 Adjustments	58,651	(49,988)	327,583	336,246	1.4%	61,981	(32,187)	332,474	362,268	1.5%
Total Budget	739,824	12,288,408	11,374,388	24,402,620		743,154	12,306,209	11,379,279	24,428,642	

53010 - Department Of Environmental Quality 40-Waste Management and Remediation Division

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	58,651	(77,452)	327,583	308,782	0.00	61,981	(58,907)	332,474	335,548
DP 2 - Fixed Costs	0.00	0	31,970	0	31,970	0.00	0	29,765	0	29,765
DP 3 - Inflation Deflation	0.00	0	(4,506)	0	(4,506)	0.00	0	(3,045)	0	(3,045)
Grand Total All Present Law Adjustments	0.00	\$58,651	(\$49,988)	\$327,583	\$336,246	0.00	\$61,981	(\$32,187)	\$332,474	\$362,268

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted 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: warrant writer, motor pool, 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 legislature adopted 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.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	101.03	101.03	101.03	0.00	0.0%
General Fund	1,994,652	2,156,311	2,156,389	323,396	8.1%
State/Other Special Rev. Funds	9,869,841	12,563,818	12,580,751	5,404,887	27.4%
Federal Spec. Rev. Funds	5,288,398	5,177,273	5,183,150	(216,373)	(2.0%)
Total Funds	17,152,891	19,897,402	19,920,290	5,511,910	16.1%
Personal Services	9,637,711	9,700,979	9,726,944	152,501	0.8%
Operating Expenses	7,399,742	10,080,985	10,077,908	5,359,409	36.2%
Equipment & Intangible Assets	101,740	101,740	101,740		0.0%
Transfers	13,698	13,698	13,698		0.0%
Total Expenditures	17,152,891	19,897,402	19,920,290	5,511,910	16.1%
Total Ongoing	17,152,891	19,897,402	19,920,290	5,511,910	16.1%
Total One-Time-Only					0.0%

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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 adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals	Approp.	Approp.	Legislative	Legislative
	Fiscal 2024	Fiscal 2024	Fiscal 2025	Fiscal 2026	Fiscal 2027
Personal Services	7,588,402	9,226,261	9,637,711	9,700,979	9,726,944
Operating Expenses	5,024,034	7,213,201	7,399,742	10,080,985	10,077,908
Equipment & Intangible Assets	360,243	238,395	101,740	101,740	101,740
Transfers	0	13,698	13,698	13,698	13,698
Total Expenditures	\$12,972,679	\$16,691,555	\$17,152,891	\$19,897,402	\$19,920,290
General Fund	1,939,945	1,940,611	1,994,652	2,156,311	2,156,389
State/Other Special Rev. Funds	6,964,741	9,601,886	9,869,841	12,563,818	12,580,751
Federal Spec. Rev. Funds	4,067,993	5,149,058	5,288,398	5,177,273	5,183,150
Total Funds	\$12,972,679	\$16,691,555	\$17,152,891	\$19,897,402	\$19,920,290
Total Ongoing	\$12,972,679	\$16,691,555	\$17,152,891	\$19,897,402	\$19,920,290
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

The Air Energy and Mining Division is funded primarily with state special revenues and funds 62.7% of the total budget. State special revenue primarily consists of air quality and opencut mining licensing and permitting fees, as well as production taxes on oil, gas, and metal mines. The agency also receives Resource Indemnity Trust (RIT) interest via the natural resource operations fund. Federal revenues, which fund 26.4% of the budget, come primarily from EPA, Department of Energy, and Department of Interior grants. General fund, 11.0% of the budget, supports the administration of the division and the Air Quality, Energy, and Mining bureaus.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Air, Energy, and Mining Division 2027 Biennium HB 2 Base Budget and 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
Base Budget	1,994,652	9,869,841	5,288,398	17,152,891	86.2%	1,994,652	9,869,841	5,288,398	17,152,891	86.1%
Statewide PL										
Personal Services	91,775	(64,613)	(113,894)	(86,732)	(0.4%)	95,462	(49,748)	(106,481)	(60,767)	(0.3%)
Fixed Costs	69,884	66,898	13,454	150,236	0.8%	66,275	66,272	8,454	141,001	0.7%
Inflation Deflation	0	(8,308)	(10,685)	(18,993)	(0.1%)	0	(5,614)	(7,221)	(12,835)	(0.1%)
Total Statewide PL	161,659	(6,023)	(111,125)	44,511	0.2%	161,737	10,910	(105,248)	67,399	0.3%
Present Law (PL)	0	2,500,000	0	2,500,000	12.6%	0	2,500,000	0	2,500,000	12.6%
New Proposals	0	200,000	0	200,000	1.0%	0	200,000	0	200,000	1.0%
Total HB 2 Adjustments	161,659	2,693,977	(111,125)	2,744,511	13.8%	161,737	2,710,910	(105,248)	2,767,399	13.9%
Total Budget	2,156,311	12,563,818	5,177,273	19,897,402		2,156,389	12,580,751	5,183,150	19,920,290	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	91,775	(64,613)	(113,894)	(86,732)	0.00	95,462	(49,748)	(106,481)	(60,767)
DP 2 - Fixed Costs	0.00	69,884	66,898	13,454	150,236	0.00	66,275	66,272	8,454	141,001
DP 3 - Inflation Deflation	0.00	0	(8,308)	(10,685)	(18,993)	0.00	0	(5,614)	(7,221)	(12,835)
DP 50003 - CR Kendall Funding	0.00	0	500,000	0	500,000	0.00	0	500,000	0	500,000
DP 50010 - Appropriation for Zortman Landusky	0.00	0	2,000,000	0	2,000,000	0.00	0	2,000,000	0	2,000,000
Grand Total All Present Law Adjustments	0.00	\$161,659	\$2,493,977	(\$111,125)	\$2,544,511	0.00	\$161,737	\$2,510,910	(\$105,248)	\$2,567,399

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted 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: warrant writer, motor pool, 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 legislature adopted 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.

DP 50003 - CR Kendall Funding -

The legislature adopted an increase in state special revenue to support reclamation work at the CR Kendall mine site. The funding source for this decision package is dependent on the passage of HB 58 - "Revise distributions mine remediation". Prior funding for the reclamation, bond proceeds, has been exhausted. The legislature approve the following language for HB 2.

"If HB 58 is not passed and approved, HB 2 state special revenue in the Air, Energy, and Mining Division is reduced by \$500,000 in FY 2026 and \$500,000 in FY 2027."

DP 50010 - Appropriation for Zortman Landusky -

The legislature adopted an increase in state special revenue to support operation and maintenance of the Zortman/Landusky and CR Kendal mine reclamation sites. This proposal would be funded with forfeited surety bonds.

New Proposals -

The "New Proposals" table shows new changes to 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 50005 - Hard Rock Mining Fees	0.00	0	200,000	0	200,000	0.00	0	200,000	0	200,000
Total	0.00	\$0	\$200,000	\$0	\$200,000	0.00	\$0	\$200,000	\$0	\$200,000

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

DP 50005 - Hard Rock Mining Fees -

The legislature adopted an increase in state special revenue to support implementing the Metal Mine Reclamation Act (MMRA). This new funding is dependent on the passage of HB 69 – "An Act Revising Hard Rock and Rock Products Mining Fees". HB 69 establishes a new fee structure dedicated to metal mine reclamation. The legislature approved the following language for HB 2. "If HB 69 is not passed and approved, HB 2 state special revenue in the Air, Energy, and Mining Division is reduced by \$200,000 in FY 2026 and \$200,000 in FY 2027."

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	
State/Other Special Rev. Funds	488,686	488,686	488,686			0.0%
Total Funds	488,686	488,686	488,686			0.0%
Operating Expenses	181,440	181,440	181,440			0.0%
Transfers	307,246	307,246	307,246			0.0%
Total Expenditures	488,686	488,686	488,686			0.0%
Total Ongoing	488,686	488,686	488,686			0.0%
Total One-Time-Only						0.0%

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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 adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals	Approp.	Approp.	Legislative	Legislative
	Fiscal 2024	Fiscal 2024	Fiscal 2025	Fiscal 2026	Fiscal 2027
Operating Expenses	2	179,334	181,440	181,440	181,440
Transfers	486,335	307,246	307,246	307,246	307,246
Total Expenditures	\$486,337	\$486,580	\$488,686	\$488,686	\$488,686
State/Other Special Rev. Funds	486,337	486,580	488,686	488,686	488,686
Total Funds	\$486,337	\$486,580	\$488,686	\$488,686	\$488,686
Total Ongoing	\$486,337	\$486,580	\$488,686	\$488,686	\$488,686
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

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Funding

The Libby Asbestos Superfund Advisory Team is funded from the Libby Asbestos Cleanup Operations and Maintenance state special revenue account. Sources of revenue include penalties, forfeited financial assurances, proceeds from the resource indemnity trust fund, cost recoveries, and interest on the fund balance.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Libby Asbestos Superfund Advisory Team 2027 Biennium HB 2 Base Budget and 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
Base Budget	0	488,686	0	488,686	100.0%	0	488,686	0	488,686	100.0%
Statewide PL										
Personal Services	0	0	0	0	0.0%	0	0	0	0	0.0%
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	0	0	0	0	0.0%	0	0	0	0	0.0%
Present Law (PL)										
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
Total HB 2 Adjustments	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Budget	0	488,686	0	488,686		0	488,686	0	488,686	

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	6.75	6.75	6.75	0.00	0.0%	
State/Other Special Rev. Funds	909,526	934,793	935,052	50,793	2.8%	
Total Funds	909,526	934,793	935,052	50,793	2.8%	
Personal Services	569,692	593,588	593,954	48,158	4.2%	
Operating Expenses	339,834	341,205	341,098	2,635	0.4%	
Total Expenditures	909,526	934,793	935,052	50,793	2.8%	
Total Ongoing	909,526	934,793	935,052	50,793	2.8%	
Total One-Time-Only					0.0%	

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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 adopted budget 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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	546,075	539,948	569,692	593,588	593,954
Operating Expenses	219,428	337,294	339,834	341,205	341,098
Total Expenditures	\$765,503	\$877,242	\$909,526	\$934,793	\$935,052
State/Other Special Rev. Funds	765,503	877,242	909,526	934,793	935,052
Total Funds	\$765,503	\$877,242	\$909,526	\$934,793	\$935,052
Total Ongoing	\$765,503	\$877,242	\$909,526	\$934,793	\$935,052
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

The Board is funded entirely through a portion of the \$.0075 tax on gasoline, diesel, heating oil, and aviation fuel. Statutory appropriations pay for the reimbursement due to storage tank releases as described in 75-11-313, MCA.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Petro Tank Release Compensation Board 2027 Biennium HB 2 Base Budget and 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
Base Budget	0	909,526	0	909,526	97.3%	0	909,526	0	909,526	97.3%
Statewide PL										
Personal Services	0	23,896	0	23,896	2.6%	0	24,262	0	24,262	2.6%
Fixed Costs	0	1,371	0	1,371	0.1%	0	1,264	0	1,264	0.1%
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	0	25,267	0	25,267	2.7%	0	25,526	0	25,526	2.7%
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%
Total HB 2 Adjustments	0	25,267	0	25,267	2.7%	0	25,526	0	25,526	2.7%
Total Budget	0	934,793	0	934,793		0	935,052	0	935,052	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	0	23,896	0	23,896	0.00	0	24,262	0	24,262
DP 2 - Fixed Costs	0.00	0	1,371	0	1,371	0.00	0	1,264	0	1,264
Grand Total All Present Law Adjustments	0.00	\$0	\$25,267	\$0	\$25,267	0.00	\$0	\$25,526	\$0	\$25,526

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted 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: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

Agency Base Budget Comparison

The following table compares the base budget with the expenditures adopted by the legislature 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	2,019.77	2,041.77	2,041.77	22.00	0.5%
State/Other Special Rev. Funds	336,128,560	380,344,235	380,659,134	88,746,249	13.2%
Federal Spec. Rev. Funds	642,794,651	714,716,609	722,412,838	151,540,145	11.8%
Total Funds	978,923,211	1,095,060,844	1,103,071,972	240,286,394	12.3%
Personal Services	195,494,675	199,905,147	200,389,066	9,304,863	2.4%
Operating Expenses	731,607,883	807,985,063	827,430,211	172,199,508	11.8%
Equipment & Intangible Assets	4,167,186	5,088,081	5,088,081	1,841,790	22.1%
Capital Outlay	12,956,865	14,756,865	12,956,865	1,800,000	6.9%
Grants	30,730,768	60,212,854	50,648,915	49,400,233	80.4%
Transfers	2,972,256	3,722,256	3,722,256	1,500,000	25.2%
Debt Service	993,578	3,390,578	2,836,578	4,240,000	213.4%
Total Expenditures	978,923,211	1,095,060,844	1,103,071,972	240,286,394	12.3%
Total Ongoing	978,923,211	1,092,239,949	1,102,051,077	236,444,604	12.1%
Total One-Time-Only	175,000	2,820,895	1,020,895	3,491,790	997.7%

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Agency Highlights

**Department of Transportation
Major Budget Highlights**

The Legislature approved an increase to the Montana Department of Transportation's (MDT) 2027 biennium appropriation of \$240.3 million or 12.3% higher than the FY 2025 base budget. Significant changes include:

- Contractor Payments: \$127.3 million, consisting of \$17.1 million or 13.4% state special revenue and \$110.2 million or 86.6% federal special revenue
- A total increase of 22.00 PB including an increase of 23.00 PB, and a reduction of 1.00 PB. This consists of a total \$1.4 million state special revenue and \$3.4 million federal special revenue. Most of the new PBs are related to bridge replacement, rehabilitation, preservation, and maintenance
- Federal Transit Authority (FTA) Funding: \$28.5 million, consisting of \$7.6 million state special revenue and \$20.9 million federal special revenue. This is primarily pass-through funding for transit grants to local governments
- Equipment rental: \$26.5 million for the biennium, 94.0% state special revenue, 6.0% federal special revenue. For increased repair and purchase prices of equipment
- An appropriation of \$20.0 million in state special for repair and maintenance of off-system bridges throughout the state
- Increased spending authority for federal funding from the National Highway Traffic Safety Administration (NHTSA): \$9.2 million, consisting of \$400,000 state special revenue and \$8.8 million federal special revenue
- \$4.5 million state special revenue for increased costs in winter maintenance materials
- An increase of \$4.2 million state special revenue for software maintenance and hosting fees of the new federal billing system

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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	181,256,966	187,320,571	195,494,675	199,905,147	200,389,066
Operating Expenses	659,236,747	686,458,996	731,782,883	807,985,063	827,430,211
Equipment & Intangible Assets	3,056,946	5,305,176	4,167,186	5,088,081	5,088,081
Capital Outlay	18,721,209	19,430,498	12,956,865	14,756,865	12,956,865
Grants	25,050,985	28,720,818	30,730,768	60,212,854	50,648,915
Transfers	2,689,419	3,191,417	2,972,256	3,722,256	3,722,256
Debt Service	1,129,433	1,268,334	993,578	3,390,578	2,836,578
Total Expenditures	\$891,141,705	\$931,695,810	\$979,098,211	\$1,095,060,844	\$1,103,071,972
State/Other Special Rev. Funds	322,692,321	342,133,906	336,303,560	380,344,235	380,659,134
Federal Spec. Rev. Funds	568,449,384	589,561,904	642,794,651	714,716,609	722,412,838
Total Funds	\$891,141,705	\$931,695,810	\$979,098,211	\$1,095,060,844	\$1,103,071,972
Total Ongoing	\$887,446,967	\$927,915,810	\$978,923,211	\$1,092,239,949	\$1,102,051,077
Total OTO	\$3,694,738	\$3,780,000	\$175,000	\$2,820,895	\$1,020,895

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Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2025	Executive Budget Fiscal 2026	Legislative Budget Fiscal 2026	Leg — Exec. Difference Fiscal 2026	Executive Budget Fiscal 2027	Legislative Budget Fiscal 2027	Leg — Exec. Difference Fiscal 2027	Biennium Difference Fiscal 26-27
Personal Services	195,494,675	200,310,162	199,905,147	(405,015)	200,794,080	200,389,066	(405,014)	(810,029)
Operating Expenses	731,782,883	807,917,695	807,985,063	67,368	827,362,843	827,430,211	67,368	134,736
Equipment & Intangible Assets	4,167,186	5,088,081	5,088,081	0	5,088,081	5,088,081	0	0
Capital Outlay	12,956,865	14,756,865	14,756,865	0	12,956,865	12,956,865	0	0
Grants	30,730,768	60,212,854	60,212,854	0	50,648,915	50,648,915	0	0
Transfers	2,972,256	3,722,256	3,722,256	0	3,722,256	3,722,256	0	0
Debt Service	993,578	3,390,578	3,390,578	0	2,836,578	2,836,578	0	0
Total Costs	\$979,098,211	\$1,095,398,491	\$1,095,060,844	(\$337,647)	\$1,103,409,618	\$1,103,071,972	(\$337,646)	(\$675,293)
General Fund	0	0	0	0	0	0	0	0
State/other Special Rev. Funds	336,303,560	380,378,122	380,344,235	(33,887)	380,693,020	380,659,134	(33,886)	(67,773)
Federal Spec. Rev. Funds	642,794,651	715,020,369	714,716,609	(303,760)	722,716,598	722,412,838	(303,760)	(607,520)
Other	0	0	0	0	0	0	0	0
Total Funds	\$979,098,211	\$1,095,398,491	\$1,095,060,844	(\$337,647)	\$1,103,409,618	\$1,103,071,972	(\$337,646)	(\$675,293)
Total Ongoing	\$978,923,211	\$1,092,577,596	\$1,092,239,949	(\$337,647)	\$1,102,388,723	\$1,102,051,077	(\$337,646)	(\$675,293)
Total OTO	\$175,000	\$2,820,895	\$2,820,895	\$0	\$1,020,895	\$1,020,895	\$0	\$0

The HB 2 budget as approved by the legislature is \$337,647 lower in FY 2026 and \$337,646 lower in FY 2027 than the proposed executive budget. This is primarily the result of a reduction of 4.00 PB from the budget request and legislatively approved adjustments to fixed costs.

Funding

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

Total Department of Transportation 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
02422 Highways Special Revenue	695,851,148	2,371,123			698,222,271	27.8%
02129 LOCAL GOVT FUEL TAX				84,185,286	84,185,286	3.4%
02253 Local Road and Bridge Account				58,091,969	58,091,969	2.3%
02435 SAFER Account				30,000,000	30,000,000	1.2%
02179 Local Bridge Projects	20,000,000				20,000,000	0.8%
Other State Special Revenue	42,781,098			18,519,370	61,300,468	2.4%
State Special Revenue Total	758,632,246	2,371,123	-	190,796,625	951,799,994	37.9%
03407 Highway Trust - Sp Rev	1,349,691,260	1,470,667			1,351,161,927	53.8%
03147 FTA Grants	52,325,008				52,325,008	2.1%
03828 Traffic Safety	20,529,788				20,529,788	0.8%
03292 MCS Federal Grants	10,002,926				10,002,926	0.4%
03060 Aeronautics Division	2,777,692				2,777,692	0.1%
Other Federal Special Revenue	332,106				332,106	0.0%
Federal Special Revenue Total	1,435,658,780	1,470,667	-	-	1,437,129,447	57.3%
06508 Highway Equipment - Int Svc.			105,326,547		105,326,547	4.2%
06506 Motor Pool - Int Svc			13,860,192		13,860,192	0.6%
06007 Yellowstone Airport			1,044,828		1,044,828	0.0%
Proprietary Fund Total	-	-	120,231,567	-	120,231,567	4.8%
Total of All Funds	2,194,291,026	3,841,790	120,231,567	190,796,625	2,509,161,008	
Percent of All Sources of Authority	87.5%	0.2%	4.8%	7.6%		

HB 2 Appropriations

The department is funded from a combination of state special revenue and federal special revenue. Two major accounts make up most of the agency’s HB 2 state special revenues. The revenues that fund the accounts can be grouped in two general categories, constitutionally restricted and non-restricted revenues. Restricted revenues are derived from gross vehicle weight fees and excise and license taxes on gasoline, fuel, and other energy sources that are used to propel vehicles on public highways. These funds are deposited into the highway state special restricted account (HSSRA). Nonrestricted revenues are derived from special use permits and motor fuel penalties and interest payments. The funds are deposited into the highway state special non-restricted account (HSSRA-Non-Restricted). MDT relies on these funds for maintenance and other functions not directly related to road and highway construction and maintenance, such as emergency services and transit grants. Federal funding is primarily received from the federal Highway Trust.

