

Agency Budget Comparison

The following table summarizes the total legislative budget for the agency by year, type of expenditure, and source of funding.

Agency Budget Comparison								
Budget Item	Base Fiscal 2008	Approp. Fiscal 2009	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 08-09	Biennium Fiscal 10-11	Biennium Change	Biennium % Change
FTE	690.27	690.27	752.05	752.05	690.27	752.05	61.78	8.95%
Personal Services	37,299,436	41,652,605	46,334,755	46,726,454	78,952,041	93,061,209	14,109,168	17.87%
Operating Expenses	20,506,827	20,570,837	23,437,281	25,110,441	41,077,664	48,547,722	7,470,058	18.19%
Equipment & Intangible Assets	2,090,990	2,310,630	2,167,240	2,167,240	4,401,620	4,334,480	(67,140)	(1.53%)
Grants	0	0	0	0	0	0	0	n/a
Benefits & Claims	860,152	864,021	1,935,631	1,935,631	1,724,173	3,871,262	2,147,089	124.53%
Transfers	0	0	0	0	0	0	0	n/a
Debt Service	830,342	7,936,794	1,940,288	1,824,840	8,767,136	3,765,128	(5,002,008)	(57.05%)
Total Costs	\$61,587,747	\$73,334,887	\$75,815,195	\$77,764,606	\$134,922,634	\$153,579,801	\$18,657,167	13.83%
General Fund	23,761,709	25,275,706	26,325,462	26,529,395	49,037,415	52,854,857	3,817,442	7.78%
State Special	35,011,954	44,540,438	45,959,074	47,687,016	79,552,392	93,646,090	14,093,698	17.72%
Federal Special	1,335,049	1,736,714	1,749,167	1,760,313	3,071,763	3,509,480	437,717	14.25%
Other	1,479,035	1,782,029	1,781,492	1,787,882	3,261,064	3,569,374	308,310	9.45%
Total Funds	\$61,587,747	\$73,334,887	\$75,815,195	\$77,764,606	\$134,922,634	\$153,579,801	\$18,657,167	13.83%

Agency Description

Mission Statement: The mission of the Department of Justice is to pursue activities and programs that seek to ensure and promote the public interest, safety, and well-being through leadership, advocacy, education, regulation, and enforcement.

The Department of Justice, under the direction of the Attorney General, is responsible for statewide legal services and counsel, law enforcement, and public safety, as authorized in 2-15-501, MCA. The duties of the department include:

- o Providing legal representation for the state and its political subdivisions in criminal appeals
- o Providing legal services and counsel for the state, county and municipal agencies, and their officials
- o Enforcing Montana traffic laws and registering all motor vehicles
- o Enforcing state fire safety codes and regulations
- o Assisting local law enforcement agencies in bringing offenders to justice
- o Managing a statewide system of death investigations and providing scientific analyses of specimens submitted by law enforcement officials, coroners and state agencies
- o Maintaining and disseminating criminal justice information to authorized state, local, and other entities
- o Providing uniform regulation of all gambling activities in the state of Montana

Agency Highlights

Department of Justice HB 2 Budget Highlights	
◆	Funding for the agency increases 13.8 percent (\$18.7 million) when the 2009 and 2011 biennia are compared
◆	General fund support increases 7.8 percent (\$3.8 million) between the two biennia <ul style="list-style-type: none"> • Increases in funding for statewide present law adjustments, the methamphetamine watch media campaign (\$0.5 million), increasing attorney salaries to 90 percent of market (\$0.4 million), investigation of computer crimes (\$0.4 million), and Public Safety Officer Standards and Training (\$.03 million) are partially offset by a decrease in funding for rent of the state crime lab, application of an

<p>unspecified reduction of 2 percent, and an increase in the vacancy savings rate to 7 percent</p> <ul style="list-style-type: none"> ◆ State special revenue increases 17.7 percent (\$14.1 million) due to the inclusion of funding that was previously provided by a statutory appropriation for the highway patrol (SB 117) and a change in the funding for license plates (SB 508) ◆ Federal funds increase 14.3 percent (\$0.4 million) primarily due to an increase in funding from the federal crime victims compensation grant and for Medicaid fraud investigation ◆ Proprietary funds increase 9.5 percent (\$0.3 million) primarily due to funding requested for e-government applications and liquor licensing functions
HB 645 Budget Highlights
<ul style="list-style-type: none"> ◆ HB 645 provides \$584,834 federal funds for Crime Victims' Assistance and Internet Crimes Against Children Grants ◆ The legislature included \$500,000 general fund for the methamphetamine watch program in HB 645 but the Governor struck this appropriation through use of a line item veto

Summary of Legislative Action

The 2011 biennium budget is \$18.7 million or 13.8 percent greater than the 2009 biennium budget. The budget increases primarily in general fund (\$3.8 million or 7.8 percent) and state special revenue (\$14.1 million or 17.7 percent). General fund increases are primarily related to funding for statewide present law adjustments. Other present law adjustments add \$844,107 and new proposals add \$594,121. General fund increases are offset by an increase in the applied vacancy savings rate from 4 to 7 percent (\$1.0 million general fund), the application of a 2 percent unspecified reduction in general fund (\$1.0 million), and the removal of funding for rental cost for the state crime lab building (\$440,000 general fund).

State special revenue increases due to:

- Inclusion of funding for highway patrol salaries and operations that were previously provided through a statutory appropriation - \$8.9 million
- Funding to change the timing and funding for license plate reissuance - \$5.2 million

Agency Discussion

Recommendations to LFC

The legislature recommends that the Legislative Finance Committee consider monitoring the following in the 2011 biennium.

- Motor Vehicle Division ongoing implementation of the Montana Enhanced Registration and Licensing Information Network (MERLIN)
- Montana Highway Patrol efforts to improve technologies to increase trooper efficiency including continued implementation of SMART cop
- Division of Criminal Investigation
 - Continued funding of the Methamphetamine Watch media campaign
 - Computer crime investigations including the agency's suggested measures of forensic caseloads investigated and prosecuted that involve the use of the internet
 - Public Safety Officer Standards and Training (POST) including efforts to ensure the accuracy of the database and eliminate duplications, and to quantify the number of agency reviews conducted, complaints investigated, and certification audits performed by the council

Funding

The following table summarizes funding for the agency, by program and source, as adopted by the legislature. Funding for each program is discussed in detail in the individual program narratives that follow.

Total Agency Funding 2011 Biennium Budget						
Agency Program	General Fund	State Spec.	Fed Spec.	Proprietary	Grand Total	Total %
01 Legal Services Division	\$ 10,552,962	\$ 954,381	\$ 1,142,338	\$ -	\$ 12,649,681	8.24%
02 Office Of Consumer Protection	-	3,467,493	-	-	3,467,493	2.26%
07 Gambling Control Division	-	5,877,876	-	2,141,727	8,019,603	5.22%
12 Motor Vehicle Division	15,294,963	18,895,527	-	1,256,400	35,446,890	23.08%
13 Highway Patrol Division	400,228	56,018,809	-	-	56,419,037	36.74%
18 Div. Of Criminal Investigation	11,538,629	6,226,709	2,362,606	-	20,127,944	13.11%
28 Central Services Division	990,999	1,356,172	-	144,435	2,491,606	1.62%
29 Information Technology Service	7,013,806	243,795	4,536	26,812	7,288,949	4.75%
32 Forensic Science Division	7,063,270	605,328	-	-	7,668,598	4.99%
Grand Total	<u>\$ 52,854,857</u>	<u>\$ 93,646,090</u>	<u>\$ 3,509,480</u>	<u>\$ 3,569,374</u>	<u>\$ 153,579,801</u>	<u>100.00%</u>

Funding for this department is comprised of general fund (34.4 percent), state special revenue (61.0 percent), federal funds (2.3 percent), and proprietary funds (2.3 percent). General fund supports the state crime lab (Forensic Science Division), criminal investigative services, information technology functions, motor vehicle titling and registration, and driver licensing functions.

State special revenue from the highways state special revenue supports the highway patrol, motor vehicle titling and registration, and driver licensing functions. State special revenue from consumer protection litigation supports the Office of Consumer Protection, gambling licensure and fees supports the Gambling Control Division, and earmarked alcohol taxes support crime lab functions related to training and maintenance of law enforcement breath testing equipment.

Federal funding sources include Medicaid, the Stop Violence Against Women Act, and the Crime Victims Compensation Act. Medicaid funds are the largest single source of federal funds and support Medicaid fraud investigation activities. Proprietary funds support liquor licensing, legal services provided to other state agencies, and some electronic commerce (e-government) functions.

Budget Summary by Category

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 10-11	Percent of Budget	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 10-11	Percent of Budget
Base Budget	23,761,709	23,761,709	47,523,418	89.91%	61,587,747	61,587,747	123,175,494	80.20%
Statewide PL Adjustments	1,927,380	1,965,831	3,893,211	7.37%	4,994,225	5,122,024	10,116,249	6.59%
Other PL Adjustments	410,018	434,089	844,107	1.60%	2,071,519	1,975,061	4,046,580	2.63%
New Proposals	226,355	367,766	594,121	1.12%	7,161,704	9,079,774	16,241,478	10.58%
Total Budget	\$26,325,462	\$26,529,395	\$52,854,857		\$75,815,195	\$77,764,606	\$153,579,801	

Other Legislation

HB 645 – The legislature provided \$500,000 general fund for the Methamphetamine Watch Program and \$584,834 for federal grants including Crime Victims Assistance and Internet Crimes Against Children Grants to the department through HB 645. However, the Governor utilized a line item veto to remove funding for the Methamphetamine Watch Program from this legislation. As a result all state funding for the Methamphetamine Watch Program is provided in HB 2 (\$500,000 general fund).

Federal funds are expected to be available due to increases in grant allocations provided in the American Recovery and Reinvestment Act (ARRA). The state must apply for the Crime Victims Assistance Grant, which is allocated by the federal government on a formula basis. The Internet Crimes Against Children Grant is allocated by the federal government to existing multi-jurisdictional task forces and in Montana the City of Billings is the eligible grant recipient. The state may receive some funding as a sub-grantee as part of this task force. The legislature included language in HB 2 that reduces general fund support for Internet Crimes Against Children by the amount of any federal grant funds received by the department.

The figure illustrates the combined appropriation levels of HB 2 (including pay plan) and HB 645.

SB 117 – This legislation was requested by the Legislative Finance Committee and based upon an interim joint effort of legislative, Office of Budget Program and Planning, and Department of Justice staffs. The bill removes the statutory appropriation of state special revenue supporting a portion of the highway patrol. As a result of these changes the revenue source dedication is maintained to the highway patrol while the statutory appropriation of this revenue is removed. An appropriation of funding from this state special revenue source is included in HB 2.

2011 Biennium HB 2 and HB 645 Combined Agency Department of Justice			
Fund	HB 2	One-time HB 645 Appropriations	2011 Biennium Revised Total
General Fund	\$52,854,857	\$0	\$52,854,857
State Special Revenues	93,646,090	0	93,646,090
Federal Special Revenues	3,509,480	584,834	4,094,314
Proprietary	<u>3,569,374</u>	<u>0</u>	<u>3,569,374</u>
Total Funds	<u>\$153,579,801</u>	<u>\$584,834</u>	<u>\$154,164,635</u>

SB 508 – This legislation creates an online vehicle insurance verification system funded by a state special revenue account (the Vehicle Insurance Verification and License Plate Operating Account), which is created by the legislation. The Department of Justice costs of license plate production are transferred to this new account from the general fund and an appropriation is provided for this purpose in HB 2 (\$5.2 million in decision package 720). This bill increases the fee for license plates from \$5 to \$10 and provides that \$2 be distributed to the general fund and \$8 be distributed to the state special revenue fund created by this legislation. This bill also provides for a five year rolling reissue of license plates beginning January 1, 2010 and creates an enterprise fund in the Department of Corrections for production of license plates and related functions such as inventory control, storage, and distribution.

HB 3 – This legislation provides a supplemental appropriation of \$175,000 general fund for the highway patrol for gasoline costs that are higher than anticipated during the 2009 biennium. The figure summarizes highway patrol gas costs from FY 2000 through 2009 (estimated) and illustrates that the cost of gasoline increased \$378,324 or almost 50 percent between FY 2007 and 2008.

HB 108 - This legislation provides for the deposit of restitution for crimes into a state special revenue account to be used for crime victims' assistance and compensation and provides a statutory appropriation for this purpose. These funds were previously deposited to the general fund.

