

Agency Biennium Comparison

The following table compares the 2023 biennium appropriated budget to the 2025 biennium budget request by type of expenditure and source of funding.

Agency Biennium Comparison				
Budget Item	Appropriated Budget 22-23	Requested Budget 24-25	Biennium Change	Biennium % Change
Personal Services	77,705,878	87,132,372	9,426,494	12.13 %
Operating Expenses	18,362,193	20,503,136	2,140,943	11.66 %
Equipment & Intangible Assets	323,232	366,232	43,000	13.30 %
Grants	1,380,000	1,430,000	50,000	3.62 %
Benefits & Claims	7,345,100	12,500,050	5,154,950	70.18 %
Transfers	4,389,895	0	(4,389,895)	(100.00)%
Debt Service	389,429	0	(389,429)	(100.00)%
Total Expenditures	\$109,895,727	\$121,931,790	\$12,036,063	10.95 %
General Fund	103,617,724	113,684,278	10,066,554	9.72 %
State/Other Special Rev. Funds	6,073,589	7,628,410	1,554,821	25.60 %
Federal Spec. Rev. Funds	204,414	619,102	414,688	202.87 %
Total Funds	\$109,895,727	\$121,931,790	\$12,036,063	10.95 %
Total Ongoing	\$108,236,963	\$121,931,790	\$13,694,827	12.65 %
Total OTO	\$1,658,764	\$0	(\$1,658,764)	(100.00)%

Agency Biennium Comparison -

The 2025 biennium budget for the Judicial Branch proposes an increase of 11.0% with a general fund increase of 9.7%. Compared to the FY 2023 base appropriation, the biennial request is an increase of 10.9%.

Mission Statement

The Judicial Branch’s mission is to provide an independent, accessible, responsive, impartial, and timely forum to resolve disputes; to preserve the rule of law; and to protect the rights and liberties guaranteed by the Constitutions of the United States and Montana.

Please refer to the agency profile at <https://leg.mt.gov/lfd/appropriation-subcommittee-section-d/agency-judicial-branch/> for additional information about the agency’s organization structure, historical expenditures, goals and objectives, and recent studies and audits.

Agency Highlights

Judicial Branch Major Budget Highlights
<p>The proposed 2025 biennium budget for the Judicial Branch is \$12.0 million or 11.0% higher than the 2023 biennium. More significant changes include:</p> <ul style="list-style-type: none"> • \$6.8 million in general fund over the biennium associated with statewide present law adjustments to personal services • \$1.6 million in general fund related to statewide present law adjustments for inflation and fixed costs • \$1.7 million in general fund to continue the existing pre-trial diversion program • \$1.3 million in state special revenue associated with 8.00 FTE for eight MT drug courts coming off federal grants • Additional \$403,000 federal funding for grants related to the Court Improvement Program

Agency Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the expenditures requested for FY 2024 and FY 2025 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Request Fiscal 2024	Request Fiscal 2025
FTE	0.00	466.44	466.44	475.44	478.44
Personal Services	35,598,505	37,964,863	39,741,015	43,360,367	43,772,005
Operating Expenses	8,575,481	9,163,492	9,198,701	10,165,978	10,337,158
Equipment & Intangible Assets	113,798	140,116	183,116	183,116	183,116
Grants	485,354	690,000	690,000	715,000	715,000
Benefits & Claims	606,090	1,331,475	6,013,625	6,170,825	6,329,225
Transfers	4,389,895	4,389,895	0	0	0
Debt Service	383,496	389,429	0	0	0
Total Expenditures	\$50,152,619	\$54,069,270	\$55,826,457	\$60,595,286	\$61,336,504
General Fund	47,533,812	50,937,484	52,680,240	56,703,196	56,981,082
State/Other Special Rev. Funds	2,533,502	3,029,857	3,043,732	3,583,137	4,045,273
Federal Spec. Rev. Funds	85,305	101,929	102,485	308,953	310,149
Total Funds	\$50,152,619	\$54,069,270	\$55,826,457	\$60,595,286	\$61,336,504
Total Ongoing	\$49,493,881	\$53,240,017	\$54,996,946	\$60,595,286	\$61,336,504
Total OTO	\$658,738	\$829,253	\$829,511	\$0	\$0

Agency Discussion

FY 2022 Appropriation Compared to FY 2022 Actual Expenditures

In FY 2022, the Judicial Branch (branch) expended \$50.2 million, or 92.8%, of the modified HB 2 budget. Total HB 2 spending is slightly lower than the previous five-year average (95.6%). The change from the historic average is explained by lower spending in Benefits and Claims (45.5%) when compared to the previous five years (84.5%). In nominal terms, personal service costs are \$2.4 million below the same period in FY 2021 and can be explained by the retirement system “holidays” provided in SB 175 and HB 2 as approved by the 2021 Legislature.