Statutory Appropriations

Statutory appropriations include distributions of gasoline taxes to local and tribal governments (state special funds).

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Department of Transportation 2027 Biennium HB 2 Base Budget and 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
Base Budget	0	336,128,560	642,794,651	978,923,211	89.4%	0	336,128,560	642,794,651	978,923,211	88.7%
Statewide PL										
Personal Services	0	1,169,417	987,049	2,156,466	0.2%	0	1,509,287	1,131,109	2,640,396	0.2%
Fixed Costs	0	698,247	0	698,247	0.1%	0	263,714	0	263,714	0.0%
Inflation Deflation	0	(8,111)	(5,595)	(13,706)	(0.0%)	0	(5,483)	(3,781)	(9,264)	(0.0%)
Total Statewide PL	0	1,859,553	981,454	2,841,007	0.3%	0	1,767,518	1,127,328	2,894,846	0.3%
Present Law (PL)	0	28,510,741	67,728,423	96,239,164	8.8%	0	29,834,602	76,824,562	106,659,164	9.7%
New Proposals	0	13,845,381	3,212,081	17,057,462	1.6%	0	12,928,454	1,666,297	14,594,751	1.3%
Total HB 2 Adjustments	0	44,215,675	71,921,958	116,137,633	10.6%	0	44,530,574	79,618,187	124,148,761	11.3%
Total Budget	0	380,344,235	714,716,609	1,095,060,844		0	380,659,134	722,412,838	1,103,071,972	

Language and Statutory Authority

The Department of Transportation may adjust appropriations between state special revenue and federal special revenue funds if the total state special revenue authority by program is not increased by more than 10% of the total appropriations established by the Legislature.

All appropriations in the Department of Transportation are biennial.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	186.30	185.30	185.30	(1.00)	(0.3%)
State/Other Special Rev. Funds	38,939,947	42,117,506	41,178,599	5,416,211	7.0%
Federal Spec. Rev. Funds	1,576,605	1,579,990	1,581,788	8,568	0.3%
Total Funds	40,516,552	43,697,496	42,760,387	5,424,779	6.7%
Personal Services	19,860,857	19,874,994	19,928,524	81,804	0.2%
Operating Expenses	20,655,695	21,425,502	20,988,863	1,102,975	2.7%
Debt Service		2,397,000	1,843,000	4,240,000	0.0%
Total Expenditures	40,516,552	43,697,496	42,760,387	5,424,779	6.7%
Total Ongoing	40,516,552	43,697,496	42,760,387	5,424,779	6.7%
Total One-Time-Only	175,000			(350,000)	(100.0%)

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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 adopted budget 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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	18,024,337	19,188,633	19,860,857	19,874,994	19,928,524
Operating Expenses	13,891,325	15,760,147	20,830,695	21,425,502	20,988,863
Debt Service	0	0	0	2,397,000	1,843,000
Total Expenditures	\$31,915,662	\$34,948,780	\$40,691,552	\$43,697,496	\$42,760,387
State/Other Special Rev. Funds	31,250,693	33,411,499	39,114,947	42,117,506	41,178,599
Federal Spec. Rev. Funds	664,969	1,537,281	1,576,605	1,579,990	1,581,788
Total Funds	\$31,915,662	\$34,948,780	\$40,691,552	\$43,697,496	\$42,760,387
Total Ongoing	\$31,740,924	\$34,773,780	\$40,516,552	\$43,697,496	\$42,760,387
Total OTO	\$174,738	\$175,000	\$175,000	\$0	\$0

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Funding

HB 2 Appropriations

The General Operations Program is primarily funded from HSSRA (02422) and federal highway trust special revenue. HSSRA receives revenue from motor fuel taxes, gross vehicle weight permit fees, and reimbursements for indirect costs associated with the federal-aid highway program via a Federal Highways Administration (FHWA) approved indirect cost plan. Federal funding is available for assistance for disadvantaged businesses, on-the-job training programs, fuel tax evasion prevention efforts, and direct administrative expenses associated with the federal-aid highway program.

Statutory Appropriations

The General Operations Program is responsible for the distribution of \$96.4 million in statutory appropriations. Most of this, \$84.2 million, are the distributions of fuel taxes to cities, towns, counties, and consolidated city-county governments. The remaining \$12.3 million is distributed through the tribal motor fuels accounts as a function of the revenue sharing agreements between the tribes and the state.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

General Operations Program 2027 Biennium HB 2 Base Budget and 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
Base Budget	0	38,939,947	1,576,605	40,516,552	92.7%	0	38,939,947	1,576,605	40,516,552	94.8%
Statewide PL										
Personal Services	0	128,548	3,976	132,524	0.3%	0	180,473	5,582	186,055	0.4%
Fixed Costs	0	706,033	0	706,033	1.6%	0	267,922	0	267,922	0.6%
Inflation Deflation	0	(3,953)	(591)	(4,544)	(0.0%)	0	(2,673)	(399)	(3,072)	(0.0%)
Total Statewide PL	0	830,628	3,385	834,013	1.9%	0	445,722	5,183	450,905	1.1%
Present Law (PL)	0	68,318	0	68,318	0.2%	0	68,318	0	68,318	0.2%
New Proposals	0	2,278,613	0	2,278,613	5.2%	0	1,724,612	0	1,724,612	4.0%
Total HB 2 Adjustments	0	3,177,559	3,385	3,180,944	7.3%	0	2,238,652	5,183	2,243,835	5.2%
Total Budget	0	42,117,506	1,579,990	43,697,496		0	41,178,599	1,581,788	42,760,387	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	128,548	3,976	132,524	0.00	0	180,473	5,582	186,055
DP 2 - Fixed Costs	0.00	0	706,033	0	706,033	0.00	0	267,922	0	267,922
DP 3 - Inflation Deflation	0.00	0	(3,953)	(591)	(4,544)	0.00	0	(2,673)	(399)	(3,072)
DP 22 - Fixed Cost Adjustment for Robert's Rules	0.00	0	(1,682)	0	(1,682)	0.00	0	(1,682)	0	(1,682)
DP 105 - Employee Safety Program	0.00	0	70,000	0	70,000	0.00	0	70,000	0	70,000
Grand Total All Present Law Adjustments	0.00	\$0	\$898,946	\$3,385	\$902,331	0.00	\$0	\$514,040	\$5,183	\$519,223

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted 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 legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 22 - Fixed Cost Adjustment for Robert's Rules -

The legislature adopted an adjustment to fixed cost that removed new appropriations for Robert's Rules of Order training included in DP 2.

DP 105 - Employee Safety Program -

The legislature adopted an increase in state special revenue appropriation for FY 2026 and FY 2027 due to contracted increases for MDT employee safety activities.

New Proposals -

The "New Proposals" table shows new changes to 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 101 - ITSD Security Consolidation	(1.00)	0	(118,387)	0	(118,387)	(1.00)	0	(118,388)	0	(118,388)
DP 108 - Financial Software Maintenance and Hosting Fees	0.00	0	2,397,000	0	2,397,000	0.00	0	1,843,000	0	1,843,000
Total	(1.00)	\$0	\$2,278,613	\$0	\$2,278,613	(1.00)	\$0	\$1,724,612	\$0	\$1,724,612

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

DP 101 - ITSD Security Consolidation -

The legislature approved a reduction of 1.00 PB and \$236,774 in associated funding from the General Operations Program as part of security consolidation efforts across the executive branch.

DP 108 - Financial Software Maintenance and Hosting Fees -

The legislature adopted a state special revenue appropriation for FY 2026 and FY 2027 for ongoing hosting and maintenance costs for the department's financial cost accounting system. Implementation of the system is expected to be complete in the fall of 2025.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	858.72	873.72	873.72	15.00	0.9%
State/Other Special Rev. Funds	109,990,657	130,713,514	133,452,876	44,185,076	20.1%
Federal Spec. Rev. Funds	583,526,616	632,470,936	649,861,008	115,278,712	9.9%
Total Funds	693,517,273	763,184,450	783,313,884	159,463,788	11.5%
Personal Services	85,762,272	88,900,001	89,101,808	6,477,265	3.8%
Operating Expenses	589,043,979	644,652,532	664,580,159	131,144,733	11.1%
Equipment & Intangible Assets	2,665,262	3,586,157	3,586,157	1,841,790	34.6%
Capital Outlay	12,956,865	12,956,865	12,956,865		0.0%
Grants	2,208,753	12,208,753	12,208,753	20,000,000	452.7%
Debt Service	880,142	880,142	880,142		0.0%
Total Expenditures	693,517,273	763,184,450	783,313,884	159,463,788	11.5%
Total Ongoing	693,517,273	762,163,555	782,292,989	157,421,998	11.3%
Total One-Time-Only		1,020,895	1,020,895	2,041,790	0.0%

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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 adopted budget 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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	80,124,027	82,250,687	85,762,272	88,900,001	89,101,808
Operating Expenses	536,891,448	547,653,881	589,043,979	644,652,532	664,580,159
Equipment & Intangible Assets	1,702,356	2,665,262	2,665,262	3,586,157	3,586,157
Capital Outlay	18,677,576	18,756,865	12,956,865	12,956,865	12,956,865
Grants	1,125,821	3,408,753	2,208,753	12,208,753	12,208,753
Debt Service	877,447	880,248	880,142	880,142	880,142
Total Expenditures	\$639,398,675	\$655,615,696	\$693,517,273	\$763,184,450	\$783,313,884
State/Other Special Rev. Funds	118,232,892	121,895,855	109,990,657	130,713,514	133,452,876
Federal Spec. Rev. Funds	521,165,783	533,719,841	583,526,616	632,470,936	649,861,008
Total Funds	\$639,398,675	\$655,615,696	\$693,517,273	\$763,184,450	\$783,313,884
Total Ongoing	\$635,878,675	\$652,095,696	\$693,517,273	\$762,163,555	\$782,292,989
Total OTO	\$3,520,000	\$3,520,000	\$0	\$1,020,895	\$1,020,895

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Funding

HB 2 Appropriations

Costs eligible for reimbursement under the federal-aid construction program are funded with the restricted highway state special revenue account (HSSRA) and federal special revenue funds distributed by the U.S. Department of Transportation and apportioned to Montana. Construction design, construction, and construction management costs, as well as indirect administrative costs for construction activities, are generally eligible for federal reimbursement. The state match requirement is based on a sliding scale match, which is currently 86.6% federal with a 13.4% state match for most direct construction related costs. The primary sources of revenues in the restricted state special revenue accounts are highway-user fees derived from motor fuel taxes and gross vehicle weight fees. The adopted budget includes a one-time appropriation totaling \$2.0 million for the biennium to repair and replace construction equipment. The Local Bridge Projects account appropriation is contingent on passage and approval of SB 324.

Statutory Appropriations

Statutory appropriations include the LTAP program, distributions from the SAFER fund and the local roads and bridges account.

The SAFER fund is a result of HB 267 (2023 session) and allows up to \$15.0 million per fiscal year to be used as match for discretionary grants and August redistribution until the fund is exhausted.

The local roads and bridges account allows for a state matching source for projects on off-system bridges, secondary and urban highway system routes, and discretionary grants awarded to local governments until the account is fully expended.

The amount of \$300,000 is to be distributed for the purposes and functions of the Montana Local Technical Assistance Transportation Program (LTAP) at Montana State University.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Highways and Engineering 2027 Biennium HB 2 Base Budget and 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
Base Budget	0	109,990,657	583,526,616	693,517,273	90.9%	0	109,990,657	583,526,616	693,517,273	88.5%
Statewide PL										
Personal Services	0	686,113	838,583	1,524,696	0.2%	0	776,931	949,582	1,726,513	0.2%
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	0	(2,909)	(3,415)	(6,324)	(0.0%)	0	(1,966)	(2,308)	(4,274)	(0.0%)
Total Statewide PL	0	683,204	835,168	1,518,372	0.2%	0	774,965	947,274	1,722,239	0.2%
Present Law (PL)	0	9,344,806	47,092,366	56,437,172	7.4%	0	12,029,240	64,408,609	76,437,849	9.8%
New Proposals	0	10,694,847	1,016,786	11,711,633	1.5%	0	10,658,014	978,509	11,636,523	1.5%
Total HB 2 Adjustments	0	20,722,857	48,944,320	69,667,177	9.1%	0	23,462,219	66,334,392	89,796,611	11.5%
Total Budget	0	130,713,514	632,470,936	763,184,450		0	133,452,876	649,861,008	783,313,884	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	686,113	838,583	1,524,696	0.00	0	776,931	949,582	1,726,513
DP 3 - Inflation Deflation	0.00	0	(2,909)	(3,415)	(6,324)	0.00	0	(1,966)	(2,308)	(4,274)
DP 4 - Equipment Rental	0.00	0	1,122,149	629,732	1,751,881	0.00	0	1,122,583	629,975	1,752,558
DP 205 - Construction Equipment Repair and Replacement (OTO)	0.00	0	1,020,895	0	1,020,895	0.00	0	1,020,895	0	1,020,895
DP 214 - Contractor Payments	0.00	0	7,201,762	46,462,634	53,664,396	0.00	0	9,885,762	63,778,634	73,664,396
Grand Total All Present Law Adjustments	0.00	\$0	\$10,028,010	\$47,927,534	\$57,955,544	0.00	\$0	\$12,804,205	\$65,355,883	\$78,160,088

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 4 - Equipment Rental -

The legislature adopted an increase to state and federal special revenue in FY 2026 and FY 2027 due to an increase in equipment rental usage and associated rate changes from the agency's Equipment Program.

DP 205 - Construction Equipment Repair and Replacement (OTO) -

The legislature adopted a one-time-only (OTO) increase in state special revenue for FY 2026 and FY 2027 to repair and replace construction equipment.

DP 214 - Contractor Payments -

The legislature adopted an increase in state and federal special revenue appropriation authority in FY 2026 and FY 2027 based on a preliminary estimate for the anticipated increase in the Federal Highway Administration (FHWA) formula-based funding programs.

New Proposals -

The "New Proposals" table shows new changes to 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 208 - Bridge Infrastructure Resources	10.00	0	334,549	780,615	1,115,164	10.00	0	321,646	750,508	1,072,154
DP 209 - Alternative Contracting Engineers	2.00	0	62,227	186,680	248,907	2.00	0	60,077	180,230	240,307
DP 210 - Asset Management Liaison	1.00	0	103,909	25,977	129,886	1.00	0	100,469	25,117	125,586
DP 211 - Hydraulic Culvert Engineer	1.00	0	94,054	23,514	117,568	1.00	0	90,614	22,654	113,268
DP 213 - CADD Specialist	1.00	0	100,108	0	100,108	1.00	0	85,208	0	85,208
DP 220 - Off System Bridges	0.00	0	10,000,000	0	10,000,000	0.00	0	10,000,000	0	10,000,000
Total	15.00	\$0	\$10,694,847	\$1,016,786	\$11,711,633	15.00	\$0	\$10,658,014	\$978,509	\$11,636,523

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

DP 208 - Bridge Infrastructure Resources -

The legislature adopted an increase of 10.00 PB to develop a bridge replacement and rehabilitation project list and aid implementation of a five-year plan to address aging bridges.

DP 209 - Alternative Contracting Engineers -

The legislature adopted an increase of 2.00 PB for an increase in use of alternative contracting programs.

DP 210 - Asset Management Liaison -

The legislature adopted an increase of 1.00 PB to implement a comprehensive asset management program to monitor transportation assets beyond pavement and bridges, including: culverts, light poles, MDT facilities, weigh scales, airports, bridges, and pavement.

DP 211 - Hydraulic Culvert Engineer -

The legislature adopted an increase of 1.00 PB for a hydraulic culvert engineer to assist in the development and operation of a statewide culvert asset inventory program.

DP 213 - CADD Specialist -

The legislature adopted an increase of 1.00 PB for a Computer Aided Drafting & Design (CADD) specialist to carry out on-going software training for the CADD software system in order to decrease the use of contracted training services.

DP 220 - Off System Bridges -

The legislature adopted an appropriation of \$10,000,000 per year of state special revenue for repair and maintenance on Montana's off-system bridges. Funding is related to the luxury vehicle tax and is contingent on passage of legislation.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	741.55	747.55	747.55	6.00	0.4%
State/Other Special Rev. Funds	162,539,395	177,540,002	177,383,007	29,844,219	9.2%
Federal Spec. Rev. Funds	11,497,888	15,050,016	13,560,407	5,614,647	24.4%
Total Funds	174,037,283	192,590,018	190,943,414	35,458,866	10.2%
Personal Services	68,074,806	68,755,214	68,914,830	1,520,432	1.1%
Operating Expenses	105,592,269	121,664,596	121,658,376	32,138,434	15.2%
Equipment & Intangible Assets	370,208	370,208	370,208		0.0%
Capital Outlay		1,800,000		1,800,000	0.0%
Total Expenditures	174,037,283	192,590,018	190,943,414	35,458,866	10.2%
Total Ongoing	174,037,283	190,790,018	190,943,414	33,658,866	9.7%
Total One-Time-Only		1,800,000		1,800,000	0.0%

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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 adopted budget 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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	62,623,970	64,929,016	68,074,806	68,755,214	68,914,830
Operating Expenses	99,143,096	107,730,373	105,592,269	121,664,596	121,658,376
Equipment & Intangible Assets	562,262	860,208	370,208	370,208	370,208
Capital Outlay	0	630,000	0	1,800,000	0
Total Expenditures	\$162,329,328	\$174,149,597	\$174,037,283	\$192,590,018	\$190,943,414
State/Other Special Rev. Funds	151,520,401	162,456,143	162,539,395	177,540,002	177,383,007
Federal Spec. Rev. Funds	10,808,927	11,693,454	11,497,888	15,050,016	13,560,407
Total Funds	\$162,329,328	\$174,149,597	\$174,037,283	\$192,590,018	\$190,943,414
Total Ongoing	\$162,329,328	\$174,149,597	\$174,037,283	\$190,790,018	\$190,943,414
Total OTO	\$0	\$0	\$0	\$1,800,000	\$0

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Funding

HB 2 Appropriations

The state special revenue funding of the maintenance program is derived from highway state special revenue accounts. The funding proposal includes state special support from HSSRA (02422). Federal special revenue also funds qualifying highway maintenance activities determined by the Federal Highway Administration.

