

## SECTION E – OFFICE OF PUBLIC INSTRUCTION

Figure 1

3501 Office Of Public Instruction							All Programs		
Legislative Budget Comparison Table									
Federal Stimulus	Budget Version	Base	Approp	Budgeted	Budgeted	Biennium	Biennium	Biennial	Biennial
Budget Item		FY 2008	FY 2009	FY 2010	FY 2011	FY 2008-09	FY 2010-11	Change	Percent
Personal Services		-	-	-	-	-	-	-	0.0%
Operating Expenses		-	-	1,066,819	-	-	1,066,819	1,066,819	0.0%
Local Assistance		-	-	109,317,555	36,163,280	-	145,480,835	145,480,835	0.0%
<b>Total Costs</b>		-	-	<b>110,384,374</b>	<b>36,163,280</b>	-	<b>146,547,654</b>	<b>146,547,654</b>	<b>0.0%</b>
General Fund		-	-	1,233,764	1,233,764	-	2,467,528	2,467,528	0.0%
Federal Spec. Rev. Funds		-	-	109,150,610	34,929,516	-	144,080,126	144,080,126	0.0%
<b>Total Funds</b>		-	-	<b>110,384,374</b>	<b>36,163,280</b>	-	<b>146,547,654</b>	<b>146,547,654</b>	<b>0.0%</b>

### Agency Narrative

The Office of Public Instruction (OPI) receives federal appropriations of \$85.7 million biennial for districts to support services to at-risk or disadvantaged students and special education services for children identified as having a disability which requires educational accommodations to assist in the child’s learning. The bill also provides \$58.4 million biennial in federal state stabilization funds for district general fund Base Aid. HB 645 contains language reducing general fund Base Aid in HB 2 by \$26.0 million.

In addition to the federal money, OPI receives \$2.4 million biennial to bring state special education funding to FY 2009 levels in order to meet Department of Education maintenance of effort requirements

### Purpose of Funds

According to the federal Department of Education, included in the American Recovery and Reinvestment Act of 2009 (ARRA) are funds that should be used to improve student achievement, close the achievement gap, help students from various backgrounds achieve high standards, and address four specific areas:

- 1) Making progress toward rigorous college and career-ready standards and high-quality assessments that are valid and reliable for all students, including English language learners and students with disabilities
- 2) Establishing pre-K to college and career data systems that track progress and foster continuous improvement
- 3) Making improvements in teacher effectiveness and in the equitable distribution of qualified teachers for all students, particularly students who are most in need
- 4) Providing intensive support and effective interventions for the lowest-performing schools

The Department of Education recommends the funds be used to make short-term investments with the potential for long-term benefits, rather than making ongoing commitments that are not sustainable once the recovery funds are expended. Included in examples of allowable uses of recovery funds are:

- a. Establish a system for identifying and training highly effective teachers to serve as instructional leaders in Title I school-wide programs and modify the school schedule to allow for collaboration among the instructional staff



- b. Establish an intensive, year-long teacher training for all teachers and the principal in Title I elementary schools in restructuring status in order to train teachers to use new reading curriculum that aggressively works on improving students' oral language skills and vocabulary
- c. Provide new opportunities for Title I school-wide programs for secondary school students to use high-quality online courseware as supplemental learning materials for meeting mathematic and science requirements
- d. Use longitudinal data systems to drive continuous improvement efforts focused on improvement to Title I schools
- e. Provide professional development to teachers in Title I schools targeted assistance programs
- f. Use reading or mathematics coaches to provide professional development to teachers in Title I targeted assistance programs
- g. Establish fiscally sustainable extended learning opportunities for Title I-A eligible students in targeted assistance programs, including activities provided before school, after school, during the summer, or over an extended school year.

### Statutory Changes

HB 645 makes the federal stabilization funds the first source of funding for Base Aid to school districts. It also allows payment by state and local sources of retirement costs for school district employees whose salary or health care is paid for with stabilization funds. Retirement costs of employees paid with other federal funds will continue to be paid for out of federal funds.

### Conditions and Limitations

In the bill enhanced federal appropriations of \$34.2 million for Title I, Part A programs are included for at-risk students. Approximately \$17.1 million of the funds will be released by the federal Department of Education to Montana without application before the end of March 2009. The remaining \$17.1 million will be made available between July 1 and September 30, 2009 if Montana submits an approvable application for the Title I funds.