MT. Highway Patrol Gasoline Costs			
Fiscal Year	Expended	\$ Incr.	% Incr.
2009*	\$950,076	(\$187,381)	-16.5%
2008	1,137,457	378,324	49.8%
2007	759,133	12,841	1.7%
2006	746,292	124,523	20.0%
2005	621,769	102,560	19.8%
2004	519,209	70,141	15.6%
2003	449,067	3,753	0.8%
2002	445,315	(111,592)	-20.0%
2001	556,906	46,436	9.1%
2,000	510,471		

FY 2009 is estimated/annualized based upon expenditures as of May 21, 2009

Executive Budget Comparison

The following table compares the legislative budget in the 2011 biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Base Budget Fiscal 2008	Executive Budget Fiscal 2010	Legislative Budget Fiscal 2010	Leg – Exec. Difference Fiscal 2010	Executive Budget Fiscal 2011	Legislative Budget Fiscal 2011	Leg – Exec. Difference Fiscal 2011	Biennium Difference Fiscal 10-11
FTE	690.27	695.27	752.05	56.78	695.27	752.05	56.78	
Personal Services	37,299,436	41,349,045	46,334,755	4,985,710	41,492,040	46,726,454	5,234,414	10,220,124
Operating Expenses	20,506,827	22,896,857	23,437,281	540,424	22,033,794	25,110,441	3,076,647	3,617,071
Equipment & Intangible Assets	2,090,990	2,275,990	2,167,240	(108,750)	2,292,490	2,167,240	(125,250)	(234,000)
Grants	0	0	0	0	0	0	0	0
Benefits & Claims	860,152	1,935,631	1,935,631	0	1,935,631	1,935,631	0	0
Transfers	0	0	0	0	0	0	0	0
Debt Service	830,342	1,877,215	1,940,288	63,073	1,761,767	1,824,840	63,073	126,146
Total Costs	\$61,587,747	\$70,334,738	\$75,815,195	\$5,480,457	\$69,515,722	\$77,764,606	\$8,248,884	\$13,729,341
General Fund	23,761,709	26,614,769	26,325,462	(289,307)	25,867,274	26,529,395	662,121	372,814
State/Other Special	35,011,954	40,216,200	45,959,074	5,742,874	40,140,095	47,687,016	7,546,921	13,289,795
Federal Special	1,335,049	1,731,190	1,749,167	17,977	1,734,439	1,760,313	25,874	43,851
Proprietary	1,479,035	1,772,579	1,781,492	8,913	1,773,914	1,787,882	13,968	22,881
Total Funds	\$61,587,747	\$70,334,738	\$75,815,195	\$5,480,457	\$69,515,722	\$77,764,606	\$8,248,884	\$13,729,341

The legislature provided funding that is \$13.7 million total funds greater than the executive budget. The increase in funding occurs primarily in state special revenue (\$13.3 million) and is related to two statutory changes: 1) the discontinuance of a statutory appropriation for highway patrol salaries and operations adds \$8.9 million; and 2) changes in the process and funding for reissuance of license plates adds \$5.2 million.

General fund support provided by the legislature is \$372,814 greater than executive request. The legislature provided general fund support for items not included in the executive request such as:

- Increasing attorney salaries to 90 percent of market - \$415,653 general fund (\$615,484 total funds)
- Computer crimes investigations - \$366,756 general fund
- Public Safety Officers Standards and Training (POST) - \$278,146 general fund

The legislature did not provide general fund support for some items included in the executive request such as license plate reissuance (\$321,250) and also approved an unspecified reduction in general fund support of 2 percent (\$1.0 million)

The legislature provided \$600,000 as a biennial, one-time-only, restricted appropriation for major litigation related to the Yellowstone Compact. The executive had requested a language appropriation of approximately \$2.8 million for the biennium. Because the funding was requested in the executive budget as a language appropriation the dollar amount did not appear in tables summarizing the executive request.

Program Budget Comparison

The following table summarizes the total legislative budget for the program by year, type of expenditure, and source of funding.

Program Budget Comparison								
Budget Item	Base Fiscal 2008	Approp. Fiscal 2009	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 08-09	Biennium Fiscal 10-11	Biennium Change	Biennium % Change
FTE	56.50	56.50	56.50	56.50	56.50	56.50	0.00	0.00%
Personal Services	3,592,019	4,054,856	4,298,752	4,427,854	7,646,875	8,726,606	1,079,731	14.12%
Operating Expenses	1,196,673	1,322,068	1,015,137	1,016,676	2,518,741	2,031,813	(486,928)	(19.33%)
Grants	0	0	0	0	0	0	0	n/a
Benefits & Claims	860,152	864,021	945,631	945,631	1,724,173	1,891,262	167,089	9.69%
Total Costs	\$5,648,844	\$6,240,945	\$6,259,520	\$6,390,161	\$11,889,789	\$12,649,681	\$759,892	6.39%
General Fund	4,873,596	5,304,769	5,228,610	5,324,352	10,178,365	10,552,962	374,597	3.68%
State Special	356,508	367,891	462,180	492,201	724,399	954,381	229,982	31.75%
Federal Special	418,740	568,285	568,730	573,608	987,025	1,142,338	155,313	15.74%
Total Funds	\$5,648,844	\$6,240,945	\$6,259,520	\$6,390,161	\$11,889,789	\$12,649,681	\$759,892	6.39%

Program Description

The Legal Services Division provides:

- o Legal research and analysis for the Attorney General
- o Legal counsel for state government officials, bureaus, and boards
- o Legal assistance to local governments and Indian tribes
- o Legal assistance, training, and support for county prosecutors
- o Assistance to victims of crime, including compensation payments

County Prosecutor Services provides special prosecution assistance to counties in the prosecution and disposition of major felonies and in cases in which county or city attorneys have conflicts of interest. County Prosecutor Services also provides prosecutor services to the Eastern Coal Counties Drug Task Force and the Western Montana Special Investigation Section and coordinates training and continuing legal education for county attorneys, city attorneys, and law enforcement personnel.

The Appellate Services Bureau is responsible for representing the state in all criminal appeals and responds to all habeas corpus and post conviction proceedings where federal and state courts order the state to defend the legality of convictions.

The Civil Services Bureau defends the state in constitutional challenges and coordinates appeals of civil cases that involve the state. This bureau also provides legal assistance to state and local governments on matters involving Indian jurisdiction, federal reserved water rights, election law, antitrust, conflicts of interest, and open meetings.

The Office of Victim Services (OVS) works to elevate the status of victims and their rights and responds to the needs of crime victims in Montana. It serves as a central reference point for victims of crime, administers the Crime Victim Compensation Program and the Forensic Rape Examination Payment Program, and offers information and referral services. OVS staffs the Domestic Violence Fatality Review Commission and provides training and information for those who work with victims, including law enforcement, victim advocates, probation and parole workers, and local community organizations.

Program Highlights

Legal Services Division HB 2 Budget Highlights	
♦	Funding increases 6.4 percent (\$759,892) between the 2009 and 2011 biennia, while general fund increases 3.7 percent (\$374,597) during the same time period
♦	Increases are primarily due to statewide present law adjustments, funding to increase attorney salaries to 90 percent of market, and funding for major litigation related to the Yellowstone Compact
♦	General fund increases are offset by a 2 percent unspecified reduction in general fund for the agency and an increase in the applied vacancy savings rate to 7 percent
HB 645 Budget Highlights	
♦	HB 645 provides \$584,834 federal funds for Crime Victims' Assistance and Internet Crimes Against Children Grants

Funding

The following table shows program funding, by source, for the base year and for the 2011 biennium as adopted by the legislature.

Program Funding Table Legal Services Division						
Program Funding	Base FY 2008	% of Base FY 2008	Budget FY 2010	% of Budget FY 2010	Budget FY 2011	% of Budget FY 2011
01000 Total General Fund	\$ 4,873,596	86.3%	\$ 5,228,610	83.5%	\$ 5,324,352	83.3%
01100 General Fund	4,873,596	86.3%	5,228,610	83.5%	5,324,352	83.3%
02000 Total State Special Funds	356,508	6.3%	462,180	7.4%	492,201	7.7%
02074 Gambling License Fee Account	87,022	1.5%	90,278	1.4%	90,958	1.4%
02140 Consumer Education Settlement	-	-	20,120	0.3%	20,217	0.3%
02422 Highways Special Revenue	86,897	1.5%	87,841	1.4%	89,328	1.4%
02937 Justice State Special Misc	182,589	3.2%	263,941	4.2%	291,698	4.6%
03000 Total Federal Special Funds	418,740	7.4%	568,730	9.1%	573,608	9.0%
03169 Federal Crime Victims Benefits	268,280	4.7%	364,997	5.8%	365,076	5.7%
03801 Dept Of Justice-Misc Grants	150,460	2.7%	203,733	3.3%	208,532	3.3%
Grand Total	\$ 5,648,844	100.0%	\$ 6,259,520	100.0%	\$ 6,390,161	100.0%

Each of the various functions within the division has a unique funding source. Attorneys are supported primarily by general fund with state special revenue from gambling licensing, highway special revenue, tobacco settlement funds, and other funds supporting specific activities. Additionally, work for the Reserved Water Rights Compact Commission is funded by the Department of Natural Resources and Conservations, prosecution of hunting violations is funded by the Department of Fish, Wildlife and Parks, and prosecution of worker's compensation violations is funded by the State Fund. The cost of major litigation is supported entirely by the general fund. Funding for assistance to crime victims comes from the general fund (67 percent), federal grants (31.5 percent), and consumer protection settlement proceeds (1.5 percent).

Budget Summary by Category

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 10-11	Percent of Budget	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 10-11	Percent of Budget
Base Budget	4,873,596	4,873,596	9,747,192	92.36%	5,648,844	5,648,844	11,297,688	89.31%
Statewide PL Adjustments	479,529	491,440	970,969	9.20%	579,944	594,300	1,174,244	9.28%
Other PL Adjustments	2,433	2,423	4,856	0.05%	85,412	85,402	170,814	1.35%
New Proposals	(126,948)	(43,107)	(170,055)	(1.61%)	(54,680)	61,615	6,935	0.05%
Total Budget	\$5,228,610	\$5,324,352	\$10,552,962		\$6,259,520	\$6,390,161	\$12,649,681	

Present Law Adjustments

The “Present Law Adjustments” table shows the changes to the adjusted base budget made by the legislature. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
-----Fiscal 2010-----					-----Fiscal 2011-----					
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
Personal Services				708,068						721,148
Vacancy Savings				(167,044)						(167,567)
Inflation/Deflation				10,837						12,496
Fixed Costs				28,083						28,223
Total Statewide Present Law Adjustments										
	\$479,529	\$38,332	\$62,083	\$579,944		\$491,440	\$40,337	\$62,523	\$594,300	
DP 105 - Forensic Rape Examination Payment Program (FREPP)										
0.00	2,500	0	0	2,500	0.00	2,500	0	0	2,500	
DP 107 - Addition Federal Grant Money for Victims of Crime										
0.00	0	0	82,979	82,979	0.00	0	0	82,979	82,979	
DP 7101 - Fuel Inflation Reduction										
0.00	(67)	0	0	(67)	0.00	(77)	0	0	(77)	
Total Other Present Law Adjustments										
0.00	\$2,433	\$0	\$82,979	\$85,412	0.00	\$2,423	\$0	\$82,979	\$85,402	
Grand Total All Present Law Adjustments										
0.00	\$481,962	\$38,332	\$145,062	\$665,356	0.00	\$493,863	\$40,337	\$145,502	\$679,702	

DP 105 - Forensic Rape Examination Payment Program (FREPP) - The legislature provided \$5,000 general fund for the biennium as a restricted appropriation for the Forensic Rape Examination Payment Program (FREPP), which helps rape victims pay for the necessary forensic medical exam. Under 46-15-411 MCA, the program provides direct payment to healthcare providers for forensic rape examinations of victims who have an exam within 72 hours of the assault, but choose not to immediately report the crime to law enforcement. FREPP pays the cost of a sexual assault examination up to a maximum of \$600.

DP 107 - Addition Federal Grant Money for Victims of Crime - The legislature approved the addition of \$165,958 federal funds for the biennium for the Violent Offenders Compensation program. The amount of the federal grant has increased.

DP 7101 - Fuel Inflation Reduction - This reduces funding for gasoline and diesel by the amount these two expenditure categories were increased in the statewide present law adjustment for inflation. The effect is to apply no inflation adjustment to these two expenditure categories.

New Proposals

New Proposals										
-----Fiscal 2010-----						-----Fiscal 2011-----				
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 704 - Increase Attorney Salaries to 90 percent of market										
01	0.00	178,137	76,253	9,389	263,779	0.00	237,516	101,670	12,519	351,705
DP 719 - Major Litigation Yellowstone Compact										
01	0.00	300,000	0	0	300,000	0.00	300,000	0	0	300,000
DP 6013 - 2011 Biennium Pay Plan - HB 13										
01	0.00	15,864	1,646	1,004	18,514	0.00	48,038	5,042	3,146	56,226
DP 6014 - Pay Plan Lump Sum Payment OTO										
01	0.00	7,123	761	813	8,697	0.00	0	0	0	0
DP 6101 - Fixed Cost Workers Comp Mgmt Program Allocation										
01	0.00	1,880	0	0	1,880	0.00	1,630	0	0	1,630
DP 6105 - 2 Percent Unspecified Reduction of General Fund										
01	0.00	(522,269)	0	0	(522,269)	0.00	(522,269)	0	0	(522,269)
DP 8101 - Increase 4 Percent Vacancy Savings to 7 Percent										
01	0.00	(107,683)	(11,320)	(6,278)	(125,281)	0.00	(108,022)	(11,356)	(6,299)	(125,677)
Total	0.00	(\$126,948)	\$67,340	\$4,928	(\$54,680)	0.00	(\$43,107)	\$95,356	\$9,366	\$61,615

DP 704 - Increase Attorney Salaries to 90 percent of market - The legislature provided \$615,484 including \$415,653 general fund to increase attorney salaries to 90 percent of the market pay for the position.

DP 719 - Major Litigation Yellowstone Compact - The legislature provided \$600,000 general fund as a restricted, biennial, one-time-only appropriation for the cost of major litigation related to the Yellowstone River Compact.

DP 6013 - 2011 Biennium Pay Plan - HB 13 - The legislature passed a pay plan that provides an additional \$53 per month in health insurance contribution for CY 2010 and an additional \$54 per month for CY 2011. These amounts represent this program's allocation of costs to fund this pay plan. In addition, the legislature provided a one-time-only payment of \$450 for all employees earning less than \$45,000 annually. These costs are included in DP 6014.

DP 6014 - Pay Plan Lump Sum Payment OTO - This DP funds this program's cost of providing a one-time-only payment of \$450 to each full-time employee making less than \$45,000 annually and \$225 for half-time employees making \$21.635 per hour or less.

DP 6101 - Fixed Cost Workers Comp Mgmt Program Allocation - Funding was approved as a fixed cost for agencies to pay fees, based on the average number of payroll warrants issued per pay period, to support the worker's compensation management program in the Department of Administration.