Statutory Appropriations

The Maintenance Program has statutory appropriations that allow expenditures for shared-use paths and anti-littering signs. The funding for these appropriations is derived from an opt-in vehicle license fee.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Maintenance Program 2027 Biennium HB 2 Base Budget and 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
Base Budget	0	162,539,395	11,497,888	174,037,283	90.4%	0	162,539,395	11,497,888	174,037,283	91.1%
Statewide PL										
Personal Services	0	120,961	608	121,569	0.1%	0	279,779	1,406	281,185	0.1%
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	0	(806)	0	(806)	(0.0%)	0	(545)	0	(545)	(0.0%)
Total Statewide PL	0	120,155	608	120,763	0.1%	0	279,234	1,406	280,640	0.1%
Present Law (PL)	0	14,065,111	1,525,966	15,591,077	8.1%	0	14,069,430	1,525,966	15,595,396	8.2%
New Proposals	0	815,341	2,025,554	2,840,895	1.5%	0	494,948	535,147	1,030,095	0.5%
Total HB 2 Adjustments	0	15,000,607	3,552,128	18,552,735	9.6%	0	14,843,612	2,062,519	16,906,131	8.9%
Total Budget	0	177,540,002	15,050,016	192,590,018		0	177,383,007	13,560,407	190,943,414	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	0	120,961	608	121,569	0.00	0	279,779	1,406	281,185
DP 3 - Inflation Deflation	0.00	0	(806)	0	(806)	0.00	0	(545)	0	(545)
DP 4 - Equipment Rental	0.00	0	11,179,534	0	11,179,534	0.00	0	11,183,853	0	11,183,853
DP 305 - Epoxy Projects	0.00	0	236,527	1,525,966	1,762,493	0.00	0	236,527	1,525,966	1,762,493
DP 306 - Winter Maintenance Materials	0.00	0	2,250,000	0	2,250,000	0.00	0	2,250,000	0	2,250,000
DP 307 - Infrastructure Repairs	0.00	0	200,000	0	200,000	0.00	0	200,000	0	200,000
DP 313 - Chemical Deicer Storage Tanks	0.00	0	130,000	0	130,000	0.00	0	130,000	0	130,000
DP 333 - Operations and Maintenance for HB5 building projects	0.00	0	69,050	0	69,050	0.00	0	69,050	0	69,050
Grand Total All Present Law Adjustments	0.00	\$0	\$14,185,266	\$1,526,574	\$15,711,840	0.00	\$0	\$14,348,664	\$1,527,372	\$15,876,036

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 4 - Equipment Rental -

The legislature adopted an increase to state and federal special revenue in FY 2026 and FY 2027 due to an increase in equipment rental usage and associated rate changes from the agency's Equipment Program.

DP 305 - Epoxy Projects -

The legislature adopted additional authority to align state appropriations with the increase in the FHWA federal-aid program.

DP 306 - Winter Maintenance Materials -

The legislature adopted an increase in state special revenue due to increased costs of winter road maintenance materials.

DP 307 - Infrastructure Repairs -

The legislature adopted an increase in state special revenue due to increased costs of repairing damaged infrastructure such as guardrail and signs.

DP 313 - Chemical Deicer Storage Tanks -

The legislature adopted an increase in state special revenue for replacement of chemical deicer storage tanks.

DP 333 - Operations and Maintenance for HB5 building projects -

The legislature adopted an increase in authority for operations and maintenance for MDT district facilities in Great Falls, Kalispell, and Missoula.

New Proposals -

The "New Proposals" table shows new changes to 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 308 - Bridge Preservation, Maintenance, and Repair Response Team	6.00	0	86,008	554,887	640,895	6.00	0	82,948	535,147	618,095
DP 309 - Permanent Variable Message Signs (OTO)	0.00	0	329,333	1,470,667	1,800,000	0.00	0	0	0	0
DP 310 - Contracted Underground Locates	0.00	0	400,000	0	400,000	0.00	0	412,000	0	412,000
Total	6.00	\$0	\$815,341	\$2,025,554	\$2,840,895	6.00	\$0	\$494,948	\$535,147	\$1,030,095

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

DP 308 - Bridge Preservation, Maintenance, and Repair Response Team -

The legislature adopted an increase of 6.00 PB for bridge maintenance and inspections.

DP 309 - Permanent Variable Message Signs (OTO) -

The legislature adopted state special and federal special appropriation authority for the installation and maintenance of 6 permanent Variable Message Signs (VMS) at key locations.

DP 310 - Contracted Underground Locates -

The legislature adopted an increase to provide state special revenue appropriation authority to contract the locating of MDT underground utilities.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	124.44	124.44	124.44	0.00	0.0%
State/Other Special Rev. Funds	10,568,925	10,786,656	10,812,264	461,070	2.2%
Federal Spec. Rev. Funds	5,097,007	5,225,615	5,233,466	265,067	2.6%
Total Funds	15,665,932	16,012,271	16,045,730	726,137	2.3%
Personal Services	10,488,865	10,578,949	10,612,176	213,395	1.0%
Operating Expenses	4,336,385	4,592,640	4,592,872	512,742	5.9%
Equipment & Intangible Assets	581,716	581,716	581,716		0.0%
Transfers	145,530	145,530	145,530		0.0%
Debt Service	113,436	113,436	113,436		0.0%
Total Expenditures	15,665,932	16,012,271	16,045,730	726,137	2.3%
Total Ongoing	15,665,932	16,012,271	16,045,730	726,137	2.3%
Total One-Time-Only					0.0%

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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 adopted budget 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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	10,062,155	10,081,626	10,488,865	10,578,949	10,612,176
Operating Expenses	2,406,726	3,547,757	4,336,385	4,592,640	4,592,872
Equipment & Intangible Assets	704,318	1,225,916	581,716	581,716	581,716
Transfers	129,645	139,691	145,530	145,530	145,530
Debt Service	113,436	113,436	113,436	113,436	113,436
Total Expenditures	\$13,416,280	\$15,108,426	\$15,665,932	\$16,012,271	\$16,045,730
State/Other Special Rev. Funds	9,386,817	10,139,358	10,568,925	10,786,656	10,812,264
Federal Spec. Rev. Funds	4,029,463	4,969,068	5,097,007	5,225,615	5,233,466
Total Funds	\$13,416,280	\$15,108,426	\$15,665,932	\$16,012,271	\$16,045,730
Total Ongoing	\$13,416,280	\$15,108,426	\$15,665,932	\$16,012,271	\$16,045,730
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

HB 2 Appropriations

MCS is funded by the highway state special revenue accounts and federal special revenue. Two-thirds of the funding for the program is state special revenue, primarily the constitutionally restricted highway state special revenue account (HSSRA). Other state special revenues supporting program activities include unified carrier registration fees and the highway non-restricted account. Federal funds make up the remaining third and are derived from federal grant programs and distributions from the federal highway trust.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Motor Carrier Services 2027 Biennium HB 2 Base Budget and 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
Base Budget	0	10,568,925	5,097,007	15,665,932	97.8%	0	10,568,925	5,097,007	15,665,932	97.6%
Statewide PL										
Personal Services	0	68,914	21,170	90,084	0.6%	0	94,332	28,979	123,311	0.8%
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	0	(410)	0	(410)	(0.0%)	0	(277)	0	(277)	(0.0%)
Total Statewide PL	0	68,504	21,170	89,674	0.6%	0	94,055	28,979	123,034	0.8%
Present Law (PL)	0	149,227	107,438	256,665	1.6%	0	149,284	107,480	256,764	1.6%
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
Total HB 2 Adjustments	0	217,731	128,608	346,339	2.2%	0	243,339	136,459	379,798	2.4%
Total Budget	0	10,786,656	5,225,615	16,012,271		0	10,812,264	5,233,466	16,045,730	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	0	68,914	21,170	90,084	0.00	0	94,332	28,979	123,311
DP 3 - Inflation Deflation	0.00	0	(410)	0	(410)	0.00	0	(277)	0	(277)
DP 4 - Equipment Rental	0.00	0	149,227	107,438	256,665	0.00	0	149,284	107,480	256,764
Grand Total All Present Law Adjustments	0.00	\$0	\$217,731	\$128,608	\$346,339	0.00	\$0	\$243,339	\$136,459	\$379,798

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 4 - Equipment Rental -

The legislature adopted an increase to state and federal special revenue appropriation in FY 2026 and FY 2027 for equipment rental usage and associated rate changes from the agency's Equipment Program.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	9.00	9.00	9.00	0.00	0.0%	
State/Other Special Rev. Funds	2,005,328	2,108,538	2,114,784	212,666	5.3%	
Federal Spec. Rev. Funds	1,385,965	1,388,812	1,388,880	5,762	0.2%	
Total Funds	3,391,293	3,497,350	3,503,664	218,428	3.2%	
Personal Services	905,237	1,019,113	1,021,838	230,477	12.7%	
Operating Expenses	2,452,256	2,444,437	2,448,026	(12,049)	(0.2%)	
Grants	20,000	20,000	20,000		0.0%	
Transfers	13,800	13,800	13,800		0.0%	
Total Expenditures	3,391,293	3,497,350	3,503,664	218,428	3.2%	
Total Ongoing	3,391,293	3,497,350	3,503,664	218,428	3.2%	
Total One-Time-Only					0.0%	

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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 adopted budget 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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	855,575	863,085	905,237	1,019,113	1,021,838
Operating Expenses	837,814	2,364,989	2,452,256	2,444,437	2,448,026
Equipment & Intangible Assets	10,550	95,550	0	0	0
Capital Outlay	43,633	43,633	0	0	0
Grants	14,700	20,000	20,000	20,000	20,000
Transfers	8,545	13,800	13,800	13,800	13,800
Total Expenditures	\$1,770,817	\$3,401,057	\$3,391,293	\$3,497,350	\$3,503,664
State/Other Special Rev. Funds	1,672,702	2,020,517	2,005,328	2,108,538	2,114,784
Federal Spec. Rev. Funds	98,115	1,380,540	1,385,965	1,388,812	1,388,880
Total Funds	\$1,770,817	\$3,401,057	\$3,391,293	\$3,497,350	\$3,503,664
Total Ongoing	\$1,770,817	\$3,316,057	\$3,391,293	\$3,497,350	\$3,503,664
Total OTO	\$0	\$85,000	\$0	\$0	\$0

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Funding

HB 2 Appropriations

The Aeronautics program is funded with state and federal special revenues. State special revenue funds are derived primarily from state aviation fuel taxes and aircraft registration fees. Federal special revenue comes from Federal Aviation Administration grants.

Statutory Appropriations

The statutorily appropriated Aeronautical Grant Account receives most of its funding from 90% of a 4.5 cent per gallon tax on aviation fuel, and provides funding for grants to Montana communities for aviation related projects.

Non-Budgeted Proprietary Funds

The Yellowstone Airport enterprise program, is supported by proprietary funding and is not budgeted in HB 2.

Yellowstone Airport – 06007

Program Description

The Yellowstone Airport located two miles north of the Town of West Yellowstone, Montana provides the closest private and commercial air service to Yellowstone National Park, as well as service for a multitude of other recreational opportunities in the surrounding greater Yellowstone area. The airport is closed during the winter months, conducting limited snow removal in fringe seasons. The airport is typically open for six months each year with seasonal commercial air service provided by SkyWest Air Lines dba Delta Connection and SkyWest Air Lines dba United Express from early-May to mid-October. The airport accomplishes its mission with facilities to accommodate all sized aircraft and operations ranging from large four engine commercial service jets to small single engine aircraft.

Airside facilities at the airport include an 8,400' runway and taxiway, as well as large parking apron and hangar areas for all types of aircraft operations. The runway is equipped with a precision approach instrument landing system (ILS) and a GPS approach accommodating air traffic even during inclement weather conditions. The airport also supports and maintains an Automated Weather Observing System (AWOS) which reports directly to the National Weather Service (NWS) and broadcasts locally to air traffic over a VHF transmission. Other airport facilities include a commercial terminal building with tenants that include a restaurant, rental car agencies, Transportation Security Administration (TSA) offices, airline offices, and airport administration and operations. Also located on the field are several outbuildings and other facilities housing bulk fuel storage, a fixed based operator (FBO), an air ambulance base, and Airport Rescue Fire Fighting (ARFF) services. The US Forest Service operates an inter-agency fire control center with direct through-the-fence access to the airfield. A wildlife fence surrounds the entire airport property.

Revenues and Expenses

Fees for leases and other business services are both market and recovery based. Additional operating expenses are planned in the 2027 biennium to keep the airport in compliance with FAA mandates and advisory circulars.

The Yellowstone Airport is an enterprise proprietary fund. There is one airport manager who works full time, year-round. The airport also has two other employees, an airport operation chief and an airport fire fighter/maintenance specialist who are employed seasonally.

2027 Biennium Report on Internal Service and Enterprise Funds								
Agency # 54010	Agency Name: Department of Transportation		Program Name: Aeronautics Program					
	Fund	Fund Name						
	06007	Yellowstone Airport						
			Actual FY22	Actual FY23	Actual FY24	Budgeted FY25	Budgeted FY26	Budgeted FY27
Operating Revenues:								
Fee and Charges								
Fee Revenue A								
			83,820	52,877	67,229	652,207	612,207	612,207
Other Operating Revenue								
			532,034	592,458	500,496	-	-	-
Total Operating Revenues								
			615,854	645,335	567,725	652,207	612,207	612,207
Expenses:								
Personal Services								
			(12,342)	26,931	83,603	256,300	255,668	255,873
Other Operating Expenses								
			514,705	532,271	640,983	268,318	266,502	266,785
Expense B								
			(90,750)	90,750	-	-	-	-
Expense C								
			(1,567,428)	-	398,260	-	-	-
Total Operating Expenses								
			(1,155,815)	649,952	1,122,846	524,618	522,170	522,658
Operating Income (Loss)								
			1,771,669	(4,617)	(555,121)	127,589	90,037	89,549
Nonoperating Revenues:								
Other Revenue A								
			1,015	24,939	136,351	-	-	-
Nonoperating Expenses:								
Total Nonoperating Revenues (Expenses)								
			1,015	24,939	136,351	-	-	-
Income (Loss) Before Contributions and Transfers								
			1,772,684	20,322	(418,770)	127,589	90,037	89,549
Capital Contributions								
			23,764	90,750	31,390,198	-	-	-
Change in Net Position								
			1,796,448	111,072	30,971,428	127,589	90,037	89,549
Beginning Net Position - July 1								
			10,557,635	12,354,083	12,465,155	43,436,583	43,564,172	43,654,209
Change in Net Position								
			1,796,448	111,072	30,971,428	127,589	90,037	89,549
Ending Net Position - June 30								
			12,354,083	12,465,155	43,436,583	43,564,172	43,654,209	43,743,758
Net Position (Fund Balance) Analysis								

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Aeronautics Program 2027 Biennium HB 2 Base Budget and 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
Base Budget	0	2,005,328	1,385,965	3,391,293	97.0%	0	2,005,328	1,385,965	3,391,293	96.8%
Statewide PL										
Personal Services	0	111,029	2,847	113,876	3.3%	0	113,686	2,915	116,601	3.3%
Fixed Costs	0	(7,786)	0	(7,786)	(0.2%)	0	(4,208)	0	(4,208)	(0.1%)
Inflation Deflation	0	(33)	0	(33)	(0.0%)	0	(22)	0	(22)	(0.0%)
Total Statewide PL	0	103,210	2,847	106,057	3.0%	0	109,456	2,915	112,371	3.2%
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%
Total HB 2 Adjustments	0	103,210	2,847	106,057	3.0%	0	109,456	2,915	112,371	3.2%
Total Budget	0	2,108,538	1,388,812	3,497,350		0	2,114,784	1,388,880	3,503,664	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	0	111,029	2,847	113,876	0.00	0	113,686	2,915	116,601
DP 2 - Fixed Costs	0.00	0	(7,786)	0	(7,786)	0.00	0	(4,208)	0	(4,208)
DP 3 - Inflation Deflation	0.00	0	(33)	0	(33)	0.00	0	(22)	0	(22)
Grand Total All Present Law Adjustments	0.00	\$0	\$103,210	\$2,847	\$106,057	0.00	\$0	\$109,456	\$2,915	\$112,371

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted 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 legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	99.76	101.76	101.76	2.00	1.0%
State/Other Special Rev. Funds	12,084,308	17,078,019	15,717,604	8,627,007	35.7%
Federal Spec. Rev. Funds	39,710,570	59,001,240	50,787,289	30,367,389	38.2%
Total Funds	51,794,878	76,079,259	66,504,893	38,994,396	37.6%
Personal Services	10,402,638	10,776,876	10,809,890	781,490	3.8%
Operating Expenses	9,527,299	13,205,356	13,161,915	7,312,673	38.4%
Equipment & Intangible Assets	550,000	550,000	550,000		0.0%
Grants	28,502,015	47,984,101	38,420,162	29,400,233	51.6%
Transfers	2,812,926	3,562,926	3,562,926	1,500,000	26.7%
Total Expenditures	51,794,878	76,079,259	66,504,893	38,994,396	37.6%
Total Ongoing	51,794,878	76,079,259	66,504,893	38,994,396	37.6%
Total One-Time-Only					0.0%

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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 adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals	Approp.	Approp.	Legislative	Legislative
	Fiscal 2024	Fiscal 2024	Fiscal 2025	Fiscal 2026	Fiscal 2027
Personal Services	9,566,902	10,007,524	10,402,638	10,776,876	10,809,890
Operating Expenses	6,066,338	9,401,849	9,527,299	13,205,356	13,161,915
Equipment & Intangible Assets	77,460	458,240	550,000	550,000	550,000
Grants	23,910,464	25,292,065	28,502,015	47,984,101	38,420,162
Transfers	2,551,229	3,037,926	2,812,926	3,562,926	3,562,926
Debt Service	138,550	274,650	0	0	0
Total Expenditures	\$42,310,943	\$48,472,254	\$51,794,878	\$76,079,259	\$66,504,893
State/Other Special Rev. Funds	10,628,816	12,210,534	12,084,308	17,078,019	15,717,604
Federal Spec. Rev. Funds	31,682,127	36,261,720	39,710,570	59,001,240	50,787,289
Total Funds	\$42,310,943	\$48,472,254	\$51,794,878	\$76,079,259	\$66,504,893
Total Ongoing	\$42,310,943	\$48,472,254	\$51,794,878	\$76,079,259	\$66,504,893
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

HB 2 Appropriations

The Rail, Transit, and Planning (RTP) Program is funded with a combination of state and federal special revenue funds. Highway state special revenue from both the restricted and non-restricted account support the overall administrative and operational costs of the program. Other funding includes:

- Federal Transit Authority (FTA) local match funds provided from local transit providers to match their FTA grants
- TransADE special revenue, which in large part provides funding for transit services that serve the elderly and disabled (and can be also used to match federal transit funds)
- County DUI prevention funds, for providing assistance to county DUI task force activities
- Federal highway trust fund (03407), which provides for costs of highway program administration, activities, and projects

Statutory Appropriations

The RTP Program also has a statutory appropriation that allows expenditures for shared-use paths. The funding for this appropriation is derived from an opt-in vehicle license fee for the maintenance and construction of shared use paths.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Rail, Transit, and Planning 2027 Biennium HB 2 Base Budget and 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
Base Budget	0	12,084,308	39,710,570	51,794,878	68.1%	0	12,084,308	39,710,570	51,794,878	77.9%
Statewide PL										
Personal Services	0	53,852	119,865	173,717	0.2%	0	64,086	142,645	206,731	0.3%
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	0	0	(1,589)	(1,589)	(0.0%)	0	0	(1,074)	(1,074)	(0.0%)
Total Statewide PL	0	53,852	118,276	172,128	0.2%	0	64,086	141,571	205,657	0.3%
Present Law (PL)	0	4,883,279	19,002,653	23,885,932	31.4%	0	3,518,330	10,782,507	14,300,837	21.5%
New Proposals	0	56,580	169,741	226,321	0.3%	0	50,880	152,641	203,521	0.3%
Total HB 2 Adjustments	0	4,993,711	19,290,670	24,284,381	31.9%	0	3,633,296	11,076,719	14,710,015	22.1%
Total Budget	0	17,078,019	59,001,240	76,079,259		0	15,717,604	50,787,289	66,504,893	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	0	53,852	119,865	173,717	0.00	0	64,086	142,645	206,731
DP 3 - Inflation Deflation	0.00	0	0	(1,589)	(1,589)	0.00	0	0	(1,074)	(1,074)
DP 4 - Equipment Rental	0.00	0	57,946	26,020	83,966	0.00	0	57,968	26,029	83,997
DP 5005 - Federal Transit Administration Funding	0.00	0	4,475,333	14,576,633	19,051,966	0.00	0	3,110,362	6,356,478	9,466,840
DP 5006 - NHTSA Program Funding	0.00	0	200,000	4,400,000	4,600,000	0.00	0	200,000	4,400,000	4,600,000
DP 5009 - Blackfoot Post Yard Assessment	0.00	0	150,000	0	150,000	0.00	0	150,000	0	150,000
Grand Total All Present Law Adjustments	0.00	\$0	\$4,937,131	\$19,120,929	\$24,058,060	0.00	\$0	\$3,582,416	\$10,924,078	\$14,506,494

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 4 - Equipment Rental -

The legislature adopted an increase to state and federal special revenue appropriation in FY 2026 and FY 2027 due to an increase in equipment rental usage and associated rate changes from the agency's Equipment Program.