At the end of FY 2022, the branch had an unexpended HB 2 balance of \$3.9 million. The balance is 86.9% general fund and 12.7% state special revenue. From that balance, \$54,038 of the general fund authority provided for Legislative Audit has been continued into the FY 2023 budget. From qualifying unexpended balances, carryforward appropriations in FY 2022 totaled \$829,500 and general fund reversions were nearly \$3.4 million including \$2.3 million from the personal services budget across all branch programs.

FY 2022 Appropriations Compared to FY 2023 Appropriations

Appropriations in FY 2023 are \$1.8 million or 3.2% higher than FY 2022 appropriations. This difference can be attributed to changes in personal services. In FY 2022, the branch saw a one-time reduction of nearly \$900,000 general fund related to eliminating the state share contribution to the state employee group benefit (state share holiday) plan for two months. This reduction is not included in FY 2023 appropriations. Additional changes include an additional \$380,000 and 6.00 FTE in FY 2023 for judges and staff in the 11th and 18th judicial districts.

Shifts between benefits & claims and transfers are due to statute which requires that remaining appropriation authority not utilized for juvenile placements be transferred to the youth court intervention and prevention state special revenue fund. In FY 2022, \$4.4 million was moved from benefits & claims to transfers. The amount of the transfer for FY 2023 will be determined in June 2023 and is not reflected in the preceding table.

Comparison of FY 2023 Legislative Budget to FY 2023 Base

The figure below illustrates the beginning FY 2023 budget as adopted by the 2021 Legislature compared to the FY 2023 base budget, which includes modifications as approved by the approving authority (as authorized in statute) during the interim. The FY 2023 base budget was agreed upon by the executive and legislative branches to be the point from which any changes would be recorded for the 2025 biennium budgeting process. Legislative action for the Judicial Branch includes base appropriations contained in HB 2 plus any additional appropriations passed by the 2021 Legislature that were designated to be included in the base.

Judicial Branch Comparison of FY 2023 Legislative Budget to FY 2023 Base Budget				
	Legislative Action	Executive Modifications	Executive Base	% Change
01 Supreme Court Operations				
61000 Personal Services	\$7,953,898	\$76,448	\$8,030,346	1.0%
62000 Operating Expenses	5,667,219	(36,124)	5,631,095	-0.6%
63000 Equipment/Intangible Assets	8,885	-	8,885	0.0%
66000 Grants	100,000	-	100,000	0.0%
67000 Benefits and Claims	5,978,625	-	5,978,625	0.0%
Total	\$19,708,627	\$40,324	\$19,748,951	0.2%
03 Law Library				
61000 Personal Services	\$439,919	-	\$439,919	0.0%
62000 Operating Expenses	367,817	-	367,817	0.0%
63000 Equipment/Intangible Assets	88,221	-	88,221	0.0%
Total	\$895,957	-	\$895,957	0.0%
04 District Court Operations				
61000 Personal Services	\$28,445,653	(40,324)	\$28,405,329	-0.1%
62000 Operating Expenses	2,817,081	-	2,817,081	0.0%
63000 Equipment/Intangible Assets	77,723	-	77,723	0.0%
67000 Benefits and Claims	35,000	-	35,000	0.0%
Total	\$31,375,457	(40,324)	\$31,335,133	-0.1%
05 Water Court				
61000 Personal Services	\$2,120,617	-	\$2,120,617	0.0%
62000 Operating Expenses	296,927	-	296,927	0.0%
63000 Equipment/Intangible Assets	8,287	-	8,287	0.0%
Total	\$2,425,831	-	\$2,425,831	0.0%
06 Clerk of Court				
61000 Personal Services	\$547,496	-	\$547,496	0.0%
62000 Operating Expenses	43,578	-	43,578	0.0%
Total	\$591,074	-	\$591,074	0.0%
Judicial Branch Total	\$54,996,946	-	\$54,996,946	0.0%

Executive budget modifications per statutory authority include the following:

- Movement of 0.50 FTE and associated \$40,300 from District Court Operations to Supreme Court Operations
- Movement of \$36,000 from operating expenses to personal services within Supreme Court Operations, including establishing 0.50 modified FTE for a part-time drug court coordinator

Executive Request

In addition to statewide present law increases, the executive proposes:

- An increase of \$1.3 million in state special revenue associated with 8.00 FTE for eight Montana drug courts coming off federal grants
- An increase of \$1.7 million in general fund to continue the existing pre-trial diversion program
- Increase of \$140,000 general fund for 1.00 FTE over the biennium related to overseeing security and safety within

Montana courthouses

- Additional \$403,000 federal funding for grants related to the Court Improvement Program for which grant funding has previously been included in HB 4
- \$78,000 general fund and 0.5 FTE over the biennium for a new half-time appellate case manager.