The state is required by the Department of Education to reserve 4 percent or \$1.4 million of Title I, Part A funds for school improvement activities. At least 95 percent of the funds reserved for school improvements must be allocated to local school districts.

Maintenance of effort requirements for Title I, Part A require that local school districts spend not less than 90 percent from state and local sources when comparing the two previous fiscal years. Local school districts must use the funds to supplement their efforts not to supplant state or local funds. Districts must also meet comparability requirements under the Title I, Part A.

73 percent of local school districts currently receive Title I, Part A funds which are distributed based on four separate formulas. The enhanced federal appropriations are to be distributed based on two of the four formulas. Currently 67 percent of districts receive two of the four formula grants – targeted and incentive grants.

The bill includes \$36.7 million in enhanced federal appropriations for IDEA, Part B programs. IDEA funds support services to students with a disability. The Department of Education will also release \$18.3 million in IDEA, Part B funds to Montana without requiring an application before the end of March 2009. The remaining \$18.4 million will be made available before October 1, 2009 if Montana submits an approvable application for the IDEA funds.

IDEA, Part B funds are available only for the excess costs of providing special education and related services to children with disabilities. Local school districts may reduce the level of state and local expenditures by up to 50 percent of the additional federal funds they receive through the IDEA, Part B program as long as the freed-up



funds are used for activities supported under the Elementary and Secondary Education Act. Under this regulation, local school districts could permanently reduce their maintenance of effort for special education. The federal Department of Education recommends local school districts use the freed up local funds to make progress on the goals of the SFSF and requires states to report on the uses of the freed up funds. In addition, the Department of Education has issued guidance that requires OPI to determine if school districts are meeting their performance plans for IDEA, Part B. Any districts not meeting targets are prohibited from reducing their maintenance of effort requirements for IDEA, Part B. OPI estimates 59 school districts in Montana will be unable to reduce maintenance of effort requirements.

With prior approval from the Secretary of Education, Montana local school districts can include any funds they receive from the State Fiscal Stabilization Fund (SFSF) for the purposes of determining maintenance of effort requirements for the IDEA, Part B funds contained in this bill.

\$1.26 million of IDEA, Part B funds for preschoolers with disabilities ages 3 to 5 are included in the bill. The funds are subject to the same requirements as IDEA, Part B funds for school age children.

OPI also receives additional enhanced federal appropriations for Title I-School Improvement Grants of \$8.56 million in HB 645. Title I School Improvement Grants will be allocated to Montana before October 1, 2009 provided Montana submits an approvable application for the federal funds. School Improvement Grants are to be granted to local school districts in an amount of not less than \$50,000 per eligible school district. In Montana, school districts are eligible to receive School Improvement Grants if they had failed to make adequate yearly progress under No Child Left Behind for 5 or more years. As of February 2009, 40 school districts meet the requirements for the funds. Additional school districts could qualify if OPI requests a change in its application to the federal Department of Education for the Title I Improvement Funds under Section 1003(g) of Title I Part A of the Elementary and Secondary Education Act (ESEA).

Title II-D education technology of \$3.049 million are included in the bill. The enhanced federal appropriations are dedicated to incorporation of technology into the classrooms. These funds will also be allocated to Montana before October 1, 2009 conditioned on an approvable application. Funds must be used in accordance with the ESEA requirements and have MOE and supplement not supplant requirements.

The bill contains school nutrition appropriations of \$247,461. Funds are distributed to OPI. Local school districts can apply for competitive grants for equipment purchases to update or enhance school meal programs. Further guidance on the distribution of the grants should be forthcoming.

McKinney-Vento homeless assistance funds of \$201,600 are included in the bill. The funds are to be distributed based on applications from local school districts with homeless children attending their schools. Currently, Missoula, Helena, and Billings receive the funds. Eligible expenditures include transportation, school supplies, clothing, and salary and benefits for a school liaison to work with the homeless students.

The bill contains \$2.4 million of general fund to provide support for special education maintenance of effort requirements for FY 2009 federal Individuals with Disabilities Educational Act (IDEA) funds. Inclusion of the funds ensures \$2.467 million of federal IDEA funds are received in FY 2010 and FY 2011.

OPI retains about \$650,000 of the total \$85.7 million or less than one percent in federal special revenue appropriations for administration of the federal grants.