DP 5005 - Federal Transit Administration Funding -

The legislature adopted an increase in state and federal revenue for FY 2026 and FY 2027 for the administration of pass-through transit grant funding to local governments and providers of public transportation. The funding coming to Montana is a 30% increase with gradual increases each additional year.

DP 5006 - NHTSA Program Funding -

The legislature adopted an increase in state and federal special revenue to aid in implementation and management of MDT's National Highway Traffic Safety Administration (NHTSA) program which includes initiatives related to impaired driving, occupant protection, motorcycle safety, and bicycle and pedestrian safety.

DP 5009 - Blackfoot Post Yard Assessment -

The legislature adopted an increase in state special revenue to complete a risk assessment, additional field work and site characterization, and interim cleanup of smaller items at the Blackfoot Post Yard complex.

New Proposals -

The "New Proposals" table shows new changes to 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 5010 - New Federal Program Requirements	2.00	0	56,580	169,741	226,321	2.00	0	50,880	152,641	203,521
Total	2.00	\$0	\$56,580	\$169,741	\$226,321	2.00	\$0	\$50,880	\$152,641	\$203,521

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

DP 5010 - New Federal Program Requirements -

The legislature adopted an increase of 2.00 PB to deliver federal programs such as National Electric Vehicle Infrastructure (NEVI), and Carbon Reduction and Promoting Resilient Operation for Transformative, Efficient, and Cost-Saving Transportation (PROTECT).

Agency Base Budget Comparison

The following table compares the base budget with the expenditures adopted by the legislature 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	137.87	141.87	141.87	4.00	1.5%	
General Fund	4,217,138	4,882,505	4,688,431	1,136,660	13.5%	
State/Other Special Rev. Funds	10,036,493	11,081,796	10,239,976	1,248,786	6.2%	
Federal Spec. Rev. Funds	2,427,305	2,293,665	2,296,494	(264,451)	(5.4%)	
Total Funds	16,680,936	18,257,966	17,224,901	2,120,995	6.4%	
Personal Services	11,496,736	11,795,422	11,823,158	625,108	2.7%	
Operating Expenses	4,626,514	4,866,410	4,844,057	457,439	4.9%	
Equipment & Intangible Assets	65,205	593,605	65,205	528,400	405.2%	
Capital Outlay		510,048		510,048	0.0%	
Benefits & Claims	150,000	150,000	150,000		0.0%	
Transfers	342,481	342,481	342,481		0.0%	
Total Expenditures	16,680,936	18,257,966	17,224,901	2,120,995	6.4%	
Total Ongoing	16,680,936	17,194,518	17,224,901	1,057,547	3.2%	
Total One-Time-Only		1,063,448		1,063,448	0.0%	

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Agency Highlights

Department of Livestock Major Budget Highlights
<p>The legislature adopted an increase of 6.4% or \$2.1 million in total appropriations above base funding. In addition to statewide present law adjustments of \$279,900, the executive proposes:</p> <ul style="list-style-type: none"> • Laboratory equipment, one-time-only: \$1.1 million • Meat inspection staff 4.00 PB: \$627,600 • Animal Health software maintenance: \$150,000 • Funding Shifts: <ul style="list-style-type: none"> ◦ Milk inspection fees shifted from State Special Revenue to the General Fund: \$300,000 ◦ Emergency Preparedness Veterinarian from federal special revenue to state special revenue: \$221,700

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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	10,347,292	10,852,677	11,496,736	11,795,422	11,823,158
Operating Expenses	3,617,187	4,648,497	4,626,514	4,866,410	4,844,057
Equipment & Intangible Assets	428,983	502,156	65,205	593,605	65,205
Capital Outlay	0	0	0	510,048	0
Benefits & Claims	150,000	150,000	150,000	150,000	150,000
Transfers	370,462	378,231	342,481	342,481	342,481
Total Expenditures	\$14,913,924	\$16,531,561	\$16,680,936	\$18,257,966	\$17,224,901
General Fund	3,624,619	4,082,713	4,217,138	4,882,505	4,688,431
State/Other Special Rev. Funds	9,194,442	10,092,264	10,036,493	11,081,796	10,239,976
Federal Spec. Rev. Funds	2,094,863	2,356,584	2,427,305	2,293,665	2,296,494
Total Funds	\$14,913,924	\$16,531,561	\$16,680,936	\$18,257,966	\$17,224,901
Total Ongoing	\$14,550,829	\$16,064,610	\$16,680,936	\$17,194,518	\$17,224,901
Total OTO	\$363,095	\$466,951	\$0	\$1,063,448	\$0

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Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2025	Executive Budget Fiscal 2026	Legislative Budget Fiscal 2026	Leg — Exec. Difference Fiscal 2026	Executive Budget Fiscal 2027	Legislative Budget Fiscal 2027	Leg — Exec. Difference Fiscal 2027	Biennium Difference Fiscal 26-27
Personal Services	11,496,736	12,043,181	11,795,422	(247,759)	12,070,917	11,823,158	(247,759)	(495,518)
Operating Expenses	4,626,514	4,927,609	4,866,410	(61,199)	4,905,746	4,844,057	(61,689)	(122,888)
Equipment & Intangible Assets	65,205	593,605	593,605	0	65,205	65,205	0	0
Capital Outlay	0	510,048	510,048	0	0	0	0	0
Benefits & Claims	150,000	150,000	150,000	0	150,000	150,000	0	0
Transfers	342,481	342,481	342,481	0	342,481	342,481	0	0
Total Costs	\$16,680,936	\$18,566,924	\$18,257,966	(\$308,958)	\$17,534,349	\$17,224,901	(\$309,448)	(\$618,406)
General Fund	4,217,138	5,182,868	4,882,505	(300,363)	4,988,795	4,688,431	(300,364)	(600,727)
State/other Special Rev. Funds	10,036,493	11,090,391	11,081,796	(8,595)	10,249,060	10,239,976	(9,084)	(17,679)
Federal Spec. Rev. Funds	2,427,305	2,293,665	2,293,665	0	2,296,494	2,296,494	0	0
Other	0	0	0	0	0	0	0	0
Total Funds	\$16,680,936	\$18,566,924	\$18,257,966	(\$308,958)	\$17,534,349	\$17,224,901	(\$309,448)	(\$618,406)
Total Ongoing	\$16,680,936	\$17,503,476	\$17,194,518	(\$308,958)	\$17,534,349	\$17,224,901	(\$309,448)	(\$618,406)
Total OTO	\$0	\$1,063,448	\$1,063,448	\$0	\$0	\$0	\$0	\$0

The legislature approved total appropriations \$618,406 lower than the executive request, primarily general fund. Specifically, the legislature approved:

- Adjustments to fixed costs - (\$18,968)
- The legislature did not approved 4.0 PB for meat inspection staff – (599,438)

Funding

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

Total Department of Livestock 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
01100 General Fund	9,370,536	200,400			9,570,936	23.3%
02426 Lvstk Per Capita	11,528,397	863,048			12,391,445	30.2%
02425 Inspection and Control	7,089,093				7,089,093	17.3%
02117 Predatory Animal SSR				1,150,000	1,150,000	2.8%
02262 Egg Shielded Grading Program	760,450				760,450	1.9%
02124 LLB Restricted Special Revenue				600,000	600,000	1.5%
Other State Special Revenue	1,080,784			420,000	1,500,784	3.7%
State Special Revenue Total	20,458,724	863,048	-	2,170,000	23,491,772	57.2%
03209 Meat/Poultry Inspection Sp Rev	2,946,432				2,946,432	7.2%
03427 AH FEDERAL UMBRELLA	1,564,365				1,564,365	3.8%
03673 Small Federal Grants	43,458				43,458	0.1%
03032 Animal Health Sp. Rev	35,904				35,904	0.1%
Federal Special Revenue Total	4,590,159	-	-	-	4,590,159	11.2%
06026 MT Veterinary Diagnostic Lab			3,409,795		3,409,795	8.3%
Proprietary Fund Total	-	-	3,409,795	-	3,409,795	8.3%
Total of All Funds	34,419,419	1,063,448	3,409,795	2,170,000	41,062,662	
Percent of All Sources of Authority	83.8%	2.6%	8.3%	5.3%		

State special revenue funds comprise 60.1% of the HB 2 budget proposal and 57.2% of all funding sources. These funds are primarily generated through fees assessed on livestock, licenses, permits, and charges for market and local inspections. Two state special revenue funds, the Livestock Per Capita and Inspection and Control, make up 91.4% of the state special revenue authority in the HB 2 budget, and 47.5% of total funds.

The Milk Control Bureau and the Milk Control Board receive funding from fees charged to producers, distributors, and producer-distributors.

General fund supports 27.0% of the HB 2 budget, 93.7% of the general fund appropriation is in the Animal Health Division with the remainder in the Centralized Services Division. The Brands Enforcement Division is funded entirely with state special revenue from livestock per capita, market, and local inspection fees, as well as brand record and re-record fees. General fund also supports the activities of the Livestock Loss Board.

Federal appropriations supports various programs in the Animal Health Division.

Statutory appropriations, which do not require re-authorization by the legislature, allow the division to expend state special revenue that is statutorily appropriated to the agency for livestock loss prevention and livestock loss compensation.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Department of Livestock 2027 Biennium HB 2 Base Budget and 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
Base Budget	4,217,138	10,036,493	2,427,305	16,680,936	91.4%	4,217,138	10,036,493	2,427,305	16,680,936	96.8%
Statewide PL										
Personal Services	(12,593)	73,950	(24,526)	36,831	0.2%	(6,288)	93,605	(22,751)	64,566	0.4%
Fixed Costs	19,879	91,729	7,208	118,816	0.7%	18,120	90,328	6,491	114,939	0.7%
Inflation Deflation	(5,490)	(10,683)	(5,468)	(21,641)	(0.1%)	(3,710)	(7,220)	(3,697)	(14,627)	(0.1%)
Total Statewide PL	1,796	154,996	(22,786)	134,006	0.7%	8,122	176,713	(19,957)	164,878	1.0%
Present Law (PL)	(644)	(8,595)	0	(9,239)	(0.1%)	(645)	(9,084)	0	(9,729)	(0.1%)
New Proposals	664,215	898,902	(110,854)	1,452,263	8.0%	463,816	35,854	(110,854)	388,816	2.3%
Total HB 2 Adjustments	665,367	1,045,303	(133,640)	1,577,030	8.6%	471,293	203,483	(130,811)	543,965	3.2%
Total Budget	4,882,505	11,081,796	2,293,665	18,257,966		4,688,431	10,239,976	2,296,494	17,224,901	

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	17.00	17.00	17.00	0.00	0.0%	
General Fund	302,589	303,276	302,990	1,088	0.2%	
State/Other Special Rev. Funds	2,320,378	2,469,194	2,475,098	303,536	6.5%	
Total Funds	2,622,967	2,772,470	2,778,088	304,624	5.8%	
Personal Services	1,543,878	1,666,649	1,669,781	248,674	8.1%	
Operating Expenses	826,608	853,340	855,826	55,950	3.4%	
Benefits & Claims	150,000	150,000	150,000		0.0%	
Transfers	102,481	102,481	102,481		0.0%	
Total Expenditures	2,622,967	2,772,470	2,778,088	304,624	5.8%	
Total Ongoing	2,622,967	2,772,470	2,778,088	304,624	5.8%	
Total One-Time-Only					0.0%	

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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 adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison						
Budget Item	Actuals	Approp.	Approp.	Legislative	Legislative	
	Fiscal 2024	Fiscal 2024	Fiscal 2025	Fiscal 2026	Fiscal 2027	
Personal Services	1,489,241	1,505,657	1,543,878	1,666,649	1,669,781	
Operating Expenses	532,982	763,102	826,608	853,340	855,826	
Benefits & Claims	150,000	150,000	150,000	150,000	150,000	
Transfers	162,117	162,481	102,481	102,481	102,481	
Total Expenditures	\$2,334,340	\$2,581,240	\$2,622,967	\$2,772,470	\$2,778,088	
General Fund	281,312	300,009	302,589	303,276	302,990	
State/Other Special Rev. Funds	2,053,028	2,281,231	2,320,378	2,469,194	2,475,098	
Total Funds	\$2,334,340	\$2,581,240	\$2,622,967	\$2,772,470	\$2,778,088	
Total Ongoing	\$2,334,340	\$2,581,240	\$2,622,967	\$2,772,470	\$2,778,088	
Total OTO	\$0	\$0	\$0	\$0	\$0	

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Funding

The Centralized Services Division's (CSD) primary funding comes from state special revenue, and the primary source is the livestock per-capita fund. This fund is generated by fees assessed on each head of livestock in the state. For the Milk Control Bureau and the Milk Control Board, funding is derived from fees charged to producers, distributors, and producer-distributors. The Livestock Loss Board's activities are supported by the general fund. Certain state special revenue is statutorily appropriated to the agency, meaning it doesn't require re-authorization by the legislature. The agency uses these statutory funds for two main purposes: livestock loss prevention and livestock loss compensation.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Centralized Services Division 2027 Biennium HB 2 Base Budget and 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
Base Budget	302,589	2,320,378	0	2,622,967	94.6%	302,589	2,320,378	0	2,622,967	94.4%
Statewide PL										
Personal Services	544	122,227	0	122,771	4.4%	544	125,359	0	125,903	4.5%
Fixed Costs	787	35,200	0	35,987	1.3%	502	38,456	0	38,958	1.4%
Inflation Deflation	0	(16)	0	(16)	(0.0%)	0	(11)	0	(11)	(0.0%)
Total Statewide PL	1,331	157,411	0	158,742	5.7%	1,046	163,804	0	164,850	5.9%
Present Law (PL)	(644)	(8,595)	0	(9,239)	(0.3%)	(645)	(9,084)	0	(9,729)	(0.4%)
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
Total HB 2 Adjustments	687	148,816	0	149,503	5.4%	401	154,720	0	155,121	5.6%
Total Budget	303,276	2,469,194	0	2,772,470		302,990	2,475,098	0	2,778,088	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	544	122,227	0	122,771	0.00	544	125,359	0	125,903
DP 2 - Fixed Costs	0.00	787	35,200	0	35,987	0.00	502	38,456	0	38,958
DP 3 - Inflation Deflation	0.00	0	(16)	0	(16)	0.00	0	(11)	0	(11)
DP 22 - Fixed Cost Adjustment for Robert's Rules	0.00	(480)	(1,183)	0	(1,663)	0.00	(480)	(1,183)	0	(1,663)
DP 23 - Fixed Costs Adjustment for Office/Non-Office Rent	0.00	(164)	(7,412)	0	(7,576)	0.00	(165)	(7,901)	0	(8,066)
Grand Total All Present Law Adjustments	0.00	\$687	\$148,816	\$0	\$149,503	0.00	\$401	\$154,720	\$0	\$155,121

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

DP 1 - Personal Services -

The legislature approved adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature approved 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: warrant writer, motor pool, 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 legislature approved 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.

DP 22 - Fixed Cost Adjustment for Robert's Rules -

The legislature adopted an adjustment to fixed cost that removed new appropriations for Robert's Rules of Order training included in DP 2.

DP 23 - Fixed Costs Adjustment for Office/Non-Office Rent -

The legislature adopted an adjustment to fixed costs that reduced office and non-office rent included in DP 2.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	66.26	70.26	70.26	4.00	3.0%
General Fund	3,914,549	4,579,229	4,385,441	1,135,572	14.5%
State/Other Special Rev. Funds	2,622,962	3,568,404	2,708,149	1,030,629	19.6%
Federal Spec. Rev. Funds	2,427,305	2,293,665	2,296,494	(264,451)	(5.4%)
Total Funds	8,964,816	10,441,298	9,390,084	1,901,750	10.6%
Personal Services	5,655,613	5,896,423	5,908,834	494,031	4.4%
Operating Expenses	3,003,998	3,201,222	3,176,045	369,271	6.1%
Equipment & Intangible Assets	65,205	593,605	65,205	528,400	405.2%
Capital Outlay		510,048		510,048	0.0%
Transfers	240,000	240,000	240,000		0.0%
Total Expenditures	8,964,816	10,441,298	9,390,084	1,901,750	10.6%
Total Ongoing	8,964,816	9,377,850	9,390,084	838,302	4.7%
Total One-Time-Only		1,063,448		1,063,448	0.0%

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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 adopted budget 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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	4,869,731	5,270,127	5,655,613	5,896,423	5,908,834
Operating Expenses	2,382,495	3,094,194	3,003,998	3,201,222	3,176,045
Equipment & Intangible Assets	306,951	352,156	65,205	593,605	65,205
Capital Outlay	0	0	0	510,048	0
Transfers	208,345	215,750	240,000	240,000	240,000
Total Expenditures	\$7,767,522	\$8,932,227	\$8,964,816	\$10,441,298	\$9,390,084
General Fund	3,343,307	3,782,704	3,914,549	4,579,229	4,385,441
State/Other Special Rev. Funds	2,329,352	2,792,939	2,622,962	3,568,404	2,708,149
Federal Spec. Rev. Funds	2,094,863	2,356,584	2,427,305	2,293,665	2,296,494
Total Funds	\$7,767,522	\$8,932,227	\$8,964,816	\$10,441,298	\$9,390,084
Total Ongoing	\$7,530,571	\$8,645,276	\$8,964,816	\$9,377,850	\$9,390,084
Total OTO	\$236,951	\$286,951	\$0	\$1,063,448	\$0

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Funding

General fund supports 46.8% of the HB 2 appropriations and 40.1% of total funding in the Animal Health Division. General fund primarily supports personal services and operations for the diagnostic laboratory, animal health programs, meat and poultry inspection, and information technology. State special revenues support 30.7% of the HB 2 appropriations and 26.4% of total authority. State special revenue is generated from per head livestock tax and fees charged for milk and egg inspection. State special revenues are matched with federal funds for meat and poultry inspection and animal health. Non-budgeted proprietary funds are generated from fees for service at the Montana Veterinary Diagnostic Laboratory.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Animal Health Division 2027 Biennium HB 2 Base Budget and 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
Base Budget	3,914,549	2,622,962	2,427,305	8,964,816	85.9%	3,914,549	2,622,962	2,427,305	8,964,816	95.5%
Statewide PL										
Personal Services	(13,137)	16,618	(24,526)	(21,045)	(0.2%)	(6,832)	20,948	(22,751)	(8,635)	(0.1%)
Fixed Costs	19,092	30,919	7,208	57,219	0.5%	17,618	29,059	6,491	53,168	0.6%
Inflation Deflation	(5,490)	(997)	(5,468)	(11,955)	(0.1%)	(3,710)	(674)	(3,697)	(8,081)	(0.1%)
Total Statewide PL	465	46,540	(22,786)	24,219	0.2%	7,076	49,333	(19,957)	36,452	0.4%
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	664,215	898,902	(110,854)	1,452,263	13.9%	463,816	35,854	(110,854)	388,816	4.1%
Total HB 2 Adjustments	664,680	945,442	(133,640)	1,476,482	14.1%	470,892	85,187	(130,811)	425,268	4.5%
Total Budget	4,579,229	3,568,404	2,293,665	10,441,298		4,385,441	2,708,149	2,296,494	9,390,084	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	(13,137)	16,618	(24,526)	(21,045)	0.00	(6,832)	20,948	(22,751)	(8,635)
DP 2 - Fixed Costs	0.00	19,092	30,919	7,208	57,219	0.00	17,618	29,059	6,491	53,168
DP 3 - Inflation Deflation	0.00	(5,490)	(997)	(5,468)	(11,955)	0.00	(3,710)	(674)	(3,697)	(8,081)
Grand Total All Present Law Adjustments	0.00	\$465	\$46,540	(\$22,786)	\$24,219	0.00	\$7,076	\$49,333	(\$19,957)	\$36,452

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

DP 1 - Personal Services -

The legislature approved adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature approved 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: warrant writer, motor pool, 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 legislature approved 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.