DP 6105 - 2 Percent Unspecified Reduction of General Fund - This item provides an unspecified reduction in general fund of 2 percent for the agency. Language included in the bill allows the agency to allocate the reduction in funding among programs when developing 2011 biennium operating plans.

DP 8101 - Increase 4 Percent Vacancy Savings to 7 Percent - This adds an additional 3 percent per year to the 4 percent personal services vacancy savings reduction contained in the statewide present law adjustment.

Language and Statutory Authority

The legislature included the following language in HB 2:

"Legal Services Division includes a reduction in general fund money of \$522,269 each year of the biennium. The agency may allocate this reduction in funding among programs when developing 2011 biennium operating plans."

Program Budget Comparison

The following table summarizes the total legislative budget for the program by year, type of expenditure, and source of funding.

Program Budget Comparison								
Budget Item	Base Fiscal 2008	Approp. Fiscal 2009	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 08-09	Biennium Fiscal 10-11	Biennium Change	Biennium % Change
FTE	8.25	8.25	9.25	9.25	8.25	9.25	1.00	12.12%
Personal Services	423,538	505,245	524,537	527,844	928,783	1,052,381	123,598	13.31%
Operating Expenses	190,159	198,644	220,183	214,929	388,803	435,112	46,309	11.91%
Benefits & Claims	0	0	990,000	990,000	0	1,980,000	1,980,000	n/a
Total Costs	\$613,697	\$703,889	\$1,734,720	\$1,732,773	\$1,317,586	\$3,467,493	\$2,149,907	163.17%
State Special	613,697	703,889	1,734,720	1,732,773	1,317,586	3,467,493	2,149,907	163.17%
Total Funds	\$613,697	\$703,889	\$1,734,720	\$1,732,773	\$1,317,586	\$3,467,493	\$2,149,907	163.17%

Program Description

The Office of Consumer Protection (OCP) responds to consumer complaints and enforces Montana's consumer protection laws and regulations relating to unfair and deceptive business practices including: "Bait and switch", false claims, changing a contract after a sale, abusive arbitration, debt collection misconduct, door-to-door sales, telemarketing including administering Montana's do-not-call list, car and truck sales and repair including the New Vehicle Warranty Act (or Lemon Law) violations, and antitrust issues including price fixing, monopoly abuse, and restraint of trade.

OCP assists victims of identity theft and administers the state's Security Freeze Program. It provides extensive public education about consumer and telemarketing fraud and identity theft to Montana consumer groups, senior citizen organizations, law enforcement agencies, and businesses.

Program Highlights

Office of Consumer Protection HB 2 Budget Highlights	
♦	Funding for the program increases 163 percent, (\$2.1 million) between the 2009 and 2011 biennia due primarily to \$2.0 million for distribution of settlement proceeds to consumers
♦	The legislature provided funding for an elected official request for an ag anti-trust attorney, \$199,854 state special revenue
♦	The program is funded entirely by state special revenue

Funding

The following table shows program funding, by source, for the base year and for the 2011 biennium as adopted by the legislature.

Program Funding Table Office Of Consumer Protection						
Program Funding	Base FY 2008	% of Base FY 2008	Budget FY 2010	% of Budget FY 2010	Budget FY 2011	% of Budget FY 2011
02000 Total State Special Funds	\$ 613,697	100.0%	\$ 1,734,720	100.0%	\$ 1,732,773	100.0%
02140 Consumer Education Settlement	613,697	100.0%	734,720	42.4%	732,773	42.3%
02937 Justice State Special Misc	-	-	1,000,000	57.6%	1,000,000	57.7%
Grand Total	\$ 613,697	100.0%	\$ 1,734,720	100.0%	\$ 1,732,773	100.0%

The program is funded entirely with state special revenue from settlement of consumer protection legal actions.

Budget Summary by Category

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 10-11	Percent of Budget	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 10-11	Percent of Budget
Base Budget	0	0	0	0.00%	613,697	613,697	1,227,394	35.40%
Statewide PL Adjustments	0	0	0	0.00%	26,166	26,675	52,841	1.52%
Other PL Adjustments	0	0	0	0.00%	(34)	(39)	(73)	0.00%
New Proposals	0	0	0	0.00%	1,094,891	1,092,440	2,187,331	63.08%
Total Budget	\$0	\$0	\$0		\$1,734,720	\$1,732,773	\$3,467,493	

Present Law Adjustments

The “Present Law Adjustments” table shows the changes to the adjusted base budget made by the legislature. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
	-----Fiscal 2010-----					-----Fiscal 2011-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					40,080					40,676
Vacancy Savings					(18,544)					(18,569)
Inflation/Deflation					374					467
Fixed Costs					4,256					4,101
Total Statewide Present Law Adjustments		\$0	\$26,166	\$0	\$26,166		\$0	\$26,675	\$0	\$26,675
DP 7101 - Fuel Inflation Reduction	0.00	0	(34)	0	(34)	0.00	0	(39)	0	(39)
Total Other Present Law Adjustments	0.00	\$0	(\$34)	\$0	(\$34)	0.00	\$0	(\$39)	\$0	(\$39)
Grand Total All Present Law Adjustments	0.00	\$0	\$26,132	\$0	\$26,132	0.00	\$0	\$26,636	\$0	\$26,636

DP 7101 - Fuel Inflation Reduction - This reduces funding for gasoline and diesel by the amount these two expenditure categories were increased in the statewide present law adjustment for inflation. The effect is to apply no inflation adjustment to these two expenditure categories.

New Proposals

New Proposals										
Program	FTE	-----Fiscal 2010-----				-----Fiscal 2011-----				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 201 - Distribute Settlement Funds to Injured Parties										
02	0.00	0	1,000,000	0	1,000,000	0.00	0	1,000,000	0	1,000,000
DP 202 - Agriculture Anti-trust Attorney										
02	1.00	0	102,485	0	102,485	1.00	0	97,369	0	97,369
DP 6013 - 2011 Biennium Pay Plan - HB 13										
02	0.00	0	2,898	0	2,898	0.00	0	8,757	0	8,757
DP 6014 - Pay Plan Lump Sum Payment OTO										
02	0.00	0	3,138	0	3,138	0.00	0	0	0	0
DP 6101 - Fixed Cost Workers Comp Mgmt Program Allocation										
02	0.00	0	278	0	278	0.00	0	241	0	241
DP 8101 - Increase 4 Percent Vacancy Savings to 7 Percent										
02	0.00	0	(13,908)	0	(13,908)	0.00	0	(13,927)	0	(13,927)
Total	1.00	\$0	\$1,094,891	\$0	\$1,094,891	1.00	\$0	\$1,092,440	\$0	\$1,092,440

DP 201 - Distribute Settlement Funds to Injured Parties - The legislature provided \$2.0 million state special revenue for the distribution of settlement proceeds to Montana consumers in the form of rebates, training, education, or other public service programs. The number and dollar amounts involved in these settlements can vary widely from year to year. The Department of Justice plans to create an advisory board that will make recommendations for how settlement proceeds are distributed.

DP 202 - Agriculture Anti-trust Attorney - The legislature provided \$199,854 state special revenue to support an attorney specializing in agriculture related litigation on behalf of consumers.

DP 6013 - 2011 Biennium Pay Plan - HB 13 - The legislature passed a pay plan that provides an additional \$53 per month in health insurance contribution for CY 2010 and an additional \$54 per month for CY 2011. These amounts represent this program's allocation of costs to fund this pay plan. In addition, the legislature provided a one-time-only payment of \$450 for all employees earning less than \$45,000 annually. These costs are included in DP 6014.

DP 6014 - Pay Plan Lump Sum Payment OTO - This DP funds this program's cost of providing a one-time-only payment of \$450 to each full-time employee making less than \$45,000 annually and \$225 for half-time employees making \$21.635 per hour or less.

DP 6101 - Fixed Cost Workers Comp Mgmt Program Allocation - Funding was approved as a fixed cost for agencies to pay fees, based on the average number of payroll warrants issued per pay period, to support the worker's compensation management program in the Department of Administration.

DP 8101 - Increase 4 Percent Vacancy Savings to 7 Percent - This adds an additional 3 percent per year to the 4 percent personal services vacancy savings reduction contained in the statewide present law adjustment.

Proprietary Rates**Proprietary Program Description**

Agency Legal Services Bureau (ALSB) provides legal, hearing examiner, and investigative services to state agency clients on a contract basis. ALSB attorneys and investigators bill clients for their services and case-related and incidental costs. ALSB has 17.00 FTE funded from the revenues generated.

Customers Served: ALSB serves state agencies, boards, and commissions that have entered into contracts with ALSB.

Funding

Agency Legal Services is funded by the fees charged to state agencies for services provided to them.

The following decision packages were concurred in when rates for the program were approved.

Present Law Adjustments

PL 0601 ALS Rent Adjustment – Agency Legal Services leases a non-Department of Administration building that is subject to a 2 percent per year increase in rental rates. The base year expenditures for rent were \$81,072.

New Proposals

DP 6101 - Fixed Cost Workers Comp Management Program Allocat - Funding was approved as a fixed cost for agencies to pay fees, based on the average number of payroll warrants issued per pay period, to support the worker's compensation management program in the Department of Administration.

Proprietary Rates

The legislature approved the following rates for Agency Legal Services for the 2011 biennium.

- Attorneys \$93 per hour
- Investigators \$53 per hour

Program Budget Comparison

The following table summarizes the total legislative budget for the program by year, type of expenditure, and source of funding.

Program Budget Comparison								
Budget Item	Base Fiscal 2008	Approp. Fiscal 2009	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 08-09	Biennium Fiscal 10-11	Biennium Change	Biennium % Change
FTE	49.50	49.50	50.50	50.50	49.50	50.50	1.00	2.02%
Personal Services	2,626,118	2,931,859	2,955,452	2,977,930	5,557,977	5,933,382	375,405	6.75%
Operating Expenses	778,201	790,424	908,148	906,311	1,568,625	1,814,459	245,834	15.67%
Equipment & Intangible Assets	132,158	72,445	132,158	132,158	204,603	264,316	59,713	29.18%
Debt Service	3,723	4,880	3,723	3,723	8,603	7,446	(1,157)	(13.45%)
Total Costs	\$3,540,200	\$3,799,608	\$3,999,481	\$4,020,122	\$7,339,808	\$8,019,603	\$679,795	9.26%
State Special	2,582,066	2,685,021	2,931,610	2,946,266	5,267,087	5,877,876	610,789	11.60%
Other	958,134	1,114,587	1,067,871	1,073,856	2,072,721	2,141,727	69,006	3.33%
Total Funds	\$3,540,200	\$3,799,608	\$3,999,481	\$4,020,122	\$7,339,808	\$8,019,603	\$679,795	9.26%

Program Description

The Gambling Control Division was established by the 1989 Legislature to regulate the gambling industry in Montana. The division has criminal justice authority and conducts routine field inspections and investigations related to gambling activities. In addition to collecting and distributing licensing fees for gambling machines and activities, the division collects the gambling tax assessed on the net proceeds of gambling activities. It conducts investigations related to alcoholic beverage licensing and tobacco enforcement. An appointed Gaming Advisory Council of nine members advises the Attorney General to ensure uniform statewide regulation of gambling activities. The gambling control program is mandated by state law.

Program Highlights

Gambling Control Division HB 2 Budget Highlights	
◆	Funding for the division increases 9.3 percent (\$679,795) when the 2009 and 2011 biennia are compared, primarily due to statewide present law adjustments, the addition of 1.00 FTE, and continuation of a one-time-only appropriation for the gambling database system

Funding

The following table shows program funding, by source, for the base year and for the 2011 biennium as adopted by the legislature.

Program Funding Table Gambling Control Division							
Program Funding	Base FY 2008	% of Base FY 2008	Budget FY 2010	% of Budget FY 2010	Budget FY 2011	% of Budget FY 2011	
02000 Total State Special Funds	\$ 2,582,066	72.9%	\$ 2,931,610	73.3%	\$ 2,946,266	73.3%	
02074 Gambling License Fee Account	2,473,709	69.9%	2,814,844	70.4%	2,828,923	70.4%	
02390 Spec Motorcycle Lic Plates	-	-	1,022	0.0%	1,479	0.0%	
02790 6901-Statewide Tobacco Sttlmnt	108,357	3.1%	115,744	2.9%	115,864	2.9%	
06000 Total Proprietary Funds	958,134	27.1%	1,067,871	26.7%	1,073,856	26.7%	
06005 Liquor Division	958,134	27.1%	1,067,871	26.7%	1,073,856	26.7%	
Grand Total	\$ 3,540,200	100.0%	\$ 3,999,481	100.0%	\$ 4,020,122	100.0%	

The division receives 73.3 percent of its funding from state special revenue including gambling license fees (70.4 percent) and tobacco settlement proceeds (2.9 percent). The remaining 26.7 percent of the division's funding comes from the Department of Revenue proprietary fund for liquor licensing.