## SECTION E – OFFICE OF PUBLIC INSTRUCTION

Figure 2

3501 Office Of Public Instruction				All Programs		
Legislative Budget Decision Package	General Fund FY 2010	General Fund FY 2011	General Fund FY 2010-11	Total Funds FY 2010	Total Funds FY 2011	Total Funds FY 2010-11
<i>Federal Stimulus New Proposal Decision Packages</i>						
NP00500 Fed Stim School Nutrition - Equipment	-	-	-	247,461	-	247,461
NP00501 Fed Stim Title I-A	-	-	-	34,234,200	-	34,234,200
NP00502 Fed Stim IDEA Part-B (Sect 611)	-	-	-	36,708,056	-	36,708,056
NP00503 Fed Stim Title II-D Ed Technology	-	-	-	3,048,906	-	3,048,906
NP00505 Fed Stim Education Technology Admin	-	-	-	160,469	-	160,469
NP00506 Fed Stim Title I-A Improvement Admin	-	-	-	468,150	-	468,150
NP00507 Fed Stim Title I-A Improvement	-	-	-	8,894,850	-	8,894,850
NP00508 Fed Stim IDEA Part-B (Sect 619 Pre-Schl)	-	-	-	1,260,947	-	1,260,947
NP00509 Fed Stim McKinney-Vento (Homeless Assist)	-	-	-	201,600	-	201,600
NP00511 Fed Stim Special Education - MOE - 2009	1,233,764	1,233,764	2,467,528	1,233,764	1,233,764	2,467,528
NP00512 Fed Stim McKinney-Vento (Homeless Assistance)	-	-	-	22,400	-	22,400
NP00513 Fed Stim Title I-A - FY 2009	-	-	-	415,800	-	415,800
NP00601 Stabilization Funding for K-12 Education	-	-	-	12,763,509	13,216,482	25,979,991
NP00602 Increase State Support withSFSF by 2 Percent	-	-	-	10,724,262	21,713,034	32,437,296
<b>New Proposal Total</b>	<b>1,233,764</b>	<b>1,233,764</b>	<b>2,467,528</b>	<b>110,384,374</b>	<b>36,163,280</b>	<b>146,547,654</b>
<b>Total All Decision Packages</b>	<b>1,233,764</b>	<b>1,233,764</b>	<b>2,467,528</b>	<b>110,384,374</b>	<b>36,163,280</b>	<b>146,547,654</b>

### Decision Package Narrative

DP00500 Fed Stim School Nutrition – Equipment – The legislature included \$247,461 in federal appropriations for grants to schools to purchase equipment for meal programs.

DP 00501 Fed Stim Title I – A – School districts receiving Title I- 1 funds in FY 2008 under the targeted and EFIG component of Title I- A are eligible to receive enhanced federal appropriations of \$34.2 million. These are included in HB 645.

DP00502 Fed Stim IDEA Part B (Sect. 611) – \$36.7 million in federal funding is provided to support services to school age children with disabilities.

DP00503 Fed Stim Title II – D Ed Technology – The legislation provides \$3.048 million in funds to incorporate technology into the classroom.

DP00505 Fed Stim Education Technology Admin - Administrative costs of \$160,469 for the education technology funds are included in the bill.

DP00506 Fed Stim Title I A Improvement Admin - Administrative costs of \$468,150 related to Title I-A School Improvement funds are provided.

DP00507 Fed Stim Title I – A Improvement - \$8.894 million in federal funds are provided in the bill for schools who have not made adequately yearly progress under No Child Left Behind in the last 5 years. Montana e school districts are eligible to receive grants of \$50,000 each under ARRA.



DP00508 Fed Stim IDEA Part B (Sect 619 Pre-Schl) - Funding to support pre-school programs for children with disabilities ages 3 to 5 is included in the bill.

DP00509 Fed Stim McKinney-Vento (Homeless Act) - The legislation includes \$201,600 in federal funds to provide additional support for services to homeless school children. Montana currently has three cities with identified populations of homeless children, Helena, Missoula, and Billings.

DP00511 Fed Stim Special Education-MOE -2009 - The bill includes \$1,233,764 of general fund each year of the biennium to provide funding for special education maintenance of effort at the FY 2009 levels. Including this funding in the bill maintains \$2.47 million in federal funds provided through federal IDEA funds.

DP00512 Fed Stim McKinney-Vento (Homeless Assistance) - The legislature provided \$22,400 in funds for administrative costs related to the McKinney-Vento (Homeless Assistance) program.