New Proposals -

The "New Proposals" table shows new changes to 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 40 - Milk Inspection Fee Shift	0.00	150,000	(150,000)	0	0	0.00	150,000	(150,000)	0	0
DP 42 - New Construction Laboratory Expenses (BIEN/OTO)	0.00	0	863,048	0	863,048	0.00	0	0	0	0
DP 43 - Meat Inspection Additional Staff	4.00	313,815	0	0	313,815	4.00	313,816	0	0	313,816
DP 44 - State Milk Laboratory Instruments (BIEN/OTO)	0.00	200,400	0	0	200,400	0.00	0	0	0	0
DP 45 - Animal Health Application Maintenance	0.00	0	75,000	0	75,000	0.00	0	75,000	0	75,000
DP 48 - Emergency Preparedness Veterinarian Funding Shift	0.00	0	110,854	(110,854)	0	0.00	0	110,854	(110,854)	0
Total	4.00	\$664,215	\$898,902	(\$110,854)	\$1,452,263	4.00	\$463,816	\$35,854	(\$110,854)	\$388,816

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

DP 40 - Milk Inspection Fee Shift -

The legislature approved a shift of \$150,000 in each year of the biennium from the Milk and Egg Inspection state special revenue to the general fund. Taxes and fees for milk and egg inspection have declined at an annual rate of 3.2% since FY 2013. This decision package does not change the overall budget.

DP 42 - New Construction Laboratory Expenses (BIEN/OTO) -

The legislature approved a one-time-only appropriation of state special revenue for furnishings and equipment for the new veterinarian laboratory. This appropriation would also fund moving expense and construction.

DP 43 - Meat Inspection Additional Staff -

The legislature approved an increase in general fund to support 4.00 PB(Positions Budgeted) for meat & poultry inspectors. These positions would support the growth in the Cooperative Interstate Shipping (CIS) program.

DP 44 - State Milk Laboratory Instruments (BIEN/OTO) -

The legislature approved a one-time-only appropriation of general fund to replace two grade A milk laboratory instruments that are at the end of their effective operational lifespan.

DP 45 - Animal Health Application Maintenance -

The legislature approved an increase in state special revenue to fund the annual maintenance contract for the Animal Health software application.

DP 48 - Emergency Preparedness Veterinarian Funding Shift -

The legislature approved a shift of about \$110,900 in each year of the biennium from federal to state special revenues that support a veterinarian focused on large scale disease outbreak.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	54.61	54.61	54.61	0.00	0.0%
State/Other Special Rev. Funds	5,093,153	5,044,198	5,056,729	(85,379)	(0.8%)
Total Funds	5,093,153	5,044,198	5,056,729	(85,379)	(0.8%)
Personal Services	4,297,245	4,232,350	4,244,543	(117,597)	(1.4%)
Operating Expenses	795,908	811,848	812,186	32,218	2.0%
Total Expenditures	5,093,153	5,044,198	5,056,729	(85,379)	(0.8%)
Total Ongoing	5,093,153	5,044,198	5,056,729	(85,379)	(0.8%)
Total One-Time-Only					0.0%

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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 adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals	Approp.	Approp.	Legislative	Legislative
	Fiscal 2024	Fiscal 2024	Fiscal 2025	Fiscal 2026	Fiscal 2027
Personal Services	3,988,320	4,076,893	4,297,245	4,232,350	4,244,543
Operating Expenses	701,710	791,201	795,908	811,848	812,186
Equipment & Intangible Assets	122,032	150,000	0	0	0
Total Expenditures	\$4,812,062	\$5,018,094	\$5,093,153	\$5,044,198	\$5,056,729
State/Other Special Rev. Funds	4,812,062	5,018,094	5,093,153	5,044,198	5,056,729
Total Funds	\$4,812,062	\$5,018,094	\$5,093,153	\$5,044,198	\$5,056,729
Total Ongoing	\$4,685,918	\$4,838,094	\$5,093,153	\$5,044,198	\$5,056,729
Total OTO	\$126,144	\$180,000	\$0	\$0	\$0

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Funding

The program is funded with revenue generated from fees charged for brand recording and market and local inspections as well as fees charged to stockowners on each head of livestock commonly referred to as per-capita fees.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Brands Enforcement Division 2027 Biennium HB 2 Base Budget and 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
Base Budget	0	5,093,153	0	5,093,153	101.0%	0	5,093,153	0	5,093,153	100.7%
Statewide PL										
Personal Services	0	(64,895)	0	(64,895)	(1.3%)	0	(52,702)	0	(52,702)	(1.0%)
Fixed Costs	0	25,610	0	25,610	0.5%	0	22,813	0	22,813	0.5%
Inflation Deflation	0	(9,670)	0	(9,670)	(0.2%)	0	(6,535)	0	(6,535)	(0.1%)
Total Statewide PL	0	(48,955)	0	(48,955)	(1.0%)	0	(36,424)	0	(36,424)	(0.7%)
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%
Total HB 2 Adjustments	0	(48,955)	0	(48,955)	(1.0%)	0	(36,424)	0	(36,424)	(0.7%)
Total Budget	0	5,044,198	0	5,044,198		0	5,056,729	0	5,056,729	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	0	(64,895)	0	(64,895)	0.00	0	(52,702)	0	(52,702)
DP 2 - Fixed Costs	0.00	0	25,610	0	25,610	0.00	0	22,813	0	22,813
DP 3 - Inflation Deflation	0.00	0	(9,670)	0	(9,670)	0.00	0	(6,535)	0	(6,535)
Grand Total All Present Law Adjustments	0.00	\$0	(\$48,955)	\$0	(\$48,955)	0.00	\$0	(\$36,424)	\$0	(\$36,424)

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

DP 1 - Personal Services -

The legislature approved adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature approved 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: warrant writer, motor pool, 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 legislature approved 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.

Agency Base Budget Comparison

The following table compares the base budget with the expenditures adopted by the legislature 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	553.61	558.61	558.61	5.00	0.5%
General Fund	38,780,567	43,279,714	43,413,514	9,132,094	11.8%
State/Other Special Rev. Funds	53,411,735	56,382,420	56,365,468	5,924,418	5.5%
Federal Spec. Rev. Funds	2,122,933	2,122,933	2,122,933		0.0%
Total Funds	94,315,235	101,785,067	101,901,915	15,056,512	8.0%
Personal Services	52,128,274	53,391,789	53,517,759	2,653,000	2.5%
Operating Expenses	29,243,632	34,816,463	34,848,066	11,177,265	19.1%
Equipment & Intangible Assets	1,436,516	1,678,666	1,586,516	392,150	13.6%
Local Assistance	3,058,090	3,058,090	3,058,090		0.0%
Grants	4,060,714	4,060,714	4,060,714		0.0%
Benefits & Claims	400,000	400,000	400,000		0.0%
Transfers	1,724,243	2,047,326	2,035,064	633,904	18.4%
Debt Service	2,263,766	2,332,019	2,395,706	200,193	4.4%
Total Expenditures	94,315,235	101,785,067	101,901,915	15,056,512	8.0%
Total Ongoing	94,315,235	100,687,016	100,896,015	12,952,561	6.9%
Total One-Time-Only	7,548,376	1,098,051	1,005,900	(12,992,801)	(86.1%)

Page Reference

LFD Budget Analysis, C-140

Agency Highlights

**Department of Natural Resources and Conservation
Major Budget Highlights**

The legislature adopted an increase of 8.0% or \$15.1 million above base funding. In addition to statewide present law adjustment of \$4.1 million, the legislature adopted:

- Water storage projects: \$2.0 million
- Stream gage network: \$1.9 million
- One-time-only appropriation for 8.00 temporary positions in the Water Resources and Conservation and Resource Development Divisions: \$1.7 million
- IT projects including a water rights database, a water measurement database, and maintenance for the trust lands management system: \$1.7 million
- Additional 5.00 PB (Budgeted Positions) in the Director’s Office and Water Resources Division: \$1.1 million

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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	49,519,680	49,987,524	52,852,274	53,391,789	53,517,759
Operating Expenses	22,628,333	29,389,295	33,018,008	34,816,463	34,848,066
Equipment & Intangible Assets	1,624,705	1,867,716	1,486,516	1,678,666	1,586,516
Local Assistance	2,236,125	3,058,090	3,058,090	3,058,090	3,058,090
Grants	3,178,507	4,791,884	7,060,714	4,060,714	4,060,714
Benefits & Claims	275,300	675,300	400,000	400,000	400,000
Transfers	1,698,436	1,747,173	1,724,243	2,047,326	2,035,064
Debt Service	2,036,691	2,263,766	2,263,766	2,332,019	2,395,706
Total Expenditures	\$83,197,777	\$93,780,748	\$101,863,611	\$101,785,067	\$101,901,915
General Fund	37,866,186	39,027,921	40,349,020	43,279,714	43,413,514
State/Other Special Rev. Funds	43,617,990	52,646,498	59,391,658	56,382,420	56,365,468
Federal Spec. Rev. Funds	1,713,601	2,106,329	2,122,933	2,122,933	2,122,933
Total Funds	\$83,197,777	\$93,780,748	\$101,863,611	\$101,785,067	\$101,901,915
Total Ongoing	\$80,442,905	\$86,650,227	\$94,315,235	\$100,687,016	\$100,896,015
Total OTO	\$2,754,872	\$7,130,521	\$7,548,376	\$1,098,051	\$1,005,900

Page Reference

LFD Budget Analysis, C-144

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2025	Executive Budget Fiscal 2026	Legislative Budget Fiscal 2026	Leg — Exec. Difference Fiscal 2026	Executive Budget Fiscal 2027	Legislative Budget Fiscal 2027	Leg — Exec. Difference Fiscal 2027	Biennium Difference Fiscal 26-27
Personal Services	52,852,274	53,493,660	53,391,789	(101,871)	53,619,630	53,517,759	(101,871)	(203,742)
Operating Expenses	33,018,008	34,249,423	34,816,463	567,040	34,280,376	34,848,066	567,690	1,134,730
Equipment & Intangible Assets	1,486,516	1,678,666	1,678,666	0	1,586,516	1,586,516	0	0
Local Assistance	3,058,090	3,058,090	3,058,090	0	3,058,090	3,058,090	0	0
Grants	7,060,714	4,060,714	4,060,714	0	4,060,714	4,060,714	0	0
Benefits & Claims	400,000	400,000	400,000	0	400,000	400,000	0	0
Transfers	1,724,243	2,047,326	2,047,326	0	2,035,064	2,035,064	0	0
Debt Service	2,263,766	2,332,019	2,332,019	0	2,395,706	2,395,706	0	0
Total Costs	\$101,863,611	\$101,319,898	\$101,785,067	\$465,169	\$101,436,096	\$101,901,915	\$465,819	\$930,988
General Fund	40,349,020	43,119,653	43,279,714	160,061	43,254,305	43,413,514	159,209	319,270
State/Other Special Rev. Funds	59,391,658	56,077,312	56,382,420	305,108	56,058,858	56,365,468	306,610	611,718
Federal Spec. Rev. Funds	2,122,933	2,122,933	2,122,933	0	2,122,933	2,122,933	0	0
Other	0	0	0	0	0	0	0	0
Total Funds	\$101,863,611	\$101,319,898	\$101,785,067	\$465,169	\$101,436,096	\$101,901,915	\$465,819	\$930,988
Total Ongoing	\$94,315,235	\$100,221,847	\$100,687,016	\$465,169	\$100,430,196	\$100,896,015	\$465,819	\$930,988
Total OTO	\$7,548,376	\$1,098,051	\$1,098,051	\$0	\$1,005,900	\$1,005,900	\$0	\$0

The legislature adopted total appropriations \$930,988 higher than the executive request. Specifically, the differences include:

- \$1.2 million increase in general fund requested by the executive and adopted by the legislature to adjust the agency’s base funding
- (\$38,120) a reduction in fixed costs from the executive request
- (\$230,000) for one PB real property agent that was not approved by the legislature

Funding

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

Total Department of Natural Resources and Conservation 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	
01100 General Fund	85,521,427	1,171,801			86,693,228	39.3%	
02938 TLMD Trust Administration	37,179,832	392,150			37,571,982	17.0%	
02039 Fire Protection Assessments	10,268,568				10,268,568	4.7%	
02048 Conservation District Acct	9,526,506				9,526,506	4.3%	
02470 State Project Hydro Earnings	8,466,220				8,466,220	3.8%	
02431 Water Adjudication	7,024,489				7,024,489	3.2%	
Other State Special Revenue	39,350,123	540,000		2,376,138	42,266,261	19.1%	
State Special Revenue Total	111,815,738	932,150	-	2,376,138	115,124,026	52.1%	
03500 GNA FEDERAL SPECIAL REVENUE				6,380,883	6,380,883	2.9%	
03053 CONSOLIDATED GRANT-FY27	1,096,988				1,096,988	0.5%	
03110 CONSOLIDATED GRANT-FY26	1,096,988				1,096,988	0.5%	
03094 FEMA Federal Grants	541,978				541,978	0.2%	
03595 DW24 SRF Grant	341,018				341,018	0.2%	
Other Federal Special Revenue	1,168,894				1,168,894	0.5%	
Federal Special Revenue Total	4,245,866	-	-	6,380,883	10,626,749	4.8%	
06538 Air Operations Internal Svc.				6,399,650	6,399,650	2.9%	
06003 State Nursery Enterprise Fund				1,941,902	1,941,902	0.9%	
Proprietary Fund Total	-	-	-	8,341,552	8,341,552	3.8%	
Total of All Funds	201,583,031	2,103,951	8,341,552	8,757,021	220,785,555		
Percent of All Sources of Authority	91.3%	1.0%	3.8%	4.0%			

Department of Natural Resources and Conservation is primarily funded with state special revenue and general fund. State special revenue makes up over half of the HB 2 budget. Nonbudgeted proprietary funds are supported with revenue from the state nursery and charges for air operations.

Statutory Appropriations

The oil and gas production damage mitigation state special revenue fund (82-11-161, MCA) is statutorily appropriated and under the authority of the Board of Oil and Gas. It receives up to \$650,000 from the Resource Indemnity Trust interest each biennium. Over the last five biennium, interest received from the indemnity trust has averaged about \$340,200 per biennium. The fund is used for the reclamation of drill sites and production areas associated with oil and natural gas production. Over the past five fiscal years, DNRC has expended an average of \$212,000 per fiscal year.

The Morrill trust land administration state special revenue fund (77-1-108, MCA) receives an \$80,000 transfer each biennium from the general fund for the purposes of administering the Morrill Trust lands. Over the past five fiscal years, DNRC has expended an average of \$23,800 per fiscal year. Over the last ten years, the ending fund balance has grown at a rate of about 21.3% per year. The ending fund balance in FY 2024 was \$174,400.

The wildfire suppression state special revenue fund (76-13-150, MCA) pays for the state share of wildfire suppression. The fund receives revenue from the Governor’s unspent emergency general fund appropriation and general fund transfer capped at 6.0% of the general revenue appropriations in the second year of each biennium. General fund transfers occur only if general fund ending balance exceeds general revenue appropriations in the second year of the biennium by 8.3%. Historically, the 10-year inflation adjusted average for state wildfire costs was \$30.0 million. Up to \$30.0 million per biennium is statutorily appropriated for fuel reduction, fire suppression equipment for county cooperatives, and other forest management programs.

The Sage Grouse Stewardship state special revenue account (87-5-906, MCA) is used to maintain, enhance, restore, expand, of benefit sage grouse habitat and populations. For FY 2018 through FY 2021, the fund received a transfer of \$2.0 million from the general fund. Starting in FY 2022, revenue is from compensatory mitigation (as established in 76-22-111, MCA) and donations.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Department of Natural Resources and Conservation 2027 Biennium HB 2 Base Budget and 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
Base Budget	38,780,567	53,411,735	2,122,933	94,315,235	92.7%	38,780,567	53,411,735	2,122,933	94,315,235	92.6%
Statewide PL										
Personal Services	291,855	420,466	0	712,321	0.7%	361,298	477,136	0	838,434	0.8%
Fixed Costs	918,716	390,636	0	1,309,352	1.3%	925,798	367,957	0	1,293,755	1.3%
Inflation Deflation	(14,852)	(8,281)	0	(23,133)	(0.0%)	(10,033)	(5,598)	0	(15,631)	(0.0%)
Total Statewide PL	1,195,719	802,821	0	1,998,540	2.0%	1,277,063	839,495	0	2,116,558	2.1%
Present Law (PL)	1,405,452	526,928	0	1,932,380	1.9%	1,460,804	567,701	0	2,028,505	2.0%
New Proposals	1,897,976	1,640,936	0	3,538,912	3.5%	1,895,080	1,546,537	0	3,441,617	3.4%
Total HB 2 Adjustments	4,499,147	2,970,685	0	7,469,832	7.3%	4,632,947	2,953,733	0	7,586,680	7.4%
Total Budget	43,279,714	56,382,420	2,122,933	101,785,067		43,413,514	56,365,468	2,122,933	101,901,915	

Language and Statutory Authority

During the 2027 biennium, the Department of Natural Resources and Conservation is authorized to decrease federal special revenue in the water pollution control and/or drinking water revolving fund loan programs and increase state special revenue by a like amount within administration accounts when the amount of federal EPA CAP grant funds allocated for administration of the grant have been expended or federal funds and bond proceeds will be used for other program purposes as authorized in law providing for the distribution of funds.

During the 2027 biennium, up to \$600,000 from the loan loss reserve account of the private loan program established in 85-1-603 is appropriated to the Department of Natural Resources and Conservation for the purchase of prior liens on property held as loan security as provided in 85-1-615.

Funding for DP24020 is removed if LC2159 Enhancing public safety through marijuana revenues is not passed and approved.