Budget Summary by Category

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 10-11	Percent of Budget	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 10-11	Percent of Budget
Base Budget	0	0	0	0.00%	3,540,200	3,540,200	7,080,400	88.29%
Statewide PL Adjustments	0	0	0	0.00%	343,164	349,527	692,691	8.64%
Other PL Adjustments	0	0	0	0.00%	168,641	166,348	334,989	4.18%
New Proposals	0	0	0	0.00%	(52,524)	(35,953)	(88,477)	(1.10%)
Total Budget	\$0	\$0	\$0		\$3,999,481	\$4,020,122	\$8,019,603	

Present Law Adjustments

The "Present Law Adjustments" table shows the changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
-----Fiscal 2010-----						-----Fiscal 2011-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					445,282					451,071
Vacancy Savings					(122,859)					(123,087)
Inflation/Deflation					8,801					10,034
Fixed Costs					11,940					11,509
Total Statewide Present Law Adjustments		\$0	\$252,454	\$0	\$343,164*		\$0	\$257,083	\$0	\$349,527*
DP 701 - GCD Base Operating Expense Adjustments	0.00	0	36,500	0	55,500*	0.00	0	37,500	0	56,900*
DP 702 - Cont. OTO Approp - Gambling Database - (Bien/OTO)	0.00	0	50,000	0	50,000	0.00	0	50,000	0	50,000
DP 703 - New Machine Tester FTE	1.00	0	50,717	0	71,433*	1.00	0	48,966	0	68,966*
DP 7101 - Fuel Inflation Reduction	0.00	0	(6,052)	0	(8,292)*	0.00	0	(6,947)	0	(9,518)*
Total Other Present Law Adjustments	1.00	\$0	\$131,165	\$0	\$168,641*	1.00	\$0	\$129,519	\$0	\$166,348*
Grand Total All Present Law Adjustments	1.00	\$0	\$383,619	\$0	\$511,805*	1.00	\$0	\$386,602	\$0	\$515,875*

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

DP 701 - GCD Base Operating Expense Adjustments - The legislature provided \$112,400 (state special revenue and proprietary funds) including:

- \$22,500 per year to annualize the operating costs for four positions that were vacant for nine months
- \$15,000 for out-of-country travel in the event that it is necessary to conduct license investigations
- \$18,000 in FY 2010 and \$19,400 in FY 2011 for increases in office rental costs

DP 702 - Cont. OTO Approp - Gambling Database - (Bien/OTO) - The legislature provided \$100,000 state special revenue as a biennial, one-time-only appropriation, to enhance the web entry system that is being used by a larger proportion of gambling operators than was anticipated. The division will initiate a planning process with customers to improve functionality and convenience. The improvements may require changes to the data base (GenTax) or web interface (MII).

DP 703 - New Machine Tester FTE - The legislature provided \$140,399 (state special revenue and proprietary funds) for the biennium for an additional 1.00 FTE machine tester and related costs to complete testing of new video gambling machines, new machine programs, and automated accounting and reporting systems submitted to the division for approval and subsequent sale to Montana gambling operators.

DP 7101 - Fuel Inflation Reduction - This reduces funding for gasoline and diesel by the amount these two expenditure categories were increased in the statewide present law adjustment for inflation. The effect is to apply no inflation adjustment to these two expenditure categories.

New Proposals

New Proposals										
Program	FTE	Fiscal 2010				Fiscal 2011				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 704 - Recycling Video Gambling Machines										
07	0.00	0	5,000	0	5,000	0.00	0	5,000	0	5,000
DP 6013 - 2011 Biennium Pay Plan - HB 13										
07	0.00	0	12,036	0	16,473*	0.00	0	36,210	0	49,980*
DP 6014 - Pay Plan Lump Sum Payment OTO										
07	0.00	0	12,224	0	16,550*	0.00	0	0	0	0
DP 6101 - Fixed Cost Workers Comp Management Program Alloc.										
07	0.00	0	1,167	0	1,598*	0.00	0	1,011	0	1,385*
DP 8101 - Increase 4 Percent Vacancy Savings to 7 Percent										
07	0.00	0	(64,502)	0	(92,145)*	0.00	0	(64,623)	0	(92,318)*
Total	0.00	\$0	(\$34,075)	\$0	(\$52,524)*	0.00	\$0	(\$22,402)	\$0	(\$35,953)*

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

DP 704 - Recycling Video Gambling Machines - The legislature provided \$10,000 state special revenue for the biennium for the costs of recycling video gambling machines (the cathode ray tubes found in video gambling machines is considered a hazardous waste) that are confiscated or abandoned by their previous owner. In cases where the owner of the old video gambling machines can be identified, the Gambling Control Division would use these funds to negotiate a cost sharing agreement for the recycling of the machines.

DP 6013 - 2011 Biennium Pay Plan - HB 13 - The legislature passed a pay plan that provides an additional \$53 per month in health insurance contribution for CY 2010 and an additional \$54 per month for CY 2011. These amounts represent this program's allocation of costs to fund this pay plan. In addition, the legislature provided a one-time-only payment of \$450 for all employees earning less than \$45,000 annually. These costs are included in DP 6014.

DP 6014 - Pay Plan Lump Sum Payment OTO - This DP funds this program's cost of providing a one-time-only payment of \$450 to each full-time employee making less than \$45,000 annually and \$225 for half-time employees making \$21.635 per hour or less.

DP 6101 - Fixed Cost Workers Comp Management Program Alloc. - Funding was approved as a fixed cost for agencies to pay fees, based on the average number of payroll warrants issued per pay period, to support the worker's compensation management program in the Department of Administration.

DP 8101 - Increase 4 Percent Vacancy Savings to 7 Percent - This adds an additional 3 percent per year to the 4 percent personal services vacancy savings reduction contained in the statewide present law adjustment.

Program Budget Comparison

The following table summarizes the total legislative budget for the program by year, type of expenditure, and source of funding.

Program Budget Comparison								
Budget Item	Base Fiscal 2008	Approp. Fiscal 2009	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 08-09	Biennium Fiscal 10-11	Biennium Change	Biennium % Change
FTE	155.00	155.00	155.00	155.00	155.00	155.00	0.00	0.00%
Personal Services	5,629,097	6,298,677	6,293,987	6,332,810	11,927,774	12,626,797	699,023	5.86%
Operating Expenses	6,224,419	6,273,290	8,791,353	10,511,320	12,497,709	19,302,673	6,804,964	54.45%
Equipment & Intangible Assets	32,649	65,019	33,149	33,149	97,668	66,298	(31,370)	(32.12%)
Transfers	0	0	0	0	0	0	0	n/a
Debt Service	736,412	7,810,769	1,783,285	1,667,837	8,547,181	3,451,122	(5,096,059)	(59.62%)
Total Costs	\$12,622,577	\$20,447,755	\$16,901,774	\$18,545,116	\$33,070,332	\$35,446,890	\$2,376,558	7.19%
General Fund	6,771,937	7,314,847	7,628,714	7,666,249	14,086,784	15,294,963	1,208,179	8.58%
State Special	5,409,492	12,546,782	8,644,938	10,250,589	17,956,274	18,895,527	939,253	5.23%
Other	441,148	586,126	628,122	628,278	1,027,274	1,256,400	229,126	22.30%
Total Funds	\$12,622,577	\$20,447,755	\$16,901,774	\$18,545,116	\$33,070,332	\$35,446,890	\$2,376,558	7.19%

Program Description

The Motor Vehicle Division (MVD), under provision of Title 61 and Title 23, MCA, and certain federal statutes is responsible for:

- o Examination and licensure of all drivers
- o Verification of identification
- o Creation and maintenance of permanent driver and motor vehicle records
- o Titling and registration of all vehicles including boats, snowmobiles and ATVs
- o Inspection and verification of vehicle identification numbers
- o Licensure and compliance control of motor vehicle dealers and manufacturers
- o Providing motor voter registration

Program Highlights

Motor Vehicle Division HB 2 Budget Highlights
<ul style="list-style-type: none"> ◆ Funding for the division increases 7.2 percent (\$2.4 million) when the 2009 and 2011 biennia are compared ◆ General fund increases 8.9 percent or \$1.2 million due to statewide present law adjustments and operating cost adjustments ◆ State special revenue related to repayment of debt for the MERLIN system decreases ◆ SB 508 creates a Vehicle Insurance Verification and License Plate Operating account. \$5.2 million state special revenue from this account is appropriated in HB 2

Funding

The following table shows program funding, by source, for the base year and for the 2011 biennium as adopted by the legislature.

Program Funding Table Motor Vehicle Division						
Program Funding	Base FY 2008	% of Base FY 2008	Budget FY 2010	% of Budget FY 2010	Budget FY 2011	% of Budget FY 2011
01000 Total General Fund	\$ 6,771,937	53.6%	\$ 7,628,714	45.1%	\$ 7,666,249	41.3%
01100 General Fund	6,771,937	53.6%	7,628,714	45.1%	7,666,249	41.3%
02000 Total State Special Funds	5,409,492	42.9%	8,644,938	51.1%	10,250,589	55.3%
02225 Mvd Inform Tech System Hb577	121,709	1.0%	241,709	1.4%	239,709	1.3%
02349 Highway Non-Restricted Account	-	-	239,900	1.4%	248,881	1.3%
02422 Highways Special Revenue	4,673,080	37.0%	4,847,103	28.7%	4,862,504	26.2%
02798 Mvd It System - Hb261	614,703	4.9%	1,541,576	9.1%	1,428,128	7.7%
02937 Justice State Special Misc	-	-	1,774,650	10.5%	3,471,367	18.7%
06000 Total Proprietary Funds	441,148	3.5%	628,122	3.7%	628,278	3.4%
06080 Mvd/State Information Portal	-	-	25,242	0.1%	25,254	0.1%
06083 Mvd Electronic Commerce	441,148	3.5%	602,880	3.6%	603,024	3.3%
Grand Total	\$ 12,622,577	100.0%	\$ 16,901,774	100.0%	\$ 18,545,116	100.0%

The division receives 41 percent of its funding from the general fund and 55 percent from state special revenues. Highway funds are the primary source of state special revenue and in conjunction with the general fund support drivers licensing and vehicle registration functions (40 percent highway funds and 60 percent general fund). The division's other sources of state special revenue include funding from the Vehicle Insurance Verification and License Plate Operating Account created by SB 508 and fee revenue that supports the development of a new computer system, the Montana Enhanced Registration and Licensing Information Network system (MERLIN). Proprietary funds related to e-commerce and provision of government services online for which a fee is charged provide the remaining 4 percent of the division's funding.

Budget Summary by Category

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 10-11	Percent of Budget	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 10-11	Percent of Budget
Base Budget	6,771,937	6,771,937	13,543,874	88.55%	12,622,577	12,622,577	25,245,154	71.22%
Statewide PL Adjustments	542,668	552,446	1,095,114	7.16%	749,668	766,178	1,515,846	4.28%
Other PL Adjustments	352,575	365,752	718,327	4.70%	1,818,018	1,724,530	3,542,548	9.99%
New Proposals	(38,466)	(23,886)	(62,352)	(0.41%)	1,711,511	3,431,831	5,143,342	14.51%
Total Budget	\$7,628,714	\$7,666,249	\$15,294,963		\$16,901,774	\$18,545,116	\$35,446,890	

Present Law Adjustments

The "Present Law Adjustments" table shows the changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
-----Fiscal 2010-----					-----Fiscal 2011-----					
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
Personal Services				992,965					1,008,124	
Vacancy Savings				(264,881)					(265,492)	
Inflation/Deflation				43,504					47,095	
Fixed Costs				(21,920)					(23,549)	
Total Statewide Present Law Adjustments										
	\$542,668	\$203,878	\$0	\$749,668*		\$552,446	\$210,454	\$0	\$766,178*	
DP 1201 - Base Adjustments MVD Field Operations Bureau	0.00	49,969	32,979	0	82,948	0.00	62,010	41,007	0	103,017
DP 1202 - Base Adjustments MVD Title and Registration Bureau	0.00	18,229	12,153	0	30,382	0.00	20,064	13,376	0	33,440
DP 1204 - Adjust Base for Debt Payments - Biennial	0.00	0	1,046,873	0	1,046,873	0.00	0	931,425	0	931,425
DP 1205 - New Driver's License Production Costs	0.00	167,412	111,608	0	279,020	0.00	167,412	111,608	0	279,020
DP 1207 - Point of Sale Title and Registration Forms	0.00	121,707	81,138	0	202,845	0.00	121,707	81,138	0	202,845
DP 1212 - MV Proprietary Account spending Authority	0.00	0	0	0	25,000*	0.00	0	0	0	25,000*
DP 1213 - HB 671 Proprietary Account Spending Authority	0.00	0	0	0	158,852*	0.00	0	0	0	158,852*
DP 7101 - Fuel Inflation Reduction	0.00	(4,742)	(3,160)	0	(7,902)	0.00	(5,441)	(3,628)	0	(9,069)
Total Other Present Law Adjustments										
	0.00	\$352,575	\$1,281,591	\$0	\$1,818,018*	0.00	\$365,752	\$1,174,926	\$0	\$1,724,530*
Grand Total All Present Law Adjustments										
	0.00	\$895,243	\$1,485,469	\$0	\$2,567,686*	0.00	\$918,198	\$1,385,380	\$0	\$2,490,708*

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

DP 1201 - Base Adjustments MVD Field Operations Bureau - The legislature provided \$185,965 total funds for the biennium for postage and rent increases.

DP 1202 - Base Adjustments MVD Title and Registration Bureau - The legislature provided \$63,822 for the biennium for overtime, and increases in legal fees, postage, and rent including:

- o \$10,000 for overtime costs
- o \$15,000 for projected cost increases in legal fees and court costs related to phased-in implementation and enforcement of motor vehicle dealership laws in HB 409 of the 2007 session. The department anticipates that five cases per year will result in legal action at an estimated cost of \$1,500 each.
- o \$27,200 to annualize the costs of the May 2008 postage rates increase
- o \$11,622 for rent increases effective in December 2010 per the current lease agreement

DP 1204 - Adjust Base for Debt Payments - Biennial - The legislature provided a biennial appropriation of about \$2.0 million state special revenue to fund debt payments related to study of business processes, and design and development of a new system for motor vehicle related functions. This appropriation funds debt payments for:

- o The Motor Vehicle System, Phase One, Titling System project (MVS1) - HB 577 from the 2001 session
- o The Motor Vehicle System, Phase Two, Vehicle Registration and Driver Licensing/Driver Control System project (MVS2) - HB 261 of the 2003 session and HB 90 of the 2007 session

This funding is in addition to the \$0.7 million included in the base budget.

DP 1205 - New Driver's License Production Costs - The legislature provided \$558,040 for increases in production costs related to the new driver's license cards that were released in July 2008.