DP00513 Fed Stim Title I-A FY 2009 - The legislature included \$415,800 in federal appropriations for administrative costs related to Title-I, Part A appropriations

DP00601 Stabilization Funding for K-12 Education - This decision package provides for the use of federal stabilization funds for BASE Aid. There are available \$12,763,509 in FY 2010 and \$13,216,482 in 2011. It offsets general fund of a like amount.

DP00602 Increase State Support with SFSF by 2 Percent - This decision package provides federal stabilization funds of \$10,724,262 in FY 2010 and \$21,713,034 in FY 2011. This is the equivalent of the state share for a 2 percent increase in each year of the 2011 biennium in the basic and per-ANB entitlements.

## SECTION E – OFFICE OF THE COMMISSIONER OF HIGHER EDUCATION/MONTANA UNIVERSITY SYSTEM

Figure 1

5102 Commissioner Of Higher Education							All Programs	
Legislative Budget Comparison Table								
Federal Stimulus Budget Version	Base	Approp	Budgeted	Budgeted	Biennium	Biennium	Biennial	Biennial
Budget Item	FY 2008	FY 2009	FY 2010	FY 2011	FY 2008-09	FY 2010-11	Change	Percent
Operating Expenses	-	-	2,000,000	2,000,000	-	4,000,000	4,000,000	0.0%
Local Assistance	-	-	2,283,040	2,395,610	-	4,678,650	4,678,650	0.0%
Grants	-	-	450,000	450,000	-	900,000	900,000	0.0%
Transfers	-	-	43,773,301	43,338,682	-	87,111,983	87,111,983	0.0%
<b>Total Costs</b>	-	-	<b>48,506,341</b>	<b>48,184,292</b>	-	<b>96,690,633</b>	<b>96,690,633</b>	<b>0.0%</b>
General Fund	-	-	7,948,166	7,341,115	-	15,289,281	15,289,281	0.0%
Federal Spec. Rev. Funds	-	-	40,558,175	40,843,177	-	81,401,352	81,401,352	0.0%
<b>Total Funds</b>	-	-	<b>48,506,341</b>	<b>48,184,292</b>	-	<b>96,690,633</b>	<b>96,690,633</b>	<b>0.0%</b>

### Agency Narrative

Section E of HB 645 includes a total of \$96.7 million from federal and state sources for the Office of the Commissioner of Higher Education/Montana University System (OCHE/MUS); \$81.4 million of federal authority is from the state fiscal stabilization funds from the American Recovery and Reinvestment Act of 2009 (ARRA) and \$15.3 million is from freed-up general fund. Included in the \$81.4 million of federal authority in the bill for OCHE/MUS is \$63.2 million for a funding switch that substitutes education state fiscal stabilization funds for a like amount of general fund that was appropriated in HB 2. This funding switch is the second major source of “freed-up” general fund that has been reallocated in HB 645.

The net increase, then, for higher education in HB 645 (excluding LRBP allocations) is \$33.5 million and is comprised of \$15.3 million of freed-up general fund and \$18.2 million of general state fiscal stabilization funds from the ARRA. The funds are to be used for tuition mitigation at the MUS educational units and the state’s community colleges, increased funding for research and public service agencies, infrastructure funds for community colleges, increasing postsecondary education access via distance learning, and implementation of a virtual academy for secondary students.

### Purpose of Funds

The State Fiscal Stabilization Fund (SFSF) is included in Title XIV of the ARRA. The purpose of the SFSF is to help stabilize state and local government budgets in order to minimize and avoid reductions in education and other essential public services. The federal intent of the SFSF was to help ensure that local education agencies and publicly funded institutions of higher education have the resources to avoid reductions and retain teachers and professors. The fund was also intended to provide governors with resources to support public safety and other government services



### Statutory Changes

HB 645 amends 17-7-102, MCA to allow line items in the bill, if so specified in the bill, to be included in the base budget for the biennium beginning July 1, 2011. HB 645 specifies that the \$63.2 million of federal funds that freed up general fund can be included in the base budget as general fund for the 2013 biennium budget. This statutory change holds the Montana University System 2013 biennium budget harmless from the general fund/federal fund swap included in HB 645 in the 2011 biennium.

### Conditions and Limitations

The Governor must make application for these funds. As part of its application, the Governor must provide five assurances. These assurances are related primarily to K-12 and are listed in the Office of Public Instruction narrative. However, one of those assurances, maintenance of effort, applies to the Montana University System as well as K-12.