57060 - Department Of Natural Resources And Conservation 21-Centralized Services Division

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	61.75	63.75	63.75	2.00	1.6%
General Fund	5,444,907	6,478,870	6,461,866	2,050,922	18.8%
State/Other Special Rev. Funds	4,969,068	5,743,291	5,737,257	1,542,412	15.5%
Total Funds	10,413,975	12,222,161	12,199,123	3,593,334	17.3%
Personal Services	7,179,448	7,049,620	7,067,024	(242,252)	(1.7%)
Operating Expenses	2,687,344	4,625,358	4,552,751	3,803,421	70.8%
Equipment & Intangible Assets	62,554	62,554	62,554		0.0%
Transfers	500	500	500		0.0%
Debt Service	484,129	484,129	516,294	32,165	3.3%
Total Expenditures	10,413,975	12,222,161	12,199,123	3,593,334	17.3%
Total Ongoing	10,413,975	12,222,161	12,199,123	3,593,334	17.3%
Total One-Time-Only	900,000			(1,800,000)	(100.0%)

Page Reference

LFD Budget Analysis, C-148

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget 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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	7,053,460	6,854,799	7,779,448	7,049,620	7,067,024
Operating Expenses	1,972,503	2,608,903	2,987,344	4,625,358	4,552,751
Equipment & Intangible Assets	0	62,554	62,554	62,554	62,554
Transfers	0	500	500	500	500
Debt Service	484,050	484,129	484,129	484,129	516,294
Total Expenditures	\$9,510,013	\$10,010,885	\$11,313,975	\$12,222,161	\$12,199,123
General Fund	5,085,589	5,279,877	5,569,907	6,478,870	6,461,866
State/Other Special Rev. Funds	4,424,424	4,731,008	5,744,068	5,743,291	5,737,257
Total Funds	\$9,510,013	\$10,010,885	\$11,313,975	\$12,222,161	\$12,199,123
Total Ongoing	\$8,870,337	\$9,110,885	\$10,413,975	\$12,222,161	\$12,199,123
Total OTO	\$639,676	\$900,000	\$900,000	\$0	\$0

Page Reference

LFD Budget Analysis, C-150

57060 - Department Of Natural Resources And Conservation 21-Centralized Services Division

Funding

The Director's Office is funded with general fund and state special revenue generated from timber sales, taxes on oil and gas, fire protection taxes, and other taxes and fees. State special revenue is used to cover the costs of administration and various services provided to other programs in the department.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Centralized Services Division 2027 Biennium HB 2 Base Budget and 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
Base Budget	5,444,907	4,969,068	0	10,413,975	85.2%	5,444,907	4,969,068	0	10,413,975	85.4%
Statewide PL										
Personal Services	(221,617)	(171,905)	0	(393,522)	(3.2%)	(211,734)	(164,241)	0	(375,975)	(3.1%)
Fixed Costs	525,445	402,258	0	927,703	7.6%	483,322	376,737	0	860,059	7.1%
Inflation Deflation	(67)	(46)	0	(113)	(0.0%)	(43)	(33)	0	(76)	(0.0%)
Total Statewide PL	303,761	230,307	0	534,068	4.4%	271,545	212,463	0	484,008	4.0%
Present Law (PL)	573,294	422,130	0	995,424	8.1%	591,400	436,189	0	1,027,589	8.4%
New Proposals	156,908	121,786	0	278,694	2.3%	154,014	119,537	0	273,551	2.2%
Total HB 2 Adjustments	1,033,963	774,223	0	1,808,186	14.8%	1,016,959	768,189	0	1,785,148	14.6%
Total Budget	6,478,870	5,743,291	0	12,222,161		6,461,866	5,737,257	0	12,199,123	

57060 - Department Of Natural Resources And Conservation 21-Centralized Services Division

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	(221,617)	(171,905)	0	(393,522)	0.00	(211,734)	(164,241)	0	(375,975)
DP 2 - Fixed Costs	0.00	525,445	402,258	0	927,703	0.00	483,322	376,737	0	860,059
DP 3 - Inflation Deflation	0.00	(67)	(46)	0	(113)	0.00	(43)	(33)	0	(76)
DP 22 - Fixed Cost Adjustment for Robert's Rules	0.00	(4,576)	0	0	(4,576)	0.00	(4,576)	0	0	(4,576)
DP 21002 - DO Helena Rent Increase	0.00	0	0	0	0	0.00	18,110	14,055	0	32,165
DP 21003 - DO TLMS Maintenance Contracted Services	0.00	240,000	160,000	0	400,000	0.00	240,000	160,000	0	400,000
DP 21100 - Indirect Cost Funding Adjustment	0.00	337,870	(337,870)	0	0	0.00	337,866	(337,866)	0	0
DP 21101 - Indirect Cost Adjustment	0.00	0	600,000	0	600,000	0.00	0	600,000	0	600,000
Grand Total All Present Law Adjustments	0.00	\$877,055	\$652,437	\$0	\$1,529,492	0.00	\$862,945	\$648,652	\$0	\$1,511,597

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted 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 legislature adopted 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.

57060 - Department Of Natural Resources And Conservation 21-Centralized Services Division

DP 22 - Fixed Cost Adjustment for Robert's Rules -

The legislature adopted an adjustment to fixed costs that removed new appropriations for Robert's Rules of Order training included in DP 2.

DP 21002 - DO Helena Rent Increase -

The legislature adopted increased authority in general fund and state special revenue for the lease agreement of the Department of Natural Resources and Conservation Helena headquarters building.

DP 21003 - DO TLMS Maintenance Contracted Services -

The legislature adopted an increase in general fund and state special funds to contract for maintenance of the Trust Lands Management System (TLMS). The TLMS manages state trust lands and school revenue distribution.

DP 21100 - Indirect Cost Funding Adjustment -

The legislature made adjustments to the base budget for operations.

DP 21101 - Indirect Cost Adjustment -

The legislature approved a funding shift from state special revenue to general fund.

New Proposals -

The "New Proposals" table shows new changes to 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 21004 - DO ServiceNow Developers	2.00	156,908	121,786	0	278,694	2.00	154,014	119,537	0	273,551
Total	2.00	\$156,908	\$121,786	\$0	\$278,694	2.00	\$154,014	\$119,537	\$0	\$273,551

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

DP 21004 - DO ServiceNow Developers -

The legislature adopted an increase in general fund and state special revenue to support an additional 2.00 PB as software developers. The new positions would work to build ServiceNow applications, aligning with state IT guidance.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	19.50	19.50	19.50	0.00	0.0%	
State/Other Special Rev. Funds	2,362,758	2,340,397	2,344,310	(40,809)	(0.9%)	
Federal Spec. Rev. Funds	107,879	107,879	107,879		0.0%	
Total Funds	2,470,637	2,448,276	2,452,189	(40,809)	(0.8%)	
Personal Services	1,812,418	1,794,603	1,797,000	(33,233)	(0.9%)	
Operating Expenses	549,728	545,182	546,698	(7,576)	(0.7%)	
Equipment & Intangible Assets	90,000	90,000	90,000		0.0%	
Debt Service	18,491	18,491	18,491		0.0%	
Total Expenditures	2,470,637	2,448,276	2,452,189	(40,809)	(0.8%)	
Total Ongoing	2,470,637	2,448,276	2,452,189	(40,809)	(0.8%)	
Total One-Time-Only					0.0%	

Page Reference

LFD Budget Analysis, C-153

Program Actuals and Budget Comparison

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

Program Actuals and Budget Comparison						
Budget Item	Actuals	Approp.	Approp.	Legislative	Legislative	
	Fiscal 2024	Fiscal 2024	Fiscal 2025	Fiscal 2026	Fiscal 2027	
Personal Services	1,283,114	1,723,415	1,812,418	1,794,603	1,797,000	
Operating Expenses	276,270	531,589	549,728	545,182	546,698	
Equipment & Intangible Assets	0	90,000	90,000	90,000	90,000	
Debt Service	18,491	18,491	18,491	18,491	18,491	
Total Expenditures	\$1,577,875	\$2,363,495	\$2,470,637	\$2,448,276	\$2,452,189	
State/Other Special Rev. Funds	1,577,875	2,255,616	2,362,758	2,340,397	2,344,310	
Federal Spec. Rev. Funds	0	107,879	107,879	107,879	107,879	
Total Funds	\$1,577,875	\$2,363,495	\$2,470,637	\$2,448,276	\$2,452,189	
Total Ongoing	\$1,577,875	\$2,363,495	\$2,470,637	\$2,448,276	\$2,452,189	
Total OTO	\$0	\$0	\$0	\$0	\$0	

Page Reference

LFD Budget Analysis, C-155

Funding

The division is funded through taxes levied on oil and gas production and fees paid by operators of class II injection wells. Statutory funds are appropriated for oil and gas damage mitigation.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Oil & Gas Conservation Div 2027 Biennium HB 2 Base Budget and 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
Base Budget	0	2,362,758	107,879	2,470,637	100.9%	0	2,362,758	107,879	2,470,637	100.8%
Statewide PL										
Personal Services	0	(25,043)	0	(25,043)	(1.0%)	0	(22,646)	0	(22,646)	(0.9%)
Fixed Costs	0	(4,546)	0	(4,546)	(0.2%)	0	(3,030)	0	(3,030)	(0.1%)
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	0	(29,589)	0	(29,589)	(1.2%)	0	(25,676)	0	(25,676)	(1.0%)
Present Law (PL)	0	7,228	0	7,228	0.3%	0	7,228	0	7,228	0.3%
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
Total HB 2 Adjustments	0	(22,361)	0	(22,361)	(0.9%)	0	(18,448)	0	(18,448)	(0.8%)
Total Budget	0	2,340,397	107,879	2,448,276		0	2,344,310	107,879	2,452,189	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	0	(25,043)	0	(25,043)	0.00	0	(22,646)	0	(22,646)
DP 2 - Fixed Costs			(4,546)	0	(4,546)	0.00	0	(3,030)	0	(3,030)
DP 22001 - BOGC Per Diem & Overtime Adjustment	0.00	0	7,228	0	7,228	0.00	0	7,228	0	7,228
Grand Total All Present Law Adjustments	0.00	\$0	(\$22,361)	\$0	(\$22,361)	0.00	\$0	(\$18,448)	\$0	(\$18,448)

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature approved 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 22001 - BOGC Per Diem & Overtime Adjustment -

The legislature adopted increasing state special revenue for overtime for field inspectors and per diem for members of the Board of Oil and Gas Conservation.

57060 - Department Of Natural Resources And Conservation23-Conservation & Resource Dev Div

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	30.17	30.17	30.17	0.00	0.0%
General Fund	2,058,375	2,257,746	2,268,845	409,841	10.0%
State/Other Special Rev. Funds	11,355,004	11,706,367	11,714,045	710,404	3.1%
Federal Spec. Rev. Funds	293,340	293,340	293,340		0.0%
Total Funds	13,706,719	14,257,453	14,276,230	1,120,245	4.1%
Personal Services	3,026,128	3,075,239	3,083,458	106,441	1.8%
Operating Expenses	3,299,728	3,801,351	3,799,399	1,001,294	15.2%
Equipment & Intangible Assets	43,743	43,743	43,743		0.0%
Local Assistance	3,058,090	3,058,090	3,058,090		0.0%
Grants	3,640,249	3,640,249	3,640,249		0.0%
Benefits & Claims	400,000	400,000	400,000		0.0%
Debt Service	238,781	238,781	251,291	12,510	2.6%
Total Expenditures	13,706,719	14,257,453	14,276,230	1,120,245	4.1%
Total Ongoing	13,706,719	13,897,453	13,916,230	400,245	1.5%
Total One-Time-Only	3,291,923	360,000	360,000	(5,863,846)	(89.1%)

Page Reference

LFD Budget Analysis, C-157

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget 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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	3,252,306	2,809,974	3,026,128	3,075,239	3,083,458
Operating Expenses	2,629,694	3,341,566	3,591,651	3,801,351	3,799,399
Equipment & Intangible Assets	0	43,743	43,743	43,743	43,743
Local Assistance	2,236,125	3,058,090	3,058,090	3,058,090	3,058,090
Grants	2,741,017	4,371,419	6,640,249	3,640,249	3,640,249
Benefits & Claims	275,300	675,300	400,000	400,000	400,000
Transfers	12,641	18,830	0	0	0
Debt Service	241,533	238,781	238,781	238,781	251,291
Total Expenditures	\$11,388,616	\$14,557,703	\$16,998,642	\$14,257,453	\$14,276,230
General Fund	1,998,838	2,043,059	2,133,375	2,257,746	2,268,845
State/Other Special Rev. Funds	9,096,438	12,221,304	14,571,927	11,706,367	11,714,045
Federal Spec. Rev. Funds	293,340	293,340	293,340	293,340	293,340
Total Funds	\$11,388,616	\$14,557,703	\$16,998,642	\$14,257,453	\$14,276,230
Total Ongoing	\$10,440,939	\$12,015,780	\$13,706,719	\$13,897,453	\$13,916,230
Total OTO	\$947,677	\$2,541,923	\$3,291,923	\$360,000	\$360,000

57060 - Department Of Natural Resources And Conservation23-Conservation & Resource Dev Div

Page Reference

LFD Budget Analysis, C-159

Funding

The Conservation Resource and Development Division is funded primarily with state special revenue. State special revenue is used to fund the Conservation Districts Bureau, Resources Development Bureau, and sage grouse conservation programs. Sources of revenue include interest and earnings from the resource indemnity trust, resource indemnity tax distributions, bond proceeds, fees assessed on hydroelectric facilities, and production taxes on oil and gas. Statutory appropriations for sage grouse habitat are funded by mitigation fees from land developers and donations.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Conservation & Resource Dev Div 2027 Biennium HB 2 Base Budget and 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
Base Budget	2,058,375	11,355,004	293,340	13,706,719	96.1%	2,058,375	11,355,004	293,340	13,706,719	96.0%
Statewide PL										
Personal Services	40,175	8,936	0	49,111	0.3%	43,680	13,650	0	57,330	0.4%
Fixed Costs	69,196	72,427	0	141,623	1.0%	69,534	70,137	0	139,671	1.0%
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	109,371	81,363	0	190,734	1.3%	113,214	83,787	0	197,001	1.4%
Present Law (PL)	0	0	0	0	0.0%	7,256	5,254	0	12,510	0.1%
New Proposals	90,000	270,000	0	360,000	2.5%	90,000	270,000	0	360,000	2.5%
Total HB 2 Adjustments	199,371	351,363	0	550,734	3.9%	210,470	359,041	0	569,511	4.0%
Total Budget	2,257,746	11,706,367	293,340	14,257,453		2,268,845	11,714,045	293,340	14,276,230	

57060 - Department Of Natural Resources And Conservation23-Conservation & Resource Dev Div

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	40,175	8,936	0	49,111	0.00	43,680	13,650	0	57,330
DP 2 - Fixed Costs	0.00	69,196	72,427	0	141,623	0.00	69,534	70,137	0	139,671
DP 23006 - CARDD Helena Rent Increase	0.00	0	0	0	0	0.00	7,256	5,254	0	12,510
Grand Total All Present Law Adjustments	0.00	\$109,371	\$81,363	\$0	\$190,734	0.00	\$120,470	\$89,041	\$0	\$209,511

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted 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 23006 - CARDD Helena Rent Increase -

The legislature adopted increased general fund and state special revenue for the lease agreement of the Conservation and Resource Development Division Helena headquarters building.

New Proposals -

The "New Proposals" table shows new changes to 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 23001 - Resource Development Technical Support (OTO)	0.00	0	180,000	0	180,000	0.00	0	180,000	0	180,000
DP 23004 - CARDD Infrastructure Staffing (BIEN/OTO)	0.00	90,000	90,000	0	180,000	0.00	90,000	90,000	0	180,000
Total	0.00	\$90,000	\$270,000	\$0	\$360,000	0.00	\$90,000	\$270,000	\$0	\$360,000

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

57060 - Department Of Natural Resources And Conservation23-Conservation & Resource Dev Div

DP 23001 - Resource Development Technical Support (OTO) -

The legislature adopted a one-time-only increase in state special revenue for 2.00 temporary positions. One position to support irrigation districts in managing state and federal funds, and another to ensure compliance with federal subaward programs and state grant monitoring requirements.

DP 23004 - CARDD Infrastructure Staffing (BIEN/OTO) -

The legislature adopted an increase of general fund and state special revenue, one-time-only, to fund 2.00 temporary positions for the Renewable Resource Grant and Loan program to manage increased grant funding from HB 6 (Renewable Resource Grants) and the American Rescue Plan Act (ARPA).

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	149.26	152.26	152.26	3.00	1.0%
General Fund	14,423,582	17,089,123	17,172,286	5,414,245	18.8%
State/Other Special Rev. Funds	11,410,826	12,652,017	12,660,452	2,490,817	10.9%
Federal Spec. Rev. Funds	292,279	292,279	292,279		0.0%
Total Funds	26,126,687	30,033,419	30,125,017	7,905,062	15.1%
Personal Services	14,018,184	14,832,084	14,867,399	1,663,115	5.9%
Operating Expenses	10,994,300	14,087,132	14,143,415	6,241,947	28.4%
Equipment & Intangible Assets	183,499	183,499	183,499		0.0%
Transfers	41,591	41,591	41,591		0.0%
Debt Service	889,113	889,113	889,113		0.0%
Total Expenditures	26,126,687	30,033,419	30,125,017	7,905,062	15.1%
Total Ongoing	26,126,687	29,537,518	29,629,117	6,913,261	13.2%
Total One-Time-Only	2,731,453	495,901	495,900	(4,471,105)	(81.8%)

Page Reference

LFD Budget Analysis, C-162

Program Actuals and Budget Comparison

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

Program Actuals and Budget Comparison					
Budget Item	Actuals	Approp.	Approp.	Legislative	Legislative
	Fiscal 2024	Fiscal 2024	Fiscal 2025	Fiscal 2026	Fiscal 2027
Personal Services	13,538,424	13,764,957	14,142,184	14,832,084	14,867,399
Operating Expenses	8,646,718	11,915,621	13,551,753	14,087,132	14,143,415
Equipment & Intangible Assets	442,156	614,699	233,499	183,499	183,499
Transfers	0	41,591	41,591	41,591	41,591
Debt Service	678,322	889,113	889,113	889,113	889,113
Total Expenditures	\$23,305,620	\$27,225,981	\$28,858,140	\$30,033,419	\$30,125,017
General Fund	14,943,095	15,719,601	15,792,035	17,089,123	17,172,286
State/Other Special Rev. Funds	8,358,474	11,217,472	12,773,826	12,652,017	12,660,452
Federal Spec. Rev. Funds	4,051	288,908	292,279	292,279	292,279
Total Funds	\$23,305,620	\$27,225,981	\$28,858,140	\$30,033,419	\$30,125,017
Total Ongoing	\$22,187,908	\$24,162,383	\$26,126,687	\$29,537,518	\$29,629,117
Total OTO	\$1,117,712	\$3,063,598	\$2,731,453	\$495,901	\$495,900

Page Reference

LFD Budget Analysis, C-164

Funding

The Water Resources Division is predominantly funded with general fund and state special revenue. State special revenue is primarily generated from the sale of electricity at the state-owned Toston dam in Broadwater County. Other revenues are generated from water rights filing fees, water adjudication fees, and transfers from the general fund. The division also receives revenue from taxes on metal mines, oil, and gas production.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Water Resources Division 2027 Biennium HB 2 Base Budget and 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
Base Budget	14,423,582	11,410,826	292,279	26,126,687	87.0%	14,423,582	11,410,826	292,279	26,126,687	86.7%
Statewide PL										
Personal Services	376,083	157,545	0	533,628	1.8%	403,864	165,079	0	568,943	1.9%
Fixed Costs	182,028	11,023	0	193,051	0.6%	194,286	11,765	0	206,051	0.7%
Inflation Deflation	(10,405)	(651)	0	(11,056)	(0.0%)	(7,031)	(440)	0	(7,471)	(0.0%)
Total Statewide PL	547,706	167,917	0	715,623	2.4%	591,119	176,404	0	767,523	2.5%
Present Law (PL)	466,767	66,274	0	533,041	1.8%	506,519	66,222	0	572,741	1.9%
New Proposals	1,651,068	1,007,000	0	2,658,068	8.9%	1,651,066	1,007,000	0	2,658,066	8.8%
Total HB 2 Adjustments	2,665,541	1,241,191	0	3,906,732	13.0%	2,748,704	1,249,626	0	3,998,330	13.3%
Total Budget	17,089,123	12,652,017	292,279	30,033,419		17,172,286	12,660,452	292,279	30,125,017	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	376,083	157,545	0	533,628	0.00	403,864	165,079	0	568,943
DP 2 - Fixed Costs	0.00	182,028	11,023	0	193,051	0.00	194,286	11,765	0	206,051
DP 3 - Inflation Deflation	0.00	(10,405)	(651)	0	(11,056)	0.00	(7,031)	(440)	0	(7,471)
DP 23 - Fixed Costs Adjustment for Office/Non-Office Rent	0.00	(13,233)	(801)	0	(14,034)	0.00	(14,081)	(853)	0	(14,934)
DP 24002 - Audit Rec: WRIS Database Operations	0.00	344,000	56,000	0	400,000	0.00	344,000	56,000	0	400,000
DP 24008 - Overtime for Broadwater Hydropower Plant Operators	0.00	0	11,075	0	11,075	0.00	0	11,075	0	11,075
DP 24015 - State Share of USGS Coop Stream Gage Program	0.00	46,000	0	0	46,000	0.00	72,000	0	0	72,000
DP 24017 - Compact Program Stream Gages	0.00	90,000	0	0	90,000	0.00	104,600	0	0	104,600
Grand Total All Present Law Adjustments	0.00	\$1,014,473	\$234,191	\$0	\$1,248,664	0.00	\$1,097,638	\$242,626	\$0	\$1,340,264

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted 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 legislature adopted 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.