The following information was utilized as part of the legislative decision making process and will be used for ongoing program evaluation. It was submitted by the agency, edited by LFD staff for brevity and to include any legislative changes.

Justification: This proposal would provide funding for a contract for the Integrated Driver License Issuance System which provides a fully inter-operative driver license issuance system, including integrated components for appointment scheduling, automated driver license knowledge testing, digital driver license/identification card production, image-based facial recognition services, and a functional method of authenticating the supporting documents that are presented by customers. Costs for this contract are not included in the budget base year since the first cards produced under this contract were issued in July 2008. This contract locks in the contract costs for seven years from the date of implementation and replaced a contract that had locked in the old cost for eight years.

Project Outcome: Provide the state with the ability to ensure that customers receive service in a timely scheduled manner, ensure that only knowledgeable individuals are licensed, and issue secure driver licenses and identification cards for Montana citizens that protect their identity.

Performance Criteria: Montana citizens will receive a secure driver's license or ID card in a timely manner.

- o Customers will be scheduled within two weeks of a request for driver licensing services
- o Automated driver license knowledge testing will be available statewide for all customers
- o Secure digital driver license/identification cards will be issued to citizens
- o Identity fraud for driver license/identification cards will be reduced through facial recognition and document authentication
- o Montana citizens will be able to use their driver license/identification card as identity to board an airplane or access a federal facility per agreement with the Governor's office and the Department of Homeland Security.

Milestones: Driver licenses and identification cards are issued to Montana citizens who have demonstrated their knowledge and ability to drive and provided proof of identity that has been authenticated.

FTE: No new FTE are required for this contractual commitment.

Funding: An annual increase in general fund of \$167,412 and state special revenue of \$111,608 was approved based upon the historical 60 percent, 40 percent funding split between general fund and state special revenue for the division.

Obstacles: This contract is nearing full implementation with services being rolled out statewide.

Risk: Without funding for this contract, the state will not be able to issue driver licenses and identification cards; Montana citizens may not be able to travel easily by air nor access federal facilities; and identity fraud may increase. Additionally, the state may be sued for the balance of the fully executed contract.

DP 1207 - Point of Sale Title and Registration Forms -

The legislature provided \$405,690 for the biennium for supplies and printing costs necessary to operate point-of-sale (POS).

The following information was utilized as part of the legislative decision making process and will be used for ongoing program evaluation. It was submitted by the agency, edited by LFD staff for brevity and to include any legislative changes.

Justification: This proposal will provide funding to annualize the costs for the LV9000 laser validation forms which are printed at the time of the motor vehicle registration and contain information specific to the vehicle. When printed at the point-of-sale (POS) the decal present on the form is printed with information utilized by law enforcement. Printing the decal at the POS requires a printer that utilizes a unique toner cartridge that meets security requirements and clearly

indicates any attempts at alteration. These registration receipt forms and decals along with the unique toner cartridges are compatible with the POS functionality and printers integrated within the MERLIN system.

Printing at the POS reduces inventory control requirements for the counties and eliminates the annual destruction required for unused decals returned by the counties. An increase is requested to annualize the cost for the POS registration receipt forms and expiration decals that will be printed at the counties after the go live date for the vehicle registration and titling module implementation in Montana Enhanced Registration and Licensing Information Network (MERLIN) scheduled for the fall of 2008. Additionally, an increase of \$165,060 is requested to annualize the cost of the unique toner cartridges used for the POS printers.

Project Outcome: Counties will be able to print the POS motor vehicle registration receipts and decals.

Performance Criteria: POS registration forms and unique printer cartridges will be available to the counties for the printing of the customer's motor vehicle registration receipts.

Milestones: The customers will receive their motor vehicle registration forms and license plate decals.

FTE: No new FTE are required for this contractual commitment.

Funding: An annual increase of \$202,845 was approved for the 2011 biennium (\$121,707 in general fund and \$81,138 in state special revenue).

Obstacles: This is the only contract in effect for registration forms and license plate decals.

Risks: Without funding for this contractual commitment, the counties will not be able to complete and issue motor vehicle registration forms and license plate decals on behalf of the state. Montana citizens would not have proof their motor vehicles have been registered nor documentation for any appropriate tax deductions. Law enforcement would not have visual representation of updated information available on vehicle ownership and registration.

DP 1212 - MV Proprietary Account spending Authority - The legislature provided \$50,000 proprietary funds for the biennium to support development and maintenance of applications for electronic distribution of information from the motor vehicle and driver licensing database applications.

DP 1213 - HB 671 Proprietary Account Spending Authority - The legislature appropriated \$317,704 proprietary funds to support operating costs for an enhanced motor vehicle web portal (e-government) that allows third party users to access the system. Combined with the base budget, proprietary funding authorized for this purpose would total \$600,000 per year.

DP 7101 - Fuel Inflation Reduction - This reduces funding for gasoline and diesel by the amount these two expenditure categories were increased in the statewide present law adjustment for inflation. The effect is to apply no inflation adjustment to these two expenditure categories.

New Proposals

New Proposals										
Program	FTE	Fiscal 2010				Fiscal 2011				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 720 - SB 508 Revised License Plate Reissue										
12	0.00	0	1,774,650	0	1,774,650	0.00	0	3,471,367	0	3,471,367
DP 6013 - 2011 Biennium Pay Plan - HB 13										
12	0.00	30,880	20,640	0	51,520	0.00	92,960	62,240	0	155,200
DP 6014 - Pay Plan Lump Sum Payment OTO										
12	0.00	46,818	32,130	0	78,948	0.00	0	0	0	0
DP 6101 - Fixed Cost WC Management Program Allocation										
12	0.00	3,033	2,022	0	5,055	0.00	2,631	1,752	0	4,383
DP 8101 - Increasing 4 Percent Vacancy Savings to 7 Percent										
12	0.00	(119,197)	(79,465)	0	(198,662)	0.00	(119,477)	(79,642)	0	(199,119)
Total	0.00	(\$38,466)	\$1,749,977	\$0	\$1,711,511	0.00	(\$23,886)	\$3,455,717	\$0	\$3,431,831

DP 720 - SB 508 Revised License Plate Reissue - The legislature provided \$5.2 million state special revenue to support statutory provisions included in SB 508, which changes the reissuance of license plates to a five year rolling reissue, creates an enterprise fund in the Department of Corrections for the production, sale and distribution of license plates; and provides a state special revenue fund to the Department of Justice that will be utilized to reimburse the Department of Corrections.

DP 6013 - 2011 Biennium Pay Plan - HB 13 - The legislature passed a pay plan that provides an additional \$53 per month in health insurance contribution for CY 2010 and an additional \$54 per month for CY 2011. These amounts represent this program's allocation of costs to fund this pay plan. In addition, the legislature provided a one-time-only payment of \$450 for all employees earning less than \$45,000 annually. These costs are included in DP 6014.

DP 6014 - Pay Plan Lump Sum Payment OTO - This DP funds this program's cost of providing a one-time-only payment of \$450 to each full-time employee making less than \$45,000 annually and \$225 for half-time employees making \$21.635 per hour or less.

DP 6101 - Fixed Cost WC Management Program Allocation - Funding was approved as a fixed cost for agencies to pay fees, based on the average number of payroll warrants issued per pay period, to support the worker's compensation management program in the Department of Administration.

DP 8101 - Increasing 4 Percent Vacancy Savings to 7 Percent - This adds an additional 3 percent per year to the 4 percent personal services vacancy savings reduction contained in the statewide present law adjustment.

Program Budget Comparison

The following table summarizes the total legislative budget for the program by year, type of expenditure, and source of funding.

Program Budget Comparison								
Budget Item	Base Fiscal 2008	Approp. Fiscal 2009	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 08-09	Biennium Fiscal 10-11	Biennium Change	Biennium % Change
FTE	232.27	232.27	289.05	289.05	232.27	289.05	56.78	24.45%
Personal Services	14,456,401	16,115,319	20,463,673	20,540,593	30,571,720	41,004,266	10,432,546	34.12%
Operating Expenses	6,010,899	5,496,751	6,198,312	6,217,611	11,507,650	12,415,923	908,273	7.89%
Equipment & Intangible Assets	1,499,424	1,757,448	1,499,424	1,499,424	3,256,872	2,998,848	(258,024)	(7.92%)
Total Costs	\$21,966,724	\$23,369,518	\$28,161,409	\$28,257,628	\$45,336,242	\$56,419,037	\$11,082,795	24.45%
General Fund	210,039	176,690	198,853	201,375	386,729	400,228	13,499	3.49%
State Special	21,756,685	23,192,828	27,962,556	28,056,253	44,949,513	56,018,809	11,069,296	24.63%
Federal Special	0	0	0	0	0	0	0	n/a
Total Funds	\$21,966,724	\$23,369,518	\$28,161,409	\$28,257,628	\$45,336,242	\$56,419,037	\$11,082,795	24.45%

Program Description

The Highway Patrol Division (HPD) is responsible for patrolling the highways of Montana, enforcing traffic laws, and investigating traffic crashes. The patrol gives assistance and information to motorists and first aid to those injured in traffic crashes, transports blood and medical supplies in emergency situations, and assists other law enforcement agencies when requested. The patrol provides 24-hour-a-day, seven-day-a-week communication and radio dispatch for the Highway Patrol and other state agencies.

Program Highlights

Montana Highway Patrol HB 2 Budget Highlights	
♦	Funding for the division increases 24.5 percent (\$11.1 million) when the 2009 and 2011 biennia are compared
♦	The increase is primarily in state special revenue (highway account) due to statewide present law adjustments and inclusion of funding in HB 2 that was previously provided as a statutory appropriation (SB 117 removed the statutory appropriation from law)

Funding

The following table shows program funding, by source, for the base year and for the 2011 biennium as adopted by the legislature.

Program Funding Table Highway Patrol Division							
Program Funding	Base FY 2008	% of Base FY 2008	Budget FY 2010	% of Budget FY 2010	Budget FY 2011	% of Budget FY 2011	
01000 Total General Fund	\$ 210,039	1.0%	\$ 198,853	0.7%	\$ 201,375	0.7%	
01100 General Fund	210,039	1.0%	198,853	0.7%	201,375	0.7%	
02000 Total State Special Funds	21,756,685	99.0%	27,962,556	99.3%	28,056,253	99.3%	
02014 Highway Patrol Retire Clearing	-	-	4,468,221	15.9%	4,481,164	15.9%	
02349 Highway Non-Restricted Account	-	-	48,704	0.2%	57,547	0.2%	
02422 Highways Special Revenue	21,756,685	99.0%	23,445,631	83.3%	23,517,542	83.2%	
Grand Total	\$ 21,966,724	100.0%	\$ 28,161,409	100.0%	\$ 28,257,628	100.0%	

The Montana Highway Patrol is supported primarily (99.3 percent) by highway state special revenue and state special revenue from fees dedicated to supporting highway patrol salaries and operating costs that were previously statutorily appropriated. SB 117 removed this statutory appropriation and these funds are now included in HB 2. General fund provides 1.1 percent of the division's funding and supports executive protection.

Budget Summary by Category

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 10-11	Percent of Budget	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 10-11	Percent of Budget
Base Budget	210,039	210,039	420,078	104.96%	21,966,724	21,966,724	43,933,448	77.87%
Statewide PL Adjustments	(11,826)	(10,600)	(22,426)	(5.60%)	1,899,495	2,005,487	3,904,982	6.92%
Other PL Adjustments	0	0	0	0.00%	(184,911)	(208,148)	(393,059)	(0.70%)
New Proposals	640	1,936	2,576	0.64%	4,480,101	4,493,565	8,973,666	15.91%
Total Budget	\$198,853	\$201,375	\$400,228		\$28,161,409	\$28,257,628	\$56,419,037	

Present Law Adjustments

The "Present Law Adjustments" table shows the changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
	-----Fiscal 2010-----					-----Fiscal 2011-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					1,535,875					1,598,174
Inflation/Deflation					228,856					263,554
Fixed Costs					134,764					143,759
Total Statewide Present Law Adjustments		(\$11,826)	\$1,911,321	\$0	\$1,899,495		(\$10,600)	\$2,016,087	\$0	\$2,005,487
DP 1308 - Increase in base budget for rent	0.00	0	40,000	0	40,000	0.00	0	50,000	0	50,000
DP 7101 - Fuel Inflation Reduction	0.00	0	(224,911)	0	(224,911)	0.00	0	(258,148)	0	(258,148)
Total Other Present Law Adjustments	0.00	\$0	(\$184,911)	\$0	(\$184,911)	0.00	\$0	(\$208,148)	\$0	(\$208,148)
Grand Total All Present Law Adjustments	0.00	(\$11,826)	\$1,726,410	\$0	\$1,714,584	0.00	(\$10,600)	\$1,807,939	\$0	\$1,797,339

DP 1308 - Increase in base budget for rent - The legislature provided \$90,000 state special revenue (highway) for the biennium to support increased rental costs.

DP 7101 - Fuel Inflation Reduction - This reduces funding for gasoline and diesel by the amount these two expenditure categories were increased in the statewide present law adjustment for inflation. The effect is to apply no inflation adjustment to these two expenditure categories.

New Proposals

New Proposals										
-----Fiscal 2010-----						-----Fiscal 2011-----				
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 710 - SB 117 - Remove Statutory Appropriation										
13	56.78	0	4,468,221	0	4,468,221	56.78	0	4,481,164	0	4,481,164
DP 6013 - 2011 Biennium Pay Plan - HB 13										
13	0.00	640	967	0	1,607	0.00	1,936	2,918	0	4,854
DP 6014 - Pay Plan Lump Sum Payment OTO										
13	0.00	0	1,569	0	1,569	0.00	0	0	0	0
DP 6101 - Fixed Cost Workers Comp Mgmt Program Allocation										
13	0.00	0	8,704	0	8,704	0.00	0	7,547	0	7,547
Total	56.78	\$640	\$4,479,461	\$0	\$4,480,101	56.78	\$1,936	\$4,491,629	\$0	\$4,493,565

DP 710 - SB 117 - Remove Statutory Appropriation - SB 117 eliminates the statutory appropriation of certain state special revenue for the highway patrol. However, the source of this state special revenue continues and is restricted in purpose to supporting highway patrol salaries. Because these funds will no longer be statutorily appropriated an appropriation of these funds was needed in HB 2.

