2019 Biennial Budget

HB 2 - General Appropriation Act

- **Program 1: OCHE Admin**
  - 7% reduction, totaling approximately $548K for the biennium

- **Program 2: Student Assistance**
  - 6.4% increase, totaling approximately $1.4M for the biennium
  - Professional graduate programs (WICHE/WWAMI/WIMU/MN Dental) fully funded, including the entire present law adjustment
  - Undergraduate financial aid programs did not receive base increases or OTO funding

- **Program 4: Community College**
  - 2.7% reduction, totaling approximately $718K for the biennium
  - Reductions will vary by campus (HB 2 companion bill limits funding to $9,510 per resident student)

- **Program 9: Appropriations Distribution (MUS Ed. Units)**
  - 2.1% reduction in FY18 totaling $4.1M and 2.4% reduction in FY19 totaling $4.7M
  - No funding of Present Law Adjustments (PLA), including no New Space O&M
  - Graduate Medical Education (GME) received a $800,000 biennial increase

- **Program 10: Research and Service Agencies**
  - 1.3% reduction, totaling approximately $684K for the biennium
  - Includes additional OTO for AES Seed & Wool Labs of $310K for the biennium, and
    Bureau of Mines & Geology Data Preservation Program of $600K for the biennium

- **MUS HB2 Budget:** General Fund & State Special Revenue
  
  | FY17 Base Budget | $250,318,506 |
  | FY18 Reduction | (4,040,256) |
  | FY19 Reduction | (4,402,236) |
  | **Total Biennial Reduction** | (8,442,492) |

SB 294 - State Employee Pay Plan

- MUS Pay Plan Funding (including Ed. Units, CC’s, Agencies, & OCHE) = $4.7M
- Based on resident student share of enrollment, rather than traditional state share of current unrestricted funds
- MUS Voluntary Retirement Incentive funding = $2.0M
Additional Funding (OTO)

**MSUN, Advanced Biofuel Center:** funding to support continued operations in the center.  
Total = $400,000 biennial (restricted OTO)

**MSU, Montana Manufacturing Extension Services:** funding to support continued operations.  
Total = $600,000 biennial ($200K base, $400K restricted OTO)

**MT Tech, Coal & Mine Data Records:** funding for the Montana Bureau of Mines & Geology to assist with making data records of mines and coal available online to the public.  
Total = $600,000 biennial (restricted OTO)

**MSU, AES Seed Lab:** funding to assist with seed sample testing conducted by the lab.  
Total = $200,000 biennial (OTO)

**MSU, AES Wool Lab:** funding to assist with research, service, and education conducted by the lab.  
Total = $110,000 biennial (restricted OTO)

Building Projects / Deferred Maintenance (HB 5)

**Authority Only Projects = $66.4 million**

- $6M, general authority at UM
- $3M, general authority at MSU
- $10M, MAES Livestock Complex at MSU - expand current facility into comprehensive facility for teaching, research and outreach in livestock programs.
- $1.5M, Barnard Hall (formerly the Engineering & Physical Sciences Building) at MSU - renovate the central/common area of the building to enable more use by students and faculty as a study area, informal meeting and classroom area.
- $6M, Liberal Arts Building at UM - update classrooms, interior finishes, renovate restrooms for ADA compliance
- $4M, Clinical Psychology Building at UM - addition of second floor to academic building for instructional space; remodel first floor for clinical setting.
- $7M, Neural Injury Center at UM - addition to existing instructional space to include learning facilities for traumatic injury treatment and study associated with military veterans, athletes, or other injury victims.
$20M, Education Building at UM - expand academic instructional facility for enhanced experiential learning, clinical instruction, and advanced technology.

$8.5M, Living Learning Center at Montana Tech - construction of two floors for student housing and a third floor for combined academic support and student center.

$350K, Nanotechnology Lab in Montana Tech Natural Resources Research Center - adds unique research capability allowing students and faculty to fabricate, tailor, characterize, and understand many types of nanomaterials for many different purposes.

Deferred Maintenance = $3.0M

**Other Legislation**

**SB 85** – Submit to the voters of Montana a 6-mill levy for support of the MUS

- If approved by voters in 2018, would continue approximately $20 million per year in baseline funding for core programs and services at educational units of the MUS.

**SB 159** – Revise laws related to community colleges and bonding

- Allows community colleges to construct revenue-producing facilities and to pledge revenue from the facilities for repayment of loans and bonds.

**HB 185** – Establish grant program to eliminate tuition for certain postsecondary programs

- If funded, would have paid tuition for certain attendees of tribal and public two-year colleges.
- Titled the “Montana Promise Grant Program,” there are zero state dollars appropriated (the legislation provides authority to raise private funds if feasible).

**HB 232** – Revise laws for dual enrollment at community colleges

- Although dual enrollment is already available at community colleges, this technical revision provides express clarification so that community colleges are eligible for dual credit arrangements.

**SB 341** – Establish contract requirements for the WWAMI program

- Requires entering WWAMI students to enter into a contract specifying whether the individual will commit to returning to Montana for professional practice for a period of 3 years upon graduation.
Those who choose not to commit to returning to Montana must pay 2.5 times the normal Montana Rural Physician Incentive Program (MR PIP) surcharge.

**HB 421 – Ensure fire services training fees are deposited consistent with higher ed. funds**

- This was in response to an OCHE Legislative Audit Recommendation that state law be updated to reflect the higher education fund structure.

**HB 462 – Brewer license eligibility for certain two-year colleges**

- Flathead Valley Community College is eligible to obtain a brewer license from the state of Montana and sell kegged craft beer to wholesalers.
- FVCC has an associate’s degree program in craft brewing and a campus-based barrel brewing facility.
- MSU Billings, which has a certificate brewing program without a campus-based barrel facility, also would be eligible for a license subject to BOR approval and future program considerations.

**HB 647 – Generally revise education funding**

- Sets limits on state general fund appropriations to community colleges; state appropriations per resident student FTE for an individual campus may not exceed the average state support per resident FTE plus $2,500
- If resident student enrollment drops below 200 FTE, the community college must submit a plan for increasing enrollment to the Board of Regents that will be reviewed, approved, and monitored

**HB 661 – Statutory interim study on MSU laboratories**

- Provides funds to the legislative branch for a study of state labs (veterinary diagnostic, wool, seed, wildlife) that are located at MSU.
- Pertains to state agency (e.g., Dept. of Agriculture, Dept. of Livestock) operations, not MUS operations.