DP 23 - Fixed Costs Adjustment for Office/Non-Office Rent -

The legislature adopted an adjustment to fixed costs that reduced office and non-office rent included in DP 2.

DP 24002 - Audit Rec: WRIS Database Operations -

The legislature adopted an increase in general fund and state special revenue appropriation to support development, operations, and maintenance of the water rights database. The data base is used by the department, the Water Court, and in the future the Board of Engineers of the Confederated Salish and Kootenai Tribes (CSKT).

DP 24008 - Overtime for Broadwater Hydropower Plant Operators -

The legislature adopted increased state special revenue to fund overtime at the State Water Projects Bureau Broadwater hydroelectric plant operations. This proposal would be funded entirely by sales of electricity generated by the plant.

DP 24015 - State Share of USGS Coop Stream Gage Program -

The legislature adopted an increase in general fund to maintain its 49-gage network partnership with the United State Geological Survey (USGS). The Water Resources Division partners with the USGS to operate and maintain a network of 49 priority stream gages across Montana through the USGS Cooperative Stream Gage Program.

DP 24017 - Compact Program Stream Gages -

The legislature adopted an increase in general fund to cover increased costs for stream gages under a Joint Funding Agreement with USGS and Tribes. Increased cost driven by inflation and the addition of nine gages. This system of gages is used for monitoring compact-related water rights.

New Proposals -

The "New Proposals" table shows new changes to 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 24004 - Build a Database for Water Measurement Data	0.00	43,000	7,000	0	50,000	0.00	43,000	7,000	0	50,000
DP 24013 - State Water Project PB related to FERC Audit (OTO)	0.00	365,901	0	0	365,901	0.00	365,900	0	0	365,900
DP 24014 - Continued Support of the MT Stream Gage Network	0.00	817,970	0	0	817,970	0.00	817,969	0	0	817,969
DP 24016 - SWP Safety and Reliability of State Projects (OTO)	0.00	130,000	0	0	130,000	0.00	130,000	0	0	130,000
DP 24018 - WRD PB to Support MDT Bridge Projects	3.00	294,197	0	0	294,197	3.00	294,197	0	0	294,197
DP 24020 - Water Storage Project Investments	0.00	0	1,000,000	0	1,000,000	0.00	0	1,000,000	0	1,000,000
Total	3.00	\$1,651,068	\$1,007,000	\$0	\$2,658,068	3.00	\$1,651,066	\$1,007,000	\$0	\$2,658,066

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

DP 24004 - Build a Database for Water Measurement Data -

The legislature adopted increasing general fund and state special revenue to create a geospatial database integrating water measurement data with the water rights database, improving public access and water management efficiency.

DP 24013 - State Water Project PB related to FERC Audit (OTO) -

The legislature adopted a one-time-only increase in general fund authority to support 3.00 temporary positions, a dam safety engineer, professional engineer, and an engineering analyst to address the Federal Energy Regulatory Commission dam safety program audit recommendations for the Broadwater Power Project.

DP 24014 - Continued Support of the MT Stream Gage Network -

The legislature adopted increased general fund authority for the Water Science Bureau's State Stream Gage Program, continuing the one-time-only funding approved by the 2023 Legislature for 76 sites and adding funding for 24 new sites.

DP 24016 - SWP Safety and Reliability of State Projects (OTO) -

The legislature adopted a one-time-only increase in general fund to support 1.00 temporary position to address dam safety, infrastructure reliability, and rehabilitation projects for the state's dams, canals, and hydropower facility. This position was approved as one-time-only by the 2023 Legislature.

DP 24018 - WRD PB to Support MDT Bridge Projects -

The legislature adopted an addition of 3.00 PB. The new positions include a hydrologist, planner, and engineering intern to support the floodplain permitting program to support increased number of Montana Department of Transportation bridge projects. The new positions would be funded with general fund.

DP 24020 - Water Storage Project Investments -

The legislature adopted increased state special revenue to fund existing and new water storage projects throughout the state. This request is contingent on the passage of legislation (LC 2159) proposed in the executive budget that redistributes certain marijuana tax revenue.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	292.93	292.93	292.93	0.00	0.0%
General Fund	16,853,703	17,453,975	17,510,517	1,257,086	3.7%
State/Other Special Rev. Funds	23,314,079	23,940,348	23,909,404	1,221,594	2.6%
Federal Spec. Rev. Funds	1,429,435	1,429,435	1,429,435		0.0%
Total Funds	41,597,217	42,823,758	42,849,356	2,478,680	3.0%
Personal Services	26,092,096	26,640,243	26,702,878	1,158,929	2.2%
Operating Expenses	11,712,532	11,757,440	11,805,803	138,179	0.6%
Equipment & Intangible Assets	1,056,720	1,298,870	1,206,720	392,150	18.6%
Grants	420,465	420,465	420,465		0.0%
Transfers	1,682,152	2,005,235	1,992,973	633,904	18.8%
Debt Service	633,252	701,505	720,517	155,518	12.3%
Total Expenditures	41,597,217	42,823,758	42,849,356	2,478,680	3.0%
Total Ongoing	41,597,217	42,581,608	42,699,356	2,086,530	2.5%
Total One-Time-Only	625,000	242,150	150,000	(857,850)	(68.6%)

Page Reference

LFD Budget Analysis, C-168

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget 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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	24,392,376	24,834,379	26,092,096	26,640,243	26,702,878
Operating Expenses	9,103,148	10,991,616	12,337,532	11,757,440	11,805,803
Equipment & Intangible Assets	1,182,549	1,056,720	1,056,720	1,298,870	1,206,720
Grants	437,490	420,465	420,465	420,465	420,465
Transfers	1,685,795	1,686,252	1,682,152	2,005,235	1,992,973
Debt Service	614,295	633,252	633,252	701,505	720,517
Total Expenditures	\$37,415,653	\$39,622,684	\$42,222,217	\$42,823,758	\$42,849,356
General Fund	15,838,664	15,985,384	16,853,703	17,453,975	17,510,517
State/Other Special Rev. Funds	20,160,779	22,221,098	23,939,079	23,940,348	23,909,404
Federal Spec. Rev. Funds	1,416,210	1,416,202	1,429,435	1,429,435	1,429,435
Total Funds	\$37,415,653	\$39,622,684	\$42,222,217	\$42,823,758	\$42,849,356
Total Ongoing	\$37,365,846	\$38,997,684	\$41,597,217	\$42,581,608	\$42,699,356
Total OTO	\$49,807	\$625,000	\$625,000	\$242,150	\$150,000

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Funding

The general fund supports administration and fixed costs, accounting for 40.8% of total expenditures, with the remainder primarily funded from state special revenue. A small amount comes from federal funds. The Trust Lands Management Division (TLMD) administration fund revenue is the primary portion of state special funding. Additional revenue streams include fire protection taxes, timber sales, forest resources fees, and various other Trust Lands revenue sources. Federal reimbursement for forestry management carried out by the state on federal lands is allocated through statutory appropriations. Proprietary revenues are generated from two main sources: the sale of state nursery products and fees charged to other agencies for aircraft services.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Forestry and Trust Lands 2027 Biennium HB 2 Base Budget and 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
Base Budget	16,853,703	23,314,079	1,429,435	41,597,217	97.1%	16,853,703	23,314,079	1,429,435	41,597,217	97.1%
Statewide PL										
Personal Services	97,214	450,933	0	548,147	1.3%	125,488	485,294	0	610,782	1.4%
Fixed Costs	142,047	(90,526)	0	51,521	0.1%	178,656	(87,652)	0	91,004	0.2%
Inflation Deflation	(4,380)	(7,584)	0	(11,964)	(0.0%)	(2,959)	(5,125)	0	(8,084)	(0.0%)
Total Statewide PL	234,881	352,823	0	587,704	1.4%	301,185	392,517	0	693,702	1.6%
Present Law (PL)	365,391	31,296	0	396,687	0.9%	355,629	52,808	0	408,437	1.0%
New Proposals	0	242,150	0	242,150	0.6%	0	150,000	0	150,000	0.4%
Total HB 2 Adjustments	600,272	626,269	0	1,226,541	2.9%	656,814	595,325	0	1,252,139	2.9%
Total Budget	17,453,975	23,940,348	1,429,435	42,823,758		17,510,517	23,909,404	1,429,435	42,849,356	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	97,214	450,933	0	548,147	0.00	125,488	485,294	0	610,782
DP 2 - Fixed Costs	0.00	142,047	(90,526)	0	51,521	0.00	178,656	(87,652)	0	91,004
DP 3 - Inflation Deflation	0.00	(4,380)	(7,584)	0	(11,964)	0.00	(2,959)	(5,125)	0	(8,084)
DP 35002 - FTLD Operating & Maintenance	0.00	42,308	31,296	0	73,604	0.00	44,808	52,808	0	97,616
DP 35006 - Air Ops Fixed Costs Transfer	0.00	323,083	0	0	323,083	0.00	310,821	0	0	310,821
Grand Total All Present Law Adjustments	0.00	\$600,272	\$384,119	\$0	\$984,391	0.00	\$656,814	\$445,325	\$0	\$1,102,139

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted 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 legislature adopted 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.

DP 35002 - FTLD Operating & Maintenance -

The legislature adopted an increase in general fund and state special revenue for operations, maintenance, and lease expense for the Department of Natural Resources & Conservation Helena headquarters building and area offices throughout the state.

DP 35006 - Air Ops Fixed Costs Transfer -

The legislature adopted an increase in general fund authority for the Air Operations Proprietary program. This proposal would increase transfer authority to proprietary funds.

New Proposals -

The "New Proposals" table shows new changes to 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 35003 - Capital Assets/Equipment (OTO)	0.00	0	150,000	0	150,000	0.00	0	150,000	0	150,000
DP 35004 - Modular Steel Bridge (OTO)	0.00	0	92,150	0	92,150	0.00	0	0	0	0
Total	0.00	\$0	\$242,150	\$0	\$242,150	0.00	\$0	\$150,000	\$0	\$150,000

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

DP 35003 - Capital Assets/Equipment (OTO) -

The legislature adopted a one-time-only increase in state special revenue for equipment.

DP 35004 - Modular Steel Bridge (OTO) -

The legislature adopted a one-time-only increase in state special revenue for bridge replacement on public lands.

Agency Base Budget Comparison

The following table compares the base budget with the expenditures adopted by the legislature 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	119,56	119,56	119,56	0.00	0.0%
General Fund	1,219,145	1,133,872	1,091,369	(213,049)	(8.7%)
State/Other Special Rev. Funds	18,414,266	18,979,225	19,383,084	1,533,777	4.2%
Federal Spec. Rev. Funds	1,654,350	1,820,442	1,863,235	374,977	11.3%
Proprietary Funds	496,487	636,369	639,778	283,173	28.5%
Total Funds	21,784,248	22,569,908	22,977,466	1,978,878	4.5%
Personal Services	10,585,843	10,541,897	10,566,890	(62,899)	(0.3%)
Operating Expenses	5,549,403	6,079,009	5,900,574	880,777	7.9%
Equipment & Intangible Assets	338,889	338,889	899,889	561,000	82.8%
Grants	5,042,856	5,342,856	5,342,856	600,000	5.9%
Transfers	189,757	189,757	189,757		0.0%
Debt Service	77,500	77,500	77,500		0.0%
Total Expenditures	21,784,248	22,569,908	22,977,466	1,978,878	4.5%
Total Ongoing	21,784,248	22,263,408	22,291,466	986,378	2.3%
Total One-Time-Only	375,000	306,500	686,000	242,500	32.3%

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Agency Highlights

Department of Agriculture Major Budget Highlights
<p>The legislature adopted a 4.5% or \$2.0 million in total appropriations above base funding. In addition to statewide present law adjustments of \$66,400 the legislature adopted:</p> <ul style="list-style-type: none"> • Equipment purchases for analytical laboratory and pesticide program, one-time-only: \$811,000 • Increase grant authority for noxious weeds programs: \$600,000 • Increase operating authority for seed and pesticide groundwater programs: \$300,000 • Produce inspection operations, one-time-only: \$132,500 • Customer Relationship Management (CRM) grant system maintenance: \$69,000.

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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	8,496,859	10,248,520	10,685,843	10,541,897	10,566,890
Operating Expenses	3,662,504	5,725,947	5,824,403	6,079,009	5,900,574
Equipment & Intangible Assets	317,349	524,889	338,889	338,889	899,889
Grants	5,189,332	5,048,979	5,042,856	5,342,856	5,342,856
Transfers	129,196	198,634	189,757	189,757	189,757
Debt Service	77,672	77,500	77,500	77,500	77,500
Total Expenditures	\$17,872,912	\$21,824,469	\$22,159,248	\$22,569,908	\$22,977,466
General Fund	1,392,949	1,568,310	1,594,145	1,133,872	1,091,369
State/Other Special Rev. Funds	14,950,003	18,117,214	18,414,266	18,979,225	19,383,084
Federal Spec. Rev. Funds	1,105,195	1,620,629	1,654,350	1,820,442	1,863,235
Proprietary Funds	424,765	518,316	496,487	636,369	639,778
Total Funds	\$17,872,912	\$21,824,469	\$22,159,248	\$22,569,908	\$22,977,466
Total Ongoing	\$17,262,865	\$21,213,469	\$21,784,248	\$22,263,408	\$22,291,466
Total OTO	\$610,047	\$611,000	\$375,000	\$306,500	\$686,000

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Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2025	Executive Budget Fiscal 2026	Legislative Budget Fiscal 2026	Leg — Exec. Difference Fiscal 2026	Executive Budget Fiscal 2027	Legislative Budget Fiscal 2027	Leg — Exec. Difference Fiscal 2027	Biennium Difference Fiscal 26-27
Personal Services	10,685,843	10,541,897	10,541,897	0	10,566,890	10,566,890	0	0
Operating Expenses	5,824,403	6,088,540	6,079,009	(9,531)	5,910,509	5,900,574	(9,935)	(19,466)
Equipment & Intangible Assets	338,889	338,889	338,889	0	899,889	899,889	0	0
Grants	5,042,856	5,342,856	5,342,856	0	5,342,856	5,342,856	0	0
Transfers	189,757	189,757	189,757	0	189,757	189,757	0	0
Debt Service	77,500	77,500	77,500	0	77,500	77,500	0	0
Total Costs	\$22,159,248	\$22,579,439	\$22,569,908	(\$9,531)	\$22,987,401	\$22,977,466	(\$9,935)	(\$19,466)
General Fund	1,594,145	1,138,166	1,133,872	(4,294)	1,095,991	1,091,369	(4,622)	(8,916)
State/other Special Rev. Funds	18,414,266	18,984,188	18,979,225	(4,963)	19,388,120	19,383,084	(5,036)	(9,999)
Federal Spec. Rev. Funds	1,654,350	1,820,538	1,820,442	(96)	1,863,332	1,863,235	(97)	(193)
Other	496,487	636,547	636,369	(178)	639,958	639,778	(180)	(358)
Total Funds	\$22,159,248	\$22,579,439	\$22,569,908	(\$9,531)	\$22,987,401	\$22,977,466	(\$9,935)	(\$19,466)
Total Ongoing	\$21,784,248	\$22,272,939	\$22,263,408	(\$9,531)	\$22,301,401	\$22,291,466	(\$9,935)	(\$19,466)
Total OTO	\$375,000	\$306,500	\$306,500	\$0	\$686,000	\$686,000	\$0	\$0

The legislature adopted adjustments to fixed costs, a reduction of \$19,466.

Funding

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

Total Department of Agriculture 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
01100 General Fund	2,176,241	49,000		3,129,335	5,354,576	9.4%
02040 Wheat & Barley Research & Mktg	9,387,172				9,387,172	16.4%
02205 Pulse Crop Research&Marketing	58,258			6,122,406	6,180,664	10.8%
02068 Noxious Weed Admin Account	4,782,856				4,782,856	8.4%
02193 Pesticide Account	3,730,955	209,200			3,940,155	6.9%
02453 Grain Services	3,576,516				3,576,516	6.3%
Other State Special Revenue	15,924,652	692,700		552,174	17,169,526	30.1%
State Special Revenue Total	37,460,409	901,900	-	6,674,580	45,036,889	78.9%
03118 Agriculture ASD Federal	2,529,435	41,600			2,571,035	4.5%
03225 Agriculture ADD Federal	591,486				591,486	1.0%
03120 Agriculture CMD Federal	521,156				521,156	0.9%
Federal Special Revenue Total	3,642,077	41,600	-	-	3,683,677	6.5%
06052 Hail Insurance	1,276,147			1,640,000	2,916,147	5.1%
06016 Beginning Farm Loans			116,400		116,400	0.2%
Proprietary Fund Total	1,276,147	-	116,400	1,640,000	3,032,547	5.3%
Total of All Funds	44,554,874	992,500	116,400	11,443,915	57,107,689	
Percent of All Sources of Authority	78.0%	1.7%	0.2%	20.0%		

The predominant funding source for the Department of Agriculture is state special revenue, which supports 78.9% of the total authority. Other funding sources are the general fund, federal special revenue, and proprietary funds.

Major state special revenue funds in HB 2 include:

- Wheat and barley research and marketing account - The Wheat and Barley Research and Marketing state special revenue account is primarily used to support and promote the state's wheat and barley industry through various initiatives such as research, market development, industry development, education, outreach, and the operation of the Montana Wheat and Barley Committee.
- Noxious weed administration account - Noxious weed administration account is used primarily to grant funds to local counties, cities, and tribal governments for the control of noxious weeds. The funding source comes from interest earned on the noxious weed trust fund and transfers from the general fund. The fund also receives a portion of the gasoline tax.
- Pesticide account – The pesticide account is used to administer pesticide-related activities, including equipment and facility costs, as well as expenses related to inspecting, investigating, and analyzing pesticide products, applicators, dealers, and facilities. The primary source of revenue comes from license and permit fees, and charges for service.
- Grain Services Account – Supports grain quality inspections and grading activities. Revenues in the fund are from fees charged for service.

General fund appropriations total 9.4% or \$5.4 million of all funds, of which 58.4% or \$3.1 million is statutorily appropriated, primarily to growth through agriculture programs.