DP 6013 - 2011 Biennium Pay Plan - HB 13 - The legislature passed a pay plan that provides an additional \$53 per month in health insurance contribution for CY 2010 and an additional \$54 per month for CY 2011. These amounts represent this program's allocation of costs to fund this pay plan. In addition, the legislature provided a one-time-only payment of \$450 for all employees earning less than \$45,000 annually. These costs are included in DP 6014.

DP 6014 - Pay Plan Lump Sum Payment OTO - This DP funds this program's cost of providing a one-time-only payment of \$450 to each full-time employee making less than \$45,000 annually and \$225 for half-time employees making \$21.635 per hour or less.

DP 6101 - Fixed Cost Workers Comp Mgmt Program Allocation - Funding was approved as a fixed cost for agencies to pay fees, based on the average number of payroll warrants issued per pay period, to support the worker's compensation management program in the Department of Administration.

Program Budget Comparison

The following table summarizes the total legislative budget for the program by year, type of expenditure, and source of funding.

Program Budget Comparison								
Budget Item	Base Fiscal 2008	Approp. Fiscal 2009	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 08-09	Biennium Fiscal 10-11	Biennium Change	Biennium % Change
FTE	97.00	97.00	100.00	100.00	97.00	100.00	3.00	3.09%
Personal Services	4,908,495	5,584,243	5,749,072	5,799,544	10,492,738	11,548,616	1,055,878	10.06%
Operating Expenses	3,629,752	4,034,841	3,933,143	3,943,983	7,664,593	7,877,126	212,533	2.77%
Equipment & Intangible Assets	331,101	388,380	351,101	351,101	719,481	702,202	(17,279)	(2.40%)
Debt Service	0	31,291	0	0	31,291	0	(31,291)	(100.00%)
Total Costs	\$8,869,348	\$10,038,755	\$10,033,316	\$10,094,628	\$18,908,103	\$20,127,944	\$1,219,841	6.45%
General Fund	4,754,893	4,915,830	5,753,121	5,785,508	9,670,723	11,538,629	1,867,906	19.32%
State Special	3,200,414	3,957,888	3,102,026	3,124,683	7,158,302	6,226,709	(931,593)	(13.01%)
Federal Special	914,041	1,165,037	1,178,169	1,184,437	2,079,078	2,362,606	283,528	13.64%
Total Funds	\$8,869,348	\$10,038,755	\$10,033,316	\$10,094,628	\$18,908,103	\$20,127,944	\$1,219,841	6.45%

Program Description

The Division of Criminal Investigation includes the administration, management, and coordination of criminal investigative services and training performed by the Investigations Bureau, the Narcotics Bureau, the Investigative Support Bureau and the Law Enforcement Academy Bureau.

The Investigations Bureau consists of four sections:

- The Fire Prevention and Investigation Section is responsible for safeguarding life and property from fire, explosion, and arson through investigation, inspection, and fire code interpretation and enforcement functions
- The Special Investigations Unit investigates crimes involving the use of computers, maintains the Sexual and Violent Offender Registry; and provides advanced training opportunities for law enforcement officials statewide
- The Major Case Section provides criminal investigative assistance to city, county, state, and federal law enforcement agencies
- The Medicaid Fraud Control Section is responsible for investigating any crime that occurs in a health care facility, including theft, drug diversion, sexual assault, and homicide. The section also investigates elder exploitation, elder abuse and fraud by providers within the Medicaid system

The Narcotics Bureau investigates dangerous drug violations and provides investigative assistance to city, county, state and federal law enforcement agencies as requested. The bureau also investigates organized criminal activity.

The Investigative Support Bureau is responsible for establishing a statewide intelligence center, criminal records checks section, Criminal Justice Information Network, and addressing homeland security issues.

The Law Enforcement Academy Bureau provides criminal justice officers and other qualified individuals with basic and specialized training in the field of law enforcement.

Program Highlights

Division of Criminal Investigation HB 2 Budget Highlights	
◆	Funding for the division increases 6.5 percent (\$1.2 million) between the 2009 and 2011 biennia
◆	General fund support increases 19.3 percent (\$1.9 million) during the same time frame primarily due to statewide present law adjustments; provision of \$0.5 million for the Methamphetamine Watch Program, and funding for computer crimes investigations, Public Safety Officer Standards and Training, and various operating cost adjustments
◆	The legislature included language in HB 2 reducing general fund support for computer crimes investigations by the amount of any federal grant funding received
HB 645 Budget Highlights	
◆	The legislature included \$500,000 general fund for the methamphetamine watch program in HB 645 but the Governor struck this appropriation through use of a line item veto

Funding

The following table shows program funding, by source, for the base year and for the 2011 biennium as adopted by the legislature.

Program Funding Table Div. Of Criminal Investigation						
Program Funding	Base FY 2008	% of Base FY 2008	Budget FY 2010	% of Budget FY 2010	Budget FY 2011	% of Budget FY 2011
01000 Total General Fund	\$ 4,754,893	53.6%	\$ 5,753,121	57.3%	\$ 5,785,508	57.3%
01100 General Fund	4,754,893	53.6%	5,753,121	57.3%	5,785,508	57.3%
02000 Total State Special Funds	3,200,414	36.1%	3,102,026	30.9%	3,124,683	31.0%
02016 Criminal Justice Info Network	815,204	9.2%	413,879	4.1%	414,274	4.1%
02079 Fire Protection & Permitting	43,281	0.5%	50,674	0.5%	50,833	0.5%
02143 Drug Forfeitures-State	26,530	0.3%	26,437	0.3%	26,425	0.3%
02546 Mtlaw Enforc. Acad. Surcharge	1,440,907	16.2%	1,576,782	15.7%	1,595,024	15.8%
02797 Cjis - Background Checks	728,972	8.2%	741,570	7.4%	743,384	7.4%
02937 Justice State Special Misc	145,520	1.6%	292,684	2.9%	294,743	2.9%
03000 Total Federal Special Funds	914,041	10.3%	1,178,169	11.7%	1,184,437	11.7%
03051 Homeland Security	215,156	2.4%	375,806	3.7%	376,752	3.7%
03187 Bcc Grants To Dept. Of Justice	268,254	3.0%	275,571	2.7%	275,793	2.7%
03800 Medicaid Fraud	430,631	4.9%	526,792	5.3%	531,892	5.3%
Grand Total	\$ 8,869,348	100.0%	\$ 10,033,316	100.0%	\$ 10,094,628	100.0%

The division is supported by a combination of general fund, state special revenue, and federal funds. General fund supports criminal investigations, fire prevention and investigation, match for federal funds supporting Medicaid fraud investigations, drug task forces, the computer crime unit, sexual and violent offender registry, amber alert, child sexual abuse response team, and Public Safety Officer Standards and Training (POST).

The three largest sources of state special revenue supporting the division are Montana Law Enforcement Academy surcharges that support operation of the academy, criminal justice information network (CJIN) revenue that supports itself, and revenue from criminal justice background checks that are paid in exchange for completion of a background check.

The largest source of federal funds is Medicaid funding that supports investigation of Medicaid fraud. Other federal grants support drug enforcement task forces and homeland security functions.

Budget Summary by Category

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 10-11	Percent of Budget	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 10-11	Percent of Budget
Base Budget	4,754,893	4,754,893	9,509,786	82.42%	8,869,348	8,869,348	17,738,696	88.13%
Statewide PL Adjustments	360,185	378,494	738,679	6.40%	793,571	819,883	1,613,454	8.02%
Other PL Adjustments	125,395	136,531	261,926	2.27%	254,837	277,653	532,490	2.65%
New Proposals	512,648	515,590	1,028,238	8.91%	115,560	127,744	243,304	1.21%
Total Budget	\$5,753,121	\$5,785,508	\$11,538,629		\$10,033,316	\$10,094,628	\$20,127,944	

Present Law Adjustments

The "Present Law Adjustments" table shows the changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
-----Fiscal 2010-----						-----Fiscal 2011-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					972,183					993,056
Vacancy Savings					(235,228)					(236,064)
Inflation/Deflation					51,376					58,804
Fixed Costs					5,240					4,087
Total Statewide Present Law Adjustments										
	\$360,185	\$214,050	\$219,336	\$793,571		\$378,494	\$220,849	\$220,540	\$819,883	
DP 1802 - SVOR Program - FTE for Program	1.00	56,001	0	0	56,001	1.00	53,323	0	0	53,323
DP 1806 - DCI - Base Adjustments	0.00	73,452	52,924	0	126,376	0.00	89,000	54,184	0	143,184
DP 1807 - MLEA - Base Adjustments	0.00	0	40,000	0	40,000	0.00	0	50,000	0	50,000
DP 1812 - Medicaid Fraud Control Unit - Base Adjustment	0.00	12,303	0	36,910	49,213	0.00	12,996	0	38,987	51,983
DP 1813 - SW Drug Task Force Rent Butte Office	0.00	0	0	10,869	10,869	0.00	0	0	10,869	10,869
DP 7101 - Fuel Inflation Reduction	0.00	(16,361)	(8,505)	(2,756)	(27,622)	0.00	(18,788)	(9,760)	(3,158)	(31,706)
Total Other Present Law Adjustments										
	1.00	\$125,395	\$84,419	\$45,023	\$254,837	1.00	\$136,531	\$94,424	\$46,698	\$277,653
Grand Total All Present Law Adjustments										
	1.00	\$485,580	\$298,469	\$264,359	\$1,048,408	1.00	\$515,025	\$315,273	\$267,238	\$1,097,536

DP 1802 - SVOR Program - FTE for Program - The legislature provided \$109,324 general fund for the biennium for 1.00 FTE data control specialist and operating expenses for the sexual and violent offender registry (SVOR) program due to legislation changes and an increasing number of sexual and violent offenders in the state.

The following information was utilized as part of the legislative decision making process and will be used for ongoing program evaluation. It was submitted by the agency, edited by LFD staff for brevity and to include any legislative changes.

Justification: This proposal is needed to keep up with increasing program demands and responsibilities related to the management of the state's sexual and violent offender program. One person can no longer manage this program

effectively. Over the past several years there have been numerous legislative changes to the state sexual and violent offender registry program. Each change has increased the operational and quality control responsibilities of the program.

Project Outcomes: The goals of this proposal are to ensure that the information provided to the SVOR registry is timely, accurate, and properly disseminated to local law enforcement agencies and the public. This is accomplished by ensuring that the registry information is accurate and that current photographs are available on all offenders. Regular audits of local agency data will occur to identify noncompliant offenders so that the necessary enforcement and prosecutorial actions may be taken.

Performance Criteria: Progress of this proposal will be determined by the accuracy of the data, timely response to inquiries and a faster turnaround of offender information entered into the database.

Milestones: Results of this proposal will be recognized immediately as an additional staff member will help with an already overburdened program.

FTE: 1.00 FTE

Funding: General Fund

Obstacles: The challenges with this proposal (and this program) is the effective coordination of information collection among local, state, and federal agencies.

Risk: The risk to the state if this proposal is not adopted is that timely and reliable information about sexual and violent offenders may not be available to Montana's public safety agencies and the public.

DP 1806 - DCI - Base Adjustments - The legislature provided \$269,560 total funds (including \$162,452 general fund) for the 2011 biennium for base budget adjustments such as overtime pay and rent increases.

DP 1807 - MLEA - Base Adjustments - The legislature provided \$90,000 state special revenue for the biennium as a one-time-only appropriation for the Montana Law Enforcement Academy (MLEA) for increases in ammunition, communications, utilities, and food service costs. The Montana Law Enforcement Academy is funded with criminal conviction surcharge revenue and class fees.

DP 1812 - Medicaid Fraud Control Unit - Base Adjustment - The legislature provided \$101,196 for the biennium (\$25,299 of general fund and \$75,897 of federal Medicaid funds) to annualize operating costs for the unit. The department indicates that the unit had vacancies that affected the base expenditures in travel, gasoline, training, and communications. This includes \$20,000 per year for vehicle replacements.

DP 1813 - SW Drug Task Force Rent Butte Office - The legislature provided \$10,869 federal funds each year of the biennium to pay rent for the Southwest Montana Drug Taskforce (SWMDTF) office in Butte.

DP 7101 - Fuel Inflation Reduction - This reduces funding for gasoline and diesel by the amount these two expenditure categories were increased in the statewide present law adjustment for inflation. The effect is to apply no inflation adjustment to these two expenditure categories.