The ARRA specifies that higher education institutions that receive SFSF funds shall use the funds for education and general expenditures (general operating budget), and in such a way as to mitigate the need to raise tuition and fees for in-state students; or for modernization, renovation, or repair of higher education facilities. Funds awarded to institutions of higher education may not be used for maintenance, for athletics or other public facilities, or to increase its endowment.

The ARRA requires that states receiving stabilization funds report the following annually to the U.S. Department of Education:

1. How the funds were used within the state
2. The distribution of funds received
3. The number of jobs saved or created
4. Tax increases averted
5. The state's progress in
  - a. reducing inequities in the distribution of highly-qualified teachers
  - b. developing a longitudinal data system
  - c. implementing valid assessments
6. Actions taken to limit tuition and fee increases at public institutions of higher education
7. The extent to which public institutions of higher education maintained, increased, or decreased enrollments of in-state students



## SECTION E – OFFICE OF THE COMMISSIONER OF HIGHER EDUCATION/MONTANA UNIVERSITY SYSTEM

Figure 2

5102 Commissioner Of Higher Education	All Programs					
Legislative Budget Decision Package	General Fund FY 2010	General Fund FY 2011	General Fund FY 2010-11	Total Funds FY 2010	Total Funds FY 2011	Total Funds FY 2010-11
<i>Federal Stimulus New Proposal Decision Packages</i>						
NP00101 Maintain Support for Higher Education	-	-	-	31,605,482	31,605,482	63,210,964
NP00102 Tuition Mitigation for Resident Students	3,154,033	2,506,230	5,660,263	3,154,033	2,506,230	5,660,263
NP00103 Tuition Mitigation and Increased DL Access	-	-	-	5,966,490	6,580,345	12,546,835
NP00104 PBS Satellite Delivery	200,000	200,000	400,000	200,000	200,000	400,000
NP00105 AES -- Sawfly Research (RST)	250,000	250,000	500,000	250,000	250,000	500,000
NP00107 AES - Equipment and Infrastructure	1,000,000	1,000,000	2,000,000	1,000,000	1,000,000	2,000,000
NP00108 Distance Learning & Integrated Enrollment	1,000,000	1,000,000	2,000,000	1,000,000	1,000,000	2,000,000
NP00108 Extension Service - Local Government Center (RST)	150,000	150,000	300,000	150,000	150,000	300,000
NP00109 Replace 6-Mill Levy Revenue Shortfall	-	-	-	1,447,296	1,046,625	2,493,921
NP00109 Virtual Academy	1,000,000	1,000,000	2,000,000	1,000,000	1,000,000	2,000,000
NP00110 CC Restore Gov's Dec. 15th Budget (RST/OTO)	606,189	671,586	1,277,775	606,189	671,586	1,277,775
NP00111 Reinstate Tribal Assistance Funding	450,000	450,000	900,000	450,000	450,000	900,000
NP00120 Community College Assistance	137,944	113,299	251,243	900,000	900,000	1,800,000
NP00121 Community Colleges Tuition Mitigation	-	-	-	776,851	824,024	1,600,875
<b>New Proposal Total</b>	<b>7,948,166</b>	<b>7,341,115</b>	<b>15,289,281</b>	<b>48,506,341</b>	<b>48,184,292</b>	<b>96,690,633</b>
<b>Total All Decision Packages</b>	<b>7,948,166</b>	<b>7,341,115</b>	<b>15,289,281</b>	<b>48,506,341</b>	<b>48,184,292</b>	<b>96,690,633</b>

### Decision Package Narrative

NP 101 – Maintain Support for Higher Education – The bill adds \$63.2 million education state fiscal stabilization funds in the 2011 biennium to the Appropriation Distribution Program (MUS educational units) in the Office of the Commissioner of Higher Education and reduces general fund in the Appropriation Distribution Program (MUS educational units) in HB 2 by a like amount. The impact of this decision package and the related language is a one-time funding switch of federal stimulus funds for a like amount of state general fund for the 2011 biennium. There is no expenditure increase or decrease in this funding switch.

NP 102 & NP 103 – Tuition Mitigation for Resident Students and Increased Distance Learning Access for Resident Students – The bill includes \$5.7 million of freed-up general fund and \$12.5 million of general state fiscal stabilization funds – a total of \$18.2 million additional funds -- in the 2011 biennium for resident student tuition mitigation at the Montana University System and for innovations in distance learning to improve student access to postsecondary education.