The HB 2 general fund appropriation supports personal services, operating expenses, and grants. Proprietary nonbudgeted funds support the administration of the hail insurance program, and the remaining proprietary funding is statutorily appropriated hail insurance benefits and claims. Other state special statutory appropriations support agriculture development and marketing programs.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Department of Agriculture 2027 Biennium HB 2 Base Budget and 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
Base Budget	1,219,145	18,414,266	1,654,350	21,784,248	96.5%	1,219,145	18,414,266	1,654,350	21,784,248	94.8%
Statewide PL										
Personal Services	(200,365)	(151,279)	166,718	(43,946)	(0.2%)	(194,743)	(136,757)	168,027	(18,953)	(0.1%)
Fixed Costs	60,424	14,059	(530)	73,033	0.3%	61,615	16,453	(645)	76,374	0.3%
Inflation Deflation	(38)	(358)	0	(396)	(0.0%)	(26)	(242)	0	(268)	(0.0%)
Total Statewide PL	(139,979)	(137,578)	166,188	28,691	0.1%	(133,154)	(120,546)	167,382	57,153	0.2%
Present Law (PL)	5,706	445,037	(96)	450,469	2.0%	5,378	444,964	(97)	450,065	2.0%
New Proposals	49,000	257,500	0	306,500	1.4%	0	644,400	41,600	686,000	3.0%
Total HB 2 Adjustments	(85,273)	564,959	166,092	785,660	3.5%	(127,776)	968,818	208,885	1,193,218	5.2%
Total Budget	1,133,872	18,979,225	1,820,442	22,569,908		1,091,369	19,383,084	1,863,235	22,977,466	

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	19.00	19.00	19.00	0.00	0.0%
General Fund	307,235	422,288	428,497	236,315	38.5%
State/Other Special Rev. Funds	1,716,277	1,716,277	1,716,277		0.0%
Federal Spec. Rev. Funds	260,578	260,578	260,578		0.0%
Proprietary Funds	157,961	157,961	157,961		0.0%
Total Funds	2,442,051	2,557,104	2,563,313	236,315	4.8%
Personal Services	2,052,246	2,110,649	2,115,840	121,997	3.0%
Operating Expenses	384,805	441,455	442,473	114,318	14.9%
Transfers	5,000	5,000	5,000		0.0%
Total Expenditures	2,442,051	2,557,104	2,563,313	236,315	4.8%
Total Ongoing	2,442,051	2,557,104	2,563,313	236,315	4.8%
Total One-Time-Only					0.0%

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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 adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals	Approp.	Approp.	Legislative	Legislative
	Fiscal 2024	Fiscal 2024	Fiscal 2025	Fiscal 2026	Fiscal 2027
Personal Services	1,579,742	1,941,475	2,052,246	2,110,649	2,115,840
Operating Expenses	342,871	417,912	384,805	441,455	442,473
Transfers	15,000	15,000	5,000	5,000	5,000
Total Expenditures	\$1,937,613	\$2,374,387	\$2,442,051	\$2,557,104	\$2,563,313
General Fund	299,033	299,036	307,235	422,288	428,497
State/Other Special Rev. Funds	1,235,559	1,665,769	1,716,277	1,716,277	1,716,277
Federal Spec. Rev. Funds	259,113	259,112	260,578	260,578	260,578
Proprietary Funds	143,908	150,470	157,961	157,961	157,961
Total Funds	\$1,937,613	\$2,374,387	\$2,442,051	\$2,557,104	\$2,563,313
Total Ongoing	\$1,937,613	\$2,374,387	\$2,442,051	\$2,557,104	\$2,563,313
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

The Central Management Division is primarily funded by state special revenue generated from licenses, permits, and user fees. These funds are used to administer programs that promote Montana agriculture. General funds and federal revenue support personal services and associated operating expenses. Proprietary revenue is generated through premiums charged to participants in the Hail Insurance Program, which supports personal services for the program's staff. Statutory appropriations, mainly from the general fund, provide administrative support for agricultural research and marketing programs.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Central Management Division 2027 Biennium HB 2 Base Budget and 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
Base Budget	307,235	1,716,277	260,578	2,442,051	95.5%	307,235	1,716,277	260,578	2,442,051	95.3%
Statewide PL										
Personal Services	58,403	0	0	58,403	2.3%	63,594	0	0	63,594	2.5%
Fixed Costs	60,673	0	0	60,673	2.4%	62,018	0	0	62,018	2.4%
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	119,076	0	0	119,076	4.7%	125,612	0	0	125,612	4.9%
Present Law (PL)	(4,023)	0	0	(4,023)	(0.2%)	(4,350)	0	0	(4,350)	(0.2%)
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
Total HB 2 Adjustments	115,053	0	0	115,053	4.5%	121,262	0	0	121,262	4.7%
Total Budget	422,288	1,716,277	260,578	2,557,104		428,497	1,716,277	260,578	2,563,313	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	58,403	0	0	58,403	0.00	63,594	0	0	63,594
DP 2 - Fixed Costs	0.00	60,673	0	0	60,673	0.00	62,018	0	0	62,018
DP 22 - Fixed Cost Adjustment for Robert's Rules	0.00	(1,067)	0	0	(1,067)	0.00	(1,067)	0	0	(1,067)
DP 23 - Fixed Costs Adjustment for Office/Non-Office Rent	0.00	(2,956)	0	0	(2,956)	0.00	(3,283)	0	0	(3,283)
Grand Total All Present Law Adjustments	0.00	\$115,053	\$0	\$0	\$115,053	0.00	\$121,262	\$0	\$0	\$121,262

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted 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: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 22 - Fixed Cost Adjustment for Robert's Rules -

The legislature adopted an adjustment to fixed cost that removed new appropriations for Robert's Rules of Order training included in DP 2.

DP 23 - Fixed Costs Adjustment for Office/Non-Office Rent -

The legislature adopted an adjustment to fixed costs that reduced office and non-office rent included in DP 2.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	61.79	61.79	61.79	0.00	0.0%
General Fund	401,812	397,849	398,070	(7,705)	(1.0%)
State/Other Special Rev. Funds	9,517,094	9,990,654	10,392,653	1,349,119	7.1%
Federal Spec. Rev. Funds	1,098,029	1,264,121	1,306,914	374,977	17.1%
Total Funds	11,016,935	11,652,624	12,097,637	1,716,391	7.8%
Personal Services	5,679,301	5,606,885	5,621,675	(130,042)	(1.1%)
Operating Expenses	2,674,440	3,082,545	2,951,768	685,433	12.8%
Equipment & Intangible Assets	259,012	259,012	820,012	561,000	108.3%
Grants	2,328,682	2,628,682	2,628,682	600,000	12.9%
Transfers	40,000	40,000	40,000		0.0%
Debt Service	35,500	35,500	35,500		0.0%
Total Expenditures	11,016,935	11,652,624	12,097,637	1,716,391	7.8%
Total Ongoing	11,016,935	11,395,124	11,411,637	772,891	3.5%
Total One-Time-Only	125,000	257,500	686,000	693,500	277.4%

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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 adopted budget 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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	5,022,949	5,505,993	5,779,301	5,606,885	5,621,675
Operating Expenses	1,663,155	2,635,259	2,699,440	3,082,545	2,951,768
Equipment & Intangible Assets	264,612	445,012	259,012	259,012	820,012
Grants	1,973,668	2,334,805	2,328,682	2,628,682	2,628,682
Transfers	38,877	38,877	40,000	40,000	40,000
Debt Service	35,827	35,500	35,500	35,500	35,500
Total Expenditures	\$8,999,088	\$10,995,446	\$11,141,935	\$11,652,624	\$12,097,637
General Fund	345,679	520,984	526,812	397,849	398,070
State/Other Special Rev. Funds	7,821,124	9,397,231	9,517,094	9,990,654	10,392,653
Federal Spec. Rev. Funds	832,285	1,077,231	1,098,029	1,264,121	1,306,914
Total Funds	\$8,999,088	\$10,995,446	\$11,141,935	\$11,652,624	\$12,097,637
Total Ongoing	\$8,689,042	\$10,684,446	\$11,016,935	\$11,395,124	\$11,411,637
Total OTO	\$310,046	\$311,000	\$125,000	\$257,500	\$686,000

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Funding

The Agricultural Sciences Division is primarily funded by state special revenue. This revenue is mainly derived from fees assessed for regulatory activities, product registration, technical services, and interest earned on the weed trust fund. The division also receives federal revenue from the U.S. Department of Agriculture, Federal Drug Administration (FDA), and the Environmental Protection Agency (EPA). These federal funds are utilized for noxious weed mitigation and to support portions of the Bovine Spongiform Encephalopathy (BSE), commonly known as "mad cow disease", feed sampling program. A small portion of the division's funding comes from the general fund, which supports inspection and testing for prohibited materials in feed related to BSE and noxious weed control grants. Additionally, statutory appropriations are funded by the liquidation of grain, and the fees collected are used for the correction of storage deficiencies.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Agricultural Sciences Division 2027 Biennium HB 2 Base Budget and 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
Base Budget	401,812	9,517,094	1,098,029	11,016,935	94.5%	401,812	9,517,094	1,098,029	11,016,935	91.1%
Statewide PL										
Personal Services	(5,160)	(233,974)	166,718	(72,416)	(0.6%)	(4,985)	(220,668)	168,027	(57,626)	(0.5%)
Fixed Costs	1,206	2,501	(530)	3,177	0.0%	1,252	4,362	(645)	4,969	0.0%
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	(3,954)	(231,473)	166,188	(69,239)	(0.6%)	(3,733)	(216,306)	167,382	(52,657)	(0.4%)
Present Law (PL)	(9)	447,533	(96)	447,428	3.8%	(9)	447,465	(97)	447,359	3.7%
New Proposals	0	257,500	0	257,500	2.2%	0	644,400	41,600	686,000	5.7%
Total HB 2 Adjustments	(3,963)	473,560	166,092	635,689	5.5%	(3,742)	875,559	208,885	1,080,702	8.9%
Total Budget	397,849	9,990,654	1,264,121	11,652,624		398,070	10,392,653	1,306,914	12,097,637	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	(5,160)	(233,974)	166,718	(72,416)	0.00	(4,985)	(220,668)	168,027	(57,626)
DP 2 - Fixed Costs	0.00	1,206	2,501	(530)	3,177	0.00	1,252	4,362	(645)	4,969
DP 23 - Fixed Costs Adjustment for Office/Non-Office Rent	0.00	(9)	(2,467)	(96)	(2,572)	0.00	(9)	(2,535)	(97)	(2,641)
DP 30002 - Pesticide Groundwater Authority Increase	0.00	0	100,000	0	100,000	0.00	0	100,000	0	100,000
DP 30005 - Noxious Weed Grant Authority Increase	0.00	0	300,000	0	300,000	0.00	0	300,000	0	300,000
DP 30006 - Seed Program Authority Increase	0.00	0	50,000	0	50,000	0.00	0	50,000	0	50,000
Grand Total All Present Law Adjustments	0.00	(\$3,963)	\$216,060	\$166,092	\$378,189	0.00	(\$3,742)	\$231,159	\$167,285	\$394,702

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted 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: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 23 - Fixed Costs Adjustment for Office/Non-Office Rent -

The legislature adopted an adjustment to fixed costs that reduced office and non-office rent included in DP 2.

DP 30002 - Pesticide Groundwater Authority Increase -

The legislature adopted an increase in state special revenue for the operation of the pesticide groundwater program. The proposal is funded primarily from groundwater pesticide registration fees.

DP 30005 - Noxious Weed Grant Authority Increase -

The legislature adopted an increase in state special revenue grant authority for the noxious weed program. This increase is from the state special revenue account for noxious weed administration, which receives funding through transfers from both the noxious weed trust fund and the general fund.

DP 30006 - Seed Program Authority Increase -

The legislature adopted an increase in state special revenue to support operations of the state seed program. The increase is funded with revenue generated from seed licenses and assessment fees.

New Proposals -

The "New Proposals" table shows new changes to 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 30001 - Analytical Lab Equipment (OTO)	0.00	0	0	0	0	0.00	0	519,400	41,600	561,000
DP 30003 - Produce Digital Inspections (OTO)	0.00	0	87,500	0	87,500	0.00	0	0	0	0
DP 30004 - Organic Program System (OTO)	0.00	0	45,000	0	45,000	0.00	0	0	0	0
DP 30009 - Stationary Granulator Locations (OTO)	0.00	0	125,000	0	125,000	0.00	0	125,000	0	125,000
Total	0.00	\$0	\$257,500	\$0	\$257,500	0.00	\$0	\$644,400	\$41,600	\$686,000

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

DP 30001 - Analytical Lab Equipment (OTO) -

The legislature adopted a one-time-only increase in state and federal special revenue to fund the replacement of equipment at the Bozeman Analytical Laboratory. This new equipment will support the department's programs in pesticide enforcement, groundwater monitoring, fertilizer regulations, and feed regulations.

DP 30003 - Produce Digital Inspections (OTO) -

The legislature adopted a one-time increase in state special revenue to transition the produce inspection process from paper to digital. This proposal would be primarily funded by revenue generated from produce assessment fees.

DP 30004 - Organic Program System (OTO) -

The legislature adopted a one-time-only increase in state special revenue to support the operations of the organic inspection program. This program ensures compliance with organic regulations, allowing products to be sold, labeled, and represented as organic. The proposal will be funded from licensing and permit fees for organic certification.

DP 30009 - Stationary Granulator Locations (OTO) -

The legislature adopted a one-time-only increase in state special revenue to set up granulator stations. Granulators are used in the pesticide container recycling program. This proposal would be funded primarily with groundwater pesticide registration fees.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted 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	38.77	38.77	38.77	0.00	0.0%
General Fund	510,098	313,735	264,802	(441,659)	(43.3%)
State/Other Special Rev. Funds	7,180,895	7,272,294	7,274,154	184,658	1.3%
Federal Spec. Rev. Funds	295,743	295,743	295,743		0.0%
Proprietary Funds	338,526	478,408	481,817	283,173	41.8%
Total Funds	8,325,262	8,360,180	8,316,516	26,172	0.2%
Personal Services	2,854,296	2,824,363	2,829,375	(54,854)	(1.0%)
Operating Expenses	2,490,158	2,555,009	2,506,333	81,026	1.6%
Equipment & Intangible Assets	79,877	79,877	79,877		0.0%
Grants	2,714,174	2,714,174	2,714,174		0.0%
Transfers	144,757	144,757	144,757		0.0%
Debt Service	42,000	42,000	42,000		0.0%
Total Expenditures	8,325,262	8,360,180	8,316,516	26,172	0.2%
Total Ongoing	8,325,262	8,311,180	8,316,516	(22,828)	(0.1%)
Total One-Time-Only	250,000	49,000		(451,000)	(90.2%)

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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 adopted budget 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	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	1,894,168	2,801,052	2,854,296	2,824,363	2,829,375
Operating Expenses	1,656,478	2,672,776	2,740,158	2,555,009	2,506,333
Equipment & Intangible Assets	52,737	79,877	79,877	79,877	79,877
Grants	3,215,664	2,714,174	2,714,174	2,714,174	2,714,174
Transfers	75,319	144,757	144,757	144,757	144,757
Debt Service	41,845	42,000	42,000	42,000	42,000
Total Expenditures	\$6,936,211	\$8,454,636	\$8,575,262	\$8,360,180	\$8,316,516
General Fund	748,237	748,290	760,098	313,735	264,802
State/Other Special Rev. Funds	5,893,320	7,054,214	7,180,895	7,272,294	7,274,154
Federal Spec. Rev. Funds	13,797	284,286	295,743	295,743	295,743
Proprietary Funds	280,857	367,846	338,526	478,408	481,817
Total Funds	\$6,936,211	\$8,454,636	\$8,575,262	\$8,360,180	\$8,316,516
Total Ongoing	\$6,636,210	\$8,154,636	\$8,325,262	\$8,311,180	\$8,316,516
Total OTO	\$300,001	\$300,000	\$250,000	\$49,000	\$0

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Funding

The Agricultural Development Division's HB 2 funding is primarily derived from state special revenue, which constitutes 87.2% of its total funding. General fund contributes 3.5%, proprietary funds account 5.8%, and federal funding makes up 3.6% of the division's budget.

The main source of state special revenue is the wheat and barley research and marketing account, supported by levies on each bushel of wheat and barley produced in Montana. Additional revenue streams include grain testing fees and alfalfa seed assessments. Levies on the net revenue of pulse crops produced in the state are statutorily appropriated to the pulse crop research and marketing fund.

The general fund authority support division administration through personal services and associated operating expenses. Federal special revenue, obtained from federal grants, is used to develop agriculture markets, fund marketing projects, and cover related operating costs.

Proprietary funding is used for beginning farm loans. Statutory appropriations support growth through agriculture seed programs, hail insurance, research, and marketing for agricultural products.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Agricultural Development Division 2027 Biennium HB 2 Base Budget and 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
Base Budget	510,098	7,180,895	295,743	8,325,262	99.6%	510,098	7,180,895	295,743	8,325,262	100.1%
Statewide PL										
Personal Services	(253,608)	82,695	0	(29,933)	(0.4%)	(253,352)	83,911	0	(24,921)	(0.3%)
Fixed Costs	(1,455)	11,558	0	9,183	0.1%	(1,655)	12,091	0	9,387	0.1%
Inflation Deflation	(38)	(358)	0	(396)	(0.0%)	(26)	(242)	0	(268)	(0.0%)
Total Statewide PL	(255,101)	93,895	0	(21,146)	(0.3%)	(255,033)	95,760	0	(15,802)	(0.2%)
Present Law (PL)	9,738	(2,496)	0	7,064	0.1%	9,737	(2,501)	0	7,056	0.1%
New Proposals	49,000	0	0	49,000	0.6%	0	0	0	0	0.0%
Total HB 2 Adjustments	(196,363)	91,399	0	34,918	0.4%	(245,296)	93,259	0	(8,746)	(0.1%)
Total Budget	313,735	7,272,294	295,743	8,360,180		264,802	7,274,154	295,743	8,316,516	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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	(253,608)	82,695	0	(29,933)	0.00	(253,352)	83,911	0	(24,921)
DP 2 - Fixed Costs	0.00	(1,455)	11,558	0	9,183	0.00	(1,655)	12,091	0	9,387
DP 3 - Inflation Deflation	0.00	(38)	(358)	0	(396)	0.00	(26)	(242)	0	(268)
DP 22 - Fixed Cost Adjustment for Robert's Rules	0.00	0	(1,691)	0	(1,691)	0.00	0	(1,691)	0	(1,691)
DP 23 - Fixed Costs Adjustment for Office/Non-Office Rent	0.00	(262)	(805)	0	(1,245)	0.00	(263)	(810)	0	(1,253)
DP 50008 - Ag Development CRM System Maintenance	0.00	10,000	0	0	10,000	0.00	10,000	0	0	10,000
Grand Total All Present Law Adjustments	0.00	(\$245,363)	\$91,399	\$0	(\$14,082)	0.00	(\$245,296)	\$93,259	\$0	(\$8,746)

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted 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: warrant writer, motor pool, 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 legislature adopted 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.

DP 22 - Fixed Cost Adjustment for Robert's Rules -

The legislature adopted an adjustment to fixed cost that removed new appropriations for Robert's Rules of Order training included in DP 2.

DP 23 - Fixed Costs Adjustment for Office/Non-Office Rent -

The legislature adopted an adjustment to fixed costs that reduced office and non-office rent included in DP 2.

DP 50008 - Ag Development CRM System Maintenance -

The legislature adopted an increase in general fund authority to support ongoing maintenance customer relationship management system.

This proposal is related to DP 50007 - Agriculture Development CRM System.

New Proposals -

The "New Proposals" table shows new changes to 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 50007 - Ag Development CRM System (OTO)	0.00	49,000	0	0	49,000	0.00	0	0	0	0
Total	0.00	\$49,000	\$0	\$0	\$49,000	0.00	\$0	\$0	\$0	\$0

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

DP 50007 - Ag Development CRM System (OTO) -

The legislature adopted a one-time-only increase in general fund allocation to support the implementation of a Customer Relationship Management (CRM) system. This system would assist in marketing grants and enable the analysis and tracking of data related to customer interactions.

This decision package is related to DP 50008 - Ag Development CRM System Maintenance.