New Proposals

New Proposals										
-----Fiscal 2010-----						-----Fiscal 2011-----				
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 702 - Remove Intermittent Expenditures from Base										
18	0.00	0	(375,000)	0	(375,000)	0.00	0	(375,000)	0	(375,000)
DP 705 - Computer Crimes Investigations										
18	1.00	189,728	0	0	189,728	1.00	177,028	0	0	177,028
DP 706 - POST Council										
18	1.00	141,673	0	0	141,673	1.00	136,473	0	0	136,473
DP 1814 - Continue Meth Watch Program - Rest/Bein/OTO										
18	0.00	250,000	0	0	250,000	0.00	250,000	0	0	250,000
DP 6013 - 2011 Biennium Pay Plan - HB 13										
18	0.00	19,549	9,060	3,886	32,495	0.00	59,033	27,380	11,709	98,122
DP 6014 - Pay Plan Lump Sum Payment OTO										
18	0.00	17,937	12,216	4,385	34,538	0.00	0	0	0	0
DP 6101 - Fixed Cost Workers Comp Management Program Alloc										
18	0.00	1,920	926	331	3,177	0.00	1,664	804	287	2,755
DP 8101 - Increase 4 Percent Vacancy Savings to 7 Percent										
18	0.00	(108,159)	(44,059)	(8,833)	(161,051)	0.00	(108,608)	(44,188)	(8,838)	(161,634)
Total	2.00	\$512,648	(\$396,857)	(\$231)	\$115,560	2.00	\$515,590	(\$391,004)	\$3,158	\$127,744

DP 702 - Remove Intermittent Expenditures from Base - The legislature approved the removal of \$375,000 state special revenue each year related to the inclusion of expenditures that are intermittent in nature and not expected to occur during the 2011 biennium in the base budget.

DP 705 - Computer Crimes Investigations - The legislature provided \$366,756 general fund for the biennium to support 1.00 FTE and related operating costs for computer crimes investigations.

DP 706 - POST Council - The legislature provided \$278,146 general fund for the biennium to support 1.00 FTE and related costs for the Public Safety Officer Standards and Training (POST) council. The 2007 Legislature approved statutory changes related to this function and moved administration from the Montana Board of Crime Control to the Department of Justice.

DP 1814 - Continue Meth Watch Program - Rest/Bein/OTO - The legislature provided \$500,000 general fund for the biennium as a restricted, biennial, one-time-only appropriation for the meth media campaign designed to reduce methamphetamine addiction, especially among young Montanans. This public awareness campaign uses television, newspapers, radio, billboards, and movie screens to focus on the damage meth use causes individuals, families, and communities.

DP 6013 - 2011 Biennium Pay Plan - HB 13 - The legislature passed a pay plan that provides an additional \$53 per month in health insurance contribution for CY 2010 and an additional \$54 per month for CY 2011. These amounts represent this program's allocation of costs to fund this pay plan. In addition, the legislature provided a one-time-only payment of \$450 for all employees earning less than \$45,000 annually. These costs are included in DP 6014.

DP 6014 - Pay Plan Lump Sum Payment OTO - This DP funds this program's cost of providing a one-time-only payment of \$450 to each full-time employee making less than \$45,000 annually and \$225 for half-time employees making \$21.635 per hour or less.

DP 6101 - Fixed Cost Workers Comp Management Program Alloc - Funding was approved as a fixed cost for agencies to pay fees, based on the average number of payroll warrants issued per pay period, to support the worker's compensation management program in the Department of Administration.

DP 8101 - Increase 4 Percent Vacancy Savings to 7 Percent - This adds an additional 3 percent per year to the 4 percent personal services vacancy savings reduction contained in the statewide present law adjustment.

Language and Statutory Authority

The legislature included the following language in HB 2:

"Funding in Division of Criminal Investigation includes \$189,728 general fund money for fiscal year 2010 and \$177,028 general fund money for fiscal year 2011 that is contingent upon the non availability of federal grant funds to support computer crimes investigations and must be reduced dollar-for-dollar by the amount of any federal grant funds received to support computer crimes investigations."

Program Budget Comparison

The following table summarizes the total legislative budget for the program by year, type of expenditure, and source of funding.

Program Budget Comparison								
Budget Item	Base Fiscal 2008	Approp. Fiscal 2009	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 08-09	Biennium Fiscal 10-11	Biennium Change	Biennium % Change
FTE	18.00	18.00	18.00	18.00	18.00	18.00	0.00	0.00%
Personal Services	937,933	976,314	1,003,611	1,011,775	1,914,247	2,015,386	101,139	5.28%
Operating Expenses	215,565	161,727	274,004	202,216	377,292	476,220	98,928	26.22%
Total Costs	\$1,153,498	\$1,138,041	\$1,277,615	\$1,213,991	\$2,291,539	\$2,491,606	\$200,067	8.73%
General Fund	418,947	408,970	508,967	482,032	827,917	990,999	163,082	19.70%
State Special	668,119	661,076	696,553	659,619	1,329,195	1,356,172	26,977	2.03%
Other	66,432	67,995	72,095	72,340	134,427	144,435	10,008	7.44%
Total Funds	\$1,153,498	\$1,138,041	\$1,277,615	\$1,213,991	\$2,291,539	\$2,491,606	\$200,067	8.73%

Program Description

The Central Services Division provides the administrative, personnel, budgetary, accounting, and fiscal support for the Department of Justice. The program also administers the County Attorney Payroll.

Program Highlights

Central Services Division HB 2 Budget Highlights	
◆	Funding for the division increases 8.7 percent (\$200,067) between the 2009 and 2011 biennia
◆	General fund support increases 19.7 percent (\$163,082) between the two biennia due primarily to statewide present law adjustments

Funding

The following table shows program funding, by source, for the base year and for the 2011 biennium as adopted by the legislature.

Program Funding Table Central Services Division							
Program Funding		Base FY 2008	% of Base FY 2008	Budget FY 2010	% of Budget FY 2010	Budget FY 2011	% of Budget FY 2011
01000	Total General Fund	\$ 418,947	36.3%	\$ 508,967	39.8%	\$ 482,032	39.7%
	01100 General Fund	418,947	36.3%	508,967	39.8%	482,032	39.7%
02000	Total State Special Funds	668,119	57.9%	696,553	54.5%	659,619	54.3%
	02003 Misc Grants And Nrd	16,184	1.4%	-	-	-	-
	02016 Criminal Justice Info Network	-	-	595	0.0%	828	0.1%
	02074 Gambling License Fee Account	68,983	6.0%	56,750	4.4%	53,514	4.4%
	02140 Consumer Education Settlement	16,187	1.4%	14,547	1.1%	13,732	1.1%
	02349 Highway Non-Restricted Account	-	-	267	0.0%	231	0.0%
	02422 Highways Special Revenue	566,765	49.1%	585,472	45.8%	554,456	45.7%
	02546 Mtlaw Enforc. Acad. Surcharge	-	-	15,324	1.2%	14,502	1.2%
	02797 Cjis - Background Checks	-	-	23,598	1.8%	22,356	1.8%
06000	Total Proprietary Funds	66,432	5.8%	72,095	5.6%	72,340	6.0%
	06005 Liquor Division	55,629	4.8%	58,072	4.5%	59,198	4.9%
	06500 Agency Legal Services	10,803	0.9%	14,023	1.1%	13,142	1.1%
Grand Total		\$ 1,153,498	100.0%	\$ 1,277,615	100.0%	\$ 1,213,991	100.0%

The Central Services Division is funded by allocation of costs among the various funding sources supporting the department. General fund provides 39.7 percent of the division's funding; state special revenue, the largest source being highway state special revenue, provides 54.4 percent of the division funding; and proprietary funds, including liquor licensing fees and fees for agency legal services, provide 5.9 percent of the division's funding.

Budget Summary by Category

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 10-11	Percent of Budget	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 10-11	Percent of Budget
Base Budget	418,947	418,947	837,894	84.55%	1,153,498	1,153,498	2,306,996	92.59%
Statewide PL Adjustments	97,953	68,985	166,938	16.85%	143,001	74,611	217,612	8.73%
Other PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
New Proposals	(7,933)	(5,900)	(13,833)	(1.40%)	(18,884)	(14,118)	(33,002)	(1.32%)
Total Budget	\$508,967	\$482,032	\$990,999		\$1,277,615	\$1,213,991	\$2,491,606	

Present Law Adjustments

The "Present Law Adjustments" table shows the changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
	-----Fiscal 2010-----					-----Fiscal 2011-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					127,747					131,208
Vacancy Savings					(42,628)					(42,766)
Inflation/Deflation					118					154
Fixed Costs					57,764					(13,985)
Total Statewide Present Law Adjustments		\$97,953	\$39,173	\$0	\$143,001*		\$68,985	(\$448)	\$0	\$74,611*
Grand Total All Present Law Adjustments	0.00	\$97,953	\$39,173	\$0	\$143,001*	0.00	\$68,985	(\$448)	\$0	\$74,611*

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

New Proposals

New Proposals										
Program	FTE	-----Fiscal 2010-----				-----Fiscal 2011-----				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 6013 - 2011 Biennium Pay Plan - HB 13										
28	0.00	2,412	3,312	0	5,796*	0.00	7,290	9,990	0	17,478*
DP 6014 - Pay Plan Lump Sum Payment OTO										
28	0.00	2,769	3,887	0	6,734*	0.00	0	0	0	0
DP 6101 - Fixed Cost Workers Comp Management Program Allocat										
28	0.00	233	318	0	557*	0.00	201	275	0	482*
DP 8101 - Increasing 4 Percent Vacancy Savings to 7 Percent										
28	0.00	(13,347)	(18,256)	0	(31,971)*	0.00	(13,391)	(18,317)	0	(32,078)*
Total	0.00	(\$7,933)	(\$10,739)	\$0	(\$18,884)*	0.00	(\$5,900)	(\$8,052)	\$0	(\$14,118)*

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

DP 6013 - 2011 Biennium Pay Plan - HB 13 - The legislature passed a pay plan that provides an additional \$53 per month in health insurance contribution for CY 2010 and an additional \$54 per month for CY 2011. These amounts represent this program's allocation of costs to fund this pay plan. In addition, the legislature provided a one-time-only payment of \$450 for all employees earning less than \$45,000 annually. These costs are included in DP 6014.

DP 6014 - Pay Plan Lump Sum Payment OTO - This DP funds this program's cost of providing a one-time-only payment of \$450 to each full-time employee making less than \$45,000 annually and \$225 for half-time employees making \$21.635 per hour or less.

DP 6101 - Fixed Cost Workers Comp Management Program Allocat - Funding was approved as a fixed cost for agencies to pay fees, based on the average number of payroll warrants issued per pay period, to support the worker's compensation management program in the Department of Administration.

DP 8101 - Increasing 4 Percent Vacancy Savings to 7 Percent - This adds an additional 3 percent per year to the 4 percent personal services vacancy savings reduction contained in the statewide present law adjustment.

Program Budget Comparison

The following table summarizes the total legislative budget for the program by year, type of expenditure, and source of funding.

Program Budget Comparison								
Budget Item	Base Fiscal 2008	Approp. Fiscal 2009	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 08-09	Biennium Fiscal 10-11	Biennium Change	Biennium % Change
FTE	41.00	41.00	41.00	41.00	41.00	41.00	0.00	0.00%
Personal Services	2,206,495	2,478,633	2,496,188	2,523,378	4,685,128	5,019,566	334,438	7.14%
Operating Expenses	1,039,913	974,072	1,046,756	1,046,965	2,013,985	2,093,721	79,736	3.96%
Equipment & Intangible Assets	87,831	12,644	87,831	87,831	100,475	175,662	75,187	74.83%
Total Costs	\$3,334,239	\$3,465,349	\$3,630,775	\$3,658,174	\$6,799,588	\$7,288,949	\$489,361	7.20%
General Fund	3,196,881	3,326,777	3,493,322	3,520,484	6,523,658	7,013,806	490,148	7.51%
State Special	121,769	121,859	121,781	122,014	243,628	243,795	167	0.07%
Federal Special	2,268	3,392	2,268	2,268	5,660	4,536	(1,124)	(19.86%)
Other	13,321	13,321	13,404	13,408	26,642	26,812	170	0.64%
Total Funds	\$3,334,239	\$3,465,349	\$3,630,775	\$3,658,174	\$6,799,588	\$7,288,949	\$489,361	7.20%

Program Description

The Justice Information Technology Services Division provides a full range of information technology and criminal justice services for the department, including:

- System development and maintenance
- Criminal history record information system and the Montana Uniform Crime Reporting System
- Support for the department's internal computers and systems
- Support for the Criminal Justice Information Network (CJIN), which links law enforcement and criminal justice agencies with information sources at local, state, and national levels by interfacing with the National Law Enforcement Telecommunications System, the National Crime Information Center (NCIC), and numerous state of Montana files

Some of the newer systems supported include, but are not limited to, the MHP Integrated Public Safety System (CAD, RMS, Mobile in car, e-citations, crash reporting, etc.), End of Life, Hope Card, Concealed Weapons, and Amber Alert. One of the largest and important projects is support and maintenance of the Integrated Justice Information System (IJIS) broker. This system is key to interoperability between all justice information technology systems within the state, which includes federal, state, and local agencies being interfaced together to share information.

Program Highlights

Information Technology Service Division HB 2 Budget Highlights	
◆	Funding for the division increases 7.2 percent (\$489,361) when the 2009 and 2011 biennia are compared, primarily in general fund support due to statewide present law adjustments

Funding

The following table shows program funding, by source, for the base year and for the 2011 biennium as adopted by the legislature.

Program Funding Table Information Technology Service							
Program Funding		Base FY 2008	% of Base FY 2008	Budget FY 2010	% of Budget FY 2010	Budget FY 2011	% of Budget FY 2011
01000	Total General Fund	\$ 3,196,881	95.9%	\$ 3,493,322	96.2%	\$ 3,520,484	96.2%
	01100 General Fund	3,196,881	95.9%	3,493,322	96.2%	3,520,484	96.2%
02000	Total State Special Funds	121,769	3.7%	121,781	3.4%	122,014	3.3%
	02016 Criminal Justice Info Network	3,407	0.1%	3,407	0.1%	3,407	0.1%
	02074 Gambling License Fee Account	57,327	1.7%	56,959	1.6%	57,173	1.6%
	02422 Highways Special Revenue	57,984	1.7%	58,345	1.6%	58,363	1.6%
	02937 Justice State Special Misc	3,051	0.1%	3,070	0.1%	3,071	0.1%
03000	Total Federal Special Funds	2,268	0.1%	2,268	0.1%	2,268	0.1%
	03800 Medicaid Fraud	2,268	0.1%	2,268	0.1%	2,268	0.1%
06000	Total Proprietary Funds	13,321	0.4%	13,404	0.4%	13,408	0.4%
	06005 Liquor Division	6,801	0.2%	6,843	0.2%	6,845	0.2%
	06500 Agency Legal Services	6,520	0.2%	6,561	0.2%	6,563	0.2%
Grand	Total	\$ 3,334,239	100.0%	\$ 3,630,775	100.0%	\$ 3,658,174	100.0%

The division is funded primarily with general fund (96.2 percent) and state special revenue (3.3 percent) from gambling licensing fees and highway state special revenue. The balance of the division's funding comes from a small amount of federal grants and proprietary funds, including liquor licensing fees and agency legal service fees.