NP 104 – PBS Satellite Delivery – The bill includes \$400,000 of freed-up general fund in the 2011 biennium for satellite delivery of public broadcasting system television programming across Montana.

NP 105 – Agricultural Experiment Station – Sawfly Research (RST) – The bill includes \$500,000 of freed-up general fund in the 2011 biennium restricted for sawfly research at the Agricultural Experiment Station.

NP 107 – AES – Equipment and Infrastructure – The bill includes \$2.0 million of freed-up general fund for equipment and infrastructure purchases at agricultural experiment stations in the 2011 biennium.



NP 108 – Distance Learning & Integrated Enrollment – The bill includes \$2.0 million of freed-up general fund for a new initiative addressing access and affordability of two year colleges, the Distance Learning & Integrated Enrollment project. The funding will be used to centralize distance offerings courses into a single, unified, web-based student enrollment system for admissions and financial assistance and to coordinate with the State Superintendent of Public Instruction to create at least five early college degree programs in a Montana Big Sky Career Pathway for high school students to have access to college courses to achieve a high school diploma and associates degree in five years.

NP 108 – Extension Service – Local Government Center (RST) – The bill includes \$300,000 of freed-up general fund in the 2011 biennium restricted to support of the local government center in the Montana Extension Service.

NP 109 – Replace 6-Mill Levy Revenue Shortfall -- The bill allocates \$2.5 million of the general state fiscal stabilization fund to the Montana University System to replace a projected revenue shortfall in the six-mill levy account.

NP 109 – Virtual Academy -- The bill includes \$2.0 million of the freed-up general fund for the implementation of the virtual academy authorized by HB 459.

NP 110 -- CC Restore Gov’s Dec. 15th Budget – The bill includes \$1.3 million of freed-up general fund in the 2011 biennium for the Community Colleges that would reinstate the funding level recommended in the Governor’s December 15<sup>th</sup> executive budget. These funds will be used for education and general expenses at the community colleges.

NP 111 – Reinstated Tribal Assistance Funding – The bill includes \$900,000 of freed-up general fund in the 2011 biennium for the Tribal College Assistance Program for non-beneficiary students that would reinstate the level of funding recommended in the Governor’s November 15<sup>th</sup> executive budget.

NP 120 – Community College Assistance – The bill allocates \$1.8 million of freed-up general fund for deferred maintenance and infrastructure to the community colleges. Language in the bill allocates 50 percent of the appropriation to Flathead Valley Community College, 25 percent to Miles Community College, and 25 percent to Dawson Community College.

NP 121 – Community Colleges Tuition Mitigation -- The bill allocates \$1.6 million of freed-up general fund to the Community College Assistance Program for resident student tuition mitigation in the 2011 biennium.

## SECTION E – MONTANA ARTS COUNCIL

Figure 1

5114 Montana Arts Council							All Programs	
<b>Legislative Budget Comparison Table</b>								
Federal Stimulus Budget Version	Base	Approp	Budgeted	Budgeted	Biennium	Biennium	Biennial	Biennial
Budget Item	FY 2008	FY 2009	FY 2010	FY 2011	FY 2008-09	FY 2010-11	Change	Percent
Personal Services	-	-	10,733	10,732	-	21,465	21,465	0.0%
Operating Expenses	-	-	14,267	14,268	-	28,535	28,535	0.0%
Grants	-	-	120,500	120,500	-	241,000	241,000	0.0%
<b>Total Costs</b>	-	-	<b>145,500</b>	<b>145,500</b>	-	<b>291,000</b>	<b>291,000</b>	<b>0.0%</b>
Federal Spec. Rev. Funds	-	-	145,500	145,500	-	291,000	291,000	0.0%
<b>Total Funds</b>	-	-	<b>145,500</b>	<b>145,500</b>	-	<b>291,000</b>	<b>291,000</b>	<b>0.0%</b>

### Agency Narrative

The Montana Arts Council (MAC) is provided an appropriation of \$291,000 in federal funds granted by the National Endowment of the Arts.

### Purpose of Funds

The funding are to be used to for subgrants to eligible nonprofit organizations to provide:

- 1) Salary support for positions that may or have been eliminated as a result of the current economic climate
- 2) Fees for artists or contractual personnel to maintain or expand the period the artists would have been engaged.