Elected Official Request

As elected officials, the Judicial Branch may present to the legislature items not included in the executive budget. The Judicial Branch is not requesting consideration of any additional proposals.

5.0% Plan

Statute requires that agencies submit plans to reduce general fund and certain state special revenue funds by 5.0%. A summary of the entire 2025 biennium 5.0% plan, submitted by the agency, can be found on the agency profile page online.

The Judicial Branch's plan includes annual reductions of just over \$2.3 million general fund and \$54,000 state special revenue. Proposed reductions in general fund expenditures include the following:

- Eliminate all general fund for alcohol and drug treatment court costs and administration (\$1.5 million)
- Eliminate funds used for the evaluation of out-of-home placement (\$50,000)
- Eliminate the reimbursement of jury fees and related costs in District Courts (\$435,000)
- Eliminate the payment of court ordered evaluations, fitness to proceed evaluations and psychosexual evaluations in criminal cases in District Courts (\$110,000)
- Reduction in amounts allocated to the Court Appointed Special Advocate (CASA) program annual contracts (\$95,000)
- Reduction of operating expenses in the Clerk of Court (\$44,000)
- Reduction in purchases of books and other library materials in the Law Library (\$47,000)

Agency Goals and Objectives

Statute requires that agencies submit a statement of the agency mission and a statement of goals and objectives for each program of the agency. The goals and objectives are required to be concise, specific, quantifiable, and measurable. Goals and objectives, submitted by the agency, are included in the agency profile webpage.

Agency Personal Services

In order to explain the factors influencing personal services changes, the proposed statewide personal services present law adjustment (DP 1) has been broken down into three categories, as follows:

- Legislatively approved changes – This category includes adjustments explicitly approved by the legislature, such as expected changes to annualize personal services costs included in the FY 2023 statewide pay plan adjustments, changes to benefit rates, increases in pay approved by the legislature, longevity adjustments required by statute, and changes in rates for workers' compensation and unemployment insurance
- Management decisions – This category includes agency management decisions that adjust personal services related to changes in pay. This includes changes such as hiring full time equivalent (FTE) at a lower rate to replace senior staff and broadband pay adjustments for recruitment and retention
- Budget modifications – This category includes other modifications to the FY 2023 personal services base budget such as management decisions to transfer personal services funding between programs within an agency or transfers to move personal services funding to or from other expenditure categories (e.g. moving funding from operating expenses to personal services)

The figure below shows the analysis of the executive budget for personal services for each program.

Statewide Present Law Adjustment for Personal Services FY 2024 Decision Package 1				
Program	Legislative Changes	Management Decisions	Budget Modifications	Decision Package 1
01 Supreme Court Operations	\$176,008	\$224,802	-	\$400,810
03 Law Library	1,256	14,051	-	15,307
04 District Court Operations	1,848,607	815,139	-	2,663,746
05 Water Court	91,652	112,365	-	204,017
06 Clerk of Court	13,739	8,547	-	22,286
Grand Total	\$2,131,262	\$1,174,904	-	\$3,306,166

Personal services were \$39.5 million or 72.0% of fiscal year 2023 total appropriations. The executive proposes an increase of \$3.3 million in FY 2024 and \$3.5 million in FY 2025. This increase can be explained mostly by the partial reinclusion of the one-time-only reduction in state contributions to judge’s retirement made during the 2021 Legislative Session. Approximately \$2.2 million was reduced each fiscal year of the 2023 biennium, and approximately \$1.2 million is included each year of the proposed personal service adjustment to reflect this change. Additional management changes included pay raises for recruitment and retention purposes in addition to pay increases for Judicial Branch employees.

The branch saw many areas in which recruiting new staff or retaining existing staff proved difficult resulting in higher position vacancy rates than anticipated. The areas of greatest difficulty include:

- Court reporters
- Juvenile probation officers
- Family evaluators
- Financial staff
- IT staff

Montana Drug Treatment Courts

There are currently over 40 drug treatment courts in the state of Montana that act as specialized court dockets, or portions of judges’ calendars of cases, that generally target nonviolent offenders with substance-abuse problems. These programs provide offenders with intensive court supervision, mandatory drug testing, substance-abuse treatment, and other social services as an alternative to adjudication or incarceration.

The Judicial Branch monitors