Budget Summary by Category

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 10-11	Percent of Budget	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 10-11	Percent of Budget
Base Budget	3,196,881	3,196,881	6,393,762	91.16%	3,334,239	3,334,239	6,668,478	91.49%
Statewide PL Adjustments	344,096	353,537	697,633	9.95%	344,907	354,388	699,295	9.59%
Other PL Adjustments	(1,241)	(1,422)	(2,663)	(0.04%)	(1,272)	(1,458)	(2,730)	(0.04%)
New Proposals	(46,414)	(28,512)	(74,926)	(1.07%)	(47,099)	(28,995)	(76,094)	(1.04%)
Total Budget	\$3,493,322	\$3,520,484	\$7,013,806		\$3,630,775	\$3,658,174	\$7,288,949	

Present Law Adjustments

The "Present Law Adjustments" table shows the changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
-----Fiscal 2010-----					-----Fiscal 2011-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					444,154					453,430
Vacancy Savings					(106,027)					(106,394)
Inflation/Deflation					1,369					1,576
Fixed Costs					5,411					5,776
Total Statewide Present Law Adjustments		\$344,096	\$728	\$0	\$344,907*		\$353,537	\$764	\$0	\$354,388*
DP 7101 - Fuel Inflation Reduction	0.00	(1,241)	(31)	0	(1,272)	0.00	(1,422)	(36)	0	(1,458)
Total Other Present Law Adjustments	0.00	(\$1,241)	(\$31)	\$0	(\$1,272)	0.00	(\$1,422)	(\$36)	\$0	(\$1,458)
Grand Total All Present Law Adjustments	0.00	\$342,855	\$697	\$0	\$343,635*	0.00	\$352,115	\$728	\$0	\$352,930*

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

DP 7101 - Fuel Inflation Reduction - This reduces funding for gasoline and diesel by the amount these two expenditure categories were increased in the statewide present law adjustment for inflation. The effect is to apply no inflation adjustment to these two expenditure categories.

New Proposals

New Proposals										
-----Fiscal 2010-----					-----Fiscal 2011-----					
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 6013 - 2011 Biennium Pay Plan - HB 13										
29	0.00	13,188	252	0	13,440	0.00	39,900	756	0	40,656
DP 6014 - Pay Plan Lump Sum Payment OTO										
29	0.00	8,370	300	0	8,670	0.00	0	0	0	0
DP 6101 - Fixed Cost Workers Comp Mgmt Program Allocation										
29	0.00	1,335	0	0	1,335	0.00	1,158	0	0	1,158
DP 8101 - Increasing 4 Percent Vacancy Savings to 7 Percent										
29	0.00	(69,307)	(1,237)	0	(70,544)	0.00	(69,570)	(1,239)	0	(70,809)
Total	0.00	(\$46,414)	(\$685)	\$0	(\$47,099)	0.00	(\$28,512)	(\$483)	\$0	(\$28,995)

DP 6013 - 2011 Biennium Pay Plan - HB 13 - The legislature passed a pay plan that provides an additional \$53 per month in health insurance contribution for CY 2010 and an additional \$54 per month for CY 2011. These amounts represent this program's allocation of costs to fund this pay plan. In addition, the legislature provided a one-time-only payment of \$450 for all employees earning less than \$45,000 annually. These costs are included in DP 6014.

DP 6014 - Pay Plan Lump Sum Payment OTO - This DP funds this program's cost of providing a one-time-only payment of \$450 to each full-time employee making less than \$45,000 annually and \$225 for half-time employees making \$21.635 per hour or less.

DP 6101 - Fixed Cost Workers Comp Mgmt Program Allocation - Funding was approved as a fixed cost for agencies to pay fees, based on the average number of payroll warrants issued per pay period, to support the worker's compensation management program in the Department of Administration.

DP 8101 - Increasing 4 Percent Vacancy Savings to 7 Percent - This adds an additional 3 percent per year to the 4 percent personal services vacancy savings reduction contained in the statewide present law adjustment.

Program Budget Comparison

The following table summarizes the total legislative budget for the program by year, type of expenditure, and source of funding.

Program Budget Comparison								
Budget Item	Base Fiscal 2008	Approp. Fiscal 2009	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 08-09	Biennium Fiscal 10-11	Biennium Change	Biennium % Change
FTE	32.75	32.75	32.75	32.75	32.75	32.75	0.00	0.00%
Personal Services	2,519,340	2,707,459	2,549,483	2,584,726	5,226,799	5,134,209	(92,590)	(1.77%)
Operating Expenses	1,221,246	1,319,020	1,050,245	1,050,430	2,540,266	2,100,675	(439,591)	(17.30%)
Equipment & Intangible Assets	7,827	14,694	63,577	63,577	22,521	127,154	104,633	464.60%
Debt Service	90,207	89,854	153,280	153,280	180,061	306,560	126,499	70.25%
Total Costs	\$3,838,620	\$4,131,027	\$3,816,585	\$3,852,013	\$7,969,647	\$7,668,598	(\$301,049)	(3.78%)
General Fund	3,535,416	3,827,823	3,513,875	3,549,395	7,363,239	7,063,270	(299,969)	(4.07%)
State Special	303,204	303,204	302,710	302,618	606,408	605,328	(1,080)	(0.18%)
Total Funds	\$3,838,620	\$4,131,027	\$3,816,585	\$3,852,013	\$7,969,647	\$7,668,598	(\$301,049)	(3.78%)

Program Description

The Forensic Science Division includes the State Crime Lab in Missoula and the State Medical Examiner. The division provides a statewide system of death investigation, forensic science training, and scientific criminal investigation. The division conducts analysis on specimens submitted by law enforcement officials, coroners and other state agencies. The division tests firearms, tool marks, hair, fiber, drugs, blood, body fluids, and tissues. The laboratory also analyzes blood and urine samples in connection with driving under the influence (DUI) cases and it provides the certification, maintenance, and training of all law enforcement personnel on breath testing instruments.

Program Highlights

Forensic Science Division HB 2 Budget Highlights	
◆	Funding for the division decreases 3.8 percent (\$301,049) when the 2009 and 2011 biennia are compared
◆	General fund is reduced due to removal of rent on the building and the application of a 7 percent vacancy savings rate

Funding

The following table shows program funding, by source, for the base year and for the 2011 biennium as adopted by the legislature.

Program Funding Table Forensic Science Division						
Program Funding	Base FY 2008	% of Base FY 2008	Budget FY 2010	% of Budget FY 2010	Budget FY 2011	% of Budget FY 2011
01000 Total General Fund	\$ 3,535,416	92.1%	\$ 3,513,875	92.1%	\$ 3,549,395	92.1%
01100 General Fund	3,535,416	92.1%	3,513,875	92.1%	3,549,395	92.1%
02000 Total State Special Funds	303,204	7.9%	302,710	7.9%	302,618	7.9%
02034 Earmarked Alcohol Funds	303,204	7.9%	302,710	7.9%	302,618	7.9%
Grand Total	\$ 3,838,620	100.0%	\$ 3,816,585	100.0%	\$ 3,852,013	100.0%

The division is funded primarily with general fund (92.1 percent). State special revenue from earmarked alcohol funds provides the balance of the division's funding (7.9 percent) and supports certification, equipment maintenance, and training of law enforcement in the use of breath testing equipment.

Budget Summary by Category

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 10-11	Percent of Budget	Budget Fiscal 2010	Budget Fiscal 2011	Biennium Fiscal 10-11	Percent of Budget
Base Budget	3,535,416	3,535,416	7,070,832	100.11%	3,838,620	3,838,620	7,677,240	100.11%
Statewide PL Adjustments	114,775	131,529	246,304	3.49%	114,309	130,975	245,284	3.20%
Other PL Adjustments	(69,144)	(69,195)	(138,339)	(1.96%)	(69,172)	(69,227)	(138,399)	(1.80%)
New Proposals	(67,172)	(48,355)	(115,527)	(1.64%)	(67,172)	(48,355)	(115,527)	(1.51%)
Total Budget	\$3,513,875	\$3,549,395	\$7,063,270		\$3,816,585	\$3,852,013	\$7,668,598	

Present Law Adjustments

The "Present Law Adjustments" table shows the changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments									
	-----Fiscal 2010-----					-----Fiscal 2011-----			
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Total Funds
Personal Services					207,601				224,538
Vacancy Savings					(109,079)				(109,751)
Inflation/Deflation					9,657				10,692
Fixed Costs					6,130				5,496
Total Statewide Present Law Adjustments		\$114,775	(\$466)	\$0	\$114,309		\$131,529	(\$554)	\$130,975
DP 3201 - Base Year Adjustments for Building Maintenance	0.00	95,445	0	0	95,445	0.00	95,445	0	95,445
DP 3202 - Remove Rent Expenditures on Building	0.00	(220,000)	0	0	(220,000)	0.00	(220,000)	0	(220,000)
DP 3203 - Crime Lab Request for Equipment (Bien) - OTO	0.00	55,750	0	0	55,750	0.00	55,750	0	55,750
DP 7101 - Fuel Inflation Reduction	0.00	(339)	(28)	0	(367)	0.00	(390)	(32)	(422)
Total Other Present Law Adjustments	0.00	(\$69,144)	(\$28)	\$0	(\$69,172)	0.00	(\$69,195)	(\$32)	(\$69,227)
Grand Total All Present Law Adjustments	0.00	\$45,631	(\$494)	\$0	\$45,137	0.00	\$62,334	(\$586)	\$61,748

DP 3201 - Base Year Adjustments for Building Maintenance - The legislature provided \$190,890 general fund for the biennium (\$95,445 per year) to annualize the costs of utilities and maintenance. On December 31, 2007 the Forensic Science Division purchased the building where they reside. Upon purchase the division became responsible for paying utilities and maintenance costs. Because only six months of utility and maintenance costs are included in the base year, this decision package adds increased funding to annualize the costs.

DP 3202 - Remove Rent Expenditures on Building - The legislature reduced funding for the division by \$220,000 general fund per year to remove funding for building rental costs and provide about \$64,000 per year to support the costs of equipment leases. On December 31, 2007 the Forensic Science Division purchased the building which they had been renting and will no longer incur rental costs.

DP 3203 - Crime Lab Request for Equipment (Bien) - OTO - The legislature provided \$111,500 general fund for the biennium in a biennial, one-time-only appropriation for equipment replacement and purchases. The division anticipates purchasing the following equipment:

- o Gas Chromatograph with a Mass Selective Detector (GC/MS) used in the Chemistry and Toxicology Section of

the lab to detect the presence of specific drugs. Typically, these instruments are replaced after about five or six years, and the Montana lab has had some of its instruments for more than seven years. FY 2010 cost - \$95,000

- o Thermal Cyclers are used in the amplification of DNA, a method of replicating DNA until there is an adequate sample to test. FY 2011 cost - \$8,000

DP 7101 - Fuel Inflation Reduction - This reduces funding for gasoline and diesel by the amount these two expenditure categories were increased in the statewide present law adjustment for inflation. The effect is to apply no inflation adjustment to these two expenditure categories.

New Proposals

New Proposals										
Program	FTE	Fiscal 2010				FTE	Fiscal 2011			
		General Fund	State Special	Federal Special	Total Funds		General Fund	State Special	Federal Special	Total Funds
DP 6013 - 2011 Biennium Pay Plan - HB 13										
32	0.00	10,880	0	0	10,880	0.00	32,912	0	0	32,912
DP 6014 - Pay Plan Lump Sum Payment OTO										
32	0.00	2,550	0	0	2,550	0.00	0	0	0	0
DP 6101 - Fixed Cost Workers Comp Mgmt Program Allocation										
32	0.00	1,207	0	0	1,207	0.00	1,046	0	0	1,046
DP 8101 - Increase 4 Percent Vacancy Savings to 7 Percent										
32	0.00	(81,809)	0	0	(81,809)	0.00	(82,313)	0	0	(82,313)
Total	0.00	(\$67,172)	\$0	\$0	(\$67,172)	0.00	(\$48,355)	\$0	\$0	(\$48,355)

DP 6013 - 2011 Biennium Pay Plan - HB 13 - The legislature passed a pay plan that provides an additional \$53 per month in health insurance contribution for CY 2010 and an additional \$54 per month for CY 2011. These amounts represent this program's allocation of costs to fund this pay plan. In addition, the legislature provided a one-time-only payment of \$450 for all employees earning less than \$45,000 annually. These costs are included in DP 6014.

DP 6014 - Pay Plan Lump Sum Payment OTO - This DP funds this program's cost of providing a one-time-only payment of \$450 to each full-time employee making less than \$45,000 annually and \$225 for half-time employees making \$21.635 per hour or less.

DP 6101 - Fixed Cost Workers Comp Mgmt Program Allocation - Funding was approved as a fixed cost for agencies to pay fees, based on the average number of payroll warrants issued per pay period, to support the worker's compensation management program in the Department of Administration.

DP 8101 - Increase 4 Percent Vacancy Savings to 7 Percent - This adds an additional 3 percent per year to the 4 percent personal services vacancy savings reduction contained in the statewide present law adjustment.