EXHIBIT 2
DATE 1/12/07
HB 12

DEPARTMENT OF JUSTICE
HB 12: Revising County Attorney Salaries

Background

State law requires the Department of Justice to pay half of county attorney salaries and counties to pay the other half, so Montana's county attorneys now receive two paychecks. County compensation boards set their salaries.

The Law and Justice Interim Committee's 2006 study found this system to be an ongoing source of frustration for the Department of Justice, the counties and county attorneys.

- The Department of Justice has no control over the salaries set by the county compensation board, but must include half of that amount in its budget request regardless of state budget constraints.
- The legislature may not appropriate the level of funding requested for county attorney salaries, creating tension between the state and the counties.
- County attorneys are caught in the middle of any state-county dispute about their salaries.

Committee Recommendations

The Law and Justice Interim Committee worked with the Department of Justice, the Montana County Attorneys' Association and the Montana Association of Counties to craft a bill that would simplify and stabilize the state's obligation.

HB 12:

- changes payment of the state's share of a county attorney's salary from a payroll check to a lump-sum quarterly payment from the state to the county;
- changes the method of calculating the state's share of county attorney salaries to a statutory formula that indexes the state's obligation to 50 percent of 85 percent of a district judge's salary, plus an amount equal to 50 percent of the state's contribution for health insurance; and
- changes the appropriation for the state's share from a biennial appropriation under the general appropriations act to an on-going statutory appropriation based on the new formula.

While county compensation boards would continue to set county attorney salaries, the state share would be restricted to the formula. HB 12 also would eliminate the minimum salary provision. If other officials within the county (whose salaries must be kept uniform under current law) are granted salary increases, the county attorney's salary would be increased by at least the same amount, provided the increase would not cause the county attorney's salary to exceed the salary of a district judge.

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Summary and Fiscal Impact

HB 12 revises the funding of county attorney salaries and provides a statutory appropriation to the Department of Justice to pay the state's share of the costs of county attorney salaries. The department would then allocate money for salaries and health insurance to each county.

The total state cost for county attorney salaries under current law for FY 06 was slightly less than $1.7 million and the projected cost for FY 07 is just under $2 million. Under HB 12, the projected FY 08 cost would be approximately $2.35 million.

2007 Legislature
January 12, 2007