Up to \$50,000 of the funds may be used by MACs for administration or for statewide projects or state level programs that support provide either continuing jobs or support artists .

### Statutory Changes

The legislation does not contain any specific statutory changes related to the Montana Arts Council or the funding received from the National Endowment for the Arts

### Conditions and Limitations

Federal funds received under this portion of the ARRA will be available April 1, 2009. MAC must report:

- The use of the funds each quarter, maintain personnel activity reports for salaries charged to the grant
- Reports for on employee salaries charged to the grant
- Written contracts with artists or contractual personnel
- Listings of subgrantees

## SECTION E – MONTANA ARTS COUNCIL

Figure 2

5114 Montana Arts Council				All Programs		
Legislative Budget Decision Package	General Fund FY 2010	General Fund FY 2011	General Fund FY 2010-11	Total Funds FY 2010	Total Funds FY 2011	Total Funds FY 2010-11
<i>Federal Stimulus New Proposal Decision Packages</i>						
NP00008 National Endowment for the Arts	-	-	-	145,500	145,500	291,000
<b>New Proposal Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>145,500</b>	<b>145,500</b>	<b>291,000</b>
<b>Total All Decision Packages</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>145,500</b>	<b>145,500</b>	<b>291,000</b>

### Decision Package Narrative

DP00008 National Endowment for the Arts - The legislature included \$291,000 in federal appropriation authority for the Montana Arts Council (MAC) in HB 645. MAC was notified by the National Endowment for the Arts that it would be receiving federal funds. The majority of the funds will be granted to arts programs throughout Montana.

## SECTION E – MONTANA LIBRARY COMMISSION

Figure 1

5115 Montana State Library				511501 Statewide Library Resources					
<b>Legislative Budget Comparison Table</b>									
Federal Stimulus	Budget Version	Base	Approp	Budgeted	Budgeted	Biennium	Biennium	Biennial	Biennial
Budget Item		FY 2008	FY 2009	FY 2010	FY 2011	FY 2008-09	FY 2010-11	Change	Percent
Grants		-	-	323,000	-	-	323,000	323,000	0.0%
<b>Total Costs</b>		-	-	<b>323,000</b>	-	-	<b>323,000</b>	<b>323,000</b>	<b>0.0%</b>
General Fund		-	-	323,000	-	-	323,000	323,000	0.0%
<b>Total Funds</b>		-	-	<b>323,000</b>	-	-	<b>323,000</b>	<b>323,000</b>	<b>0.0%</b>

### Agency Narrative

The Montana Library Commission receives \$323,000 in general fund in HB 645 to expand reading services for the Blind.

### Purpose of Funds

The bill provides \$176,000 in general fund in FY 2010 for the Montana radio reading service and \$147,000 in general fund in FY 2010 for NFB-newsline services to provide funds reading services for the blind. The funds provide for live broadcasts of 9 daily and 20 weekly and biweekly Montana newspapers over closed-circuit radio and access to NFB-newsline services which allows audio access to 250 nationwide newspapers, 3 Montana daily newspapers, and several magazines from home or cell phone.

### Statutory Changes

The legislation does not contain any specific statutory changes related to the Montana Library Commission.

### Conditions and Limitations

The funding source for expanded reading services is general fund, as such there are no conditions or limitations on the funding.

## SECTION E – MONTANA LIBRARY COMMISSION

Figure 2

5115 Montana State Library	511501 Statewide Library Resources					
Legislative Budget	General Fund	General Fund	General Fund	Total Funds	Total Funds	Total Funds
Decision Package	FY 2010	FY 2011	FY 2010-11	FY 2010	FY 2011	FY 2010-11
<i>Federal Stimulus New Proposal Decision Packages</i>						
NP00007 Fed Stim Reading Services for the Blind Expansion	323,000	-	323,000	323,000	-	323,000
<b>New Proposal Total</b>	<b>323,000</b>	<b>-</b>	<b>323,000</b>	<b>323,000</b>	<b>-</b>	<b>323,000</b>
<b>Total All Decision Packages</b>	<b>323,000</b>	<b>-</b>	<b>323,000</b>	<b>323,000</b>	<b>-</b>	<b>323,000</b>

### Decision Package Narrative

DP00007 Fed Stim Reading Services for the Blind Expansion - The legislature includes \$176,000 in general fund in FY 2010 for the Montana radio reading services and \$147,000 in general fund in FY 2010 for NFB-newsline services to provide funding for expanded reading services for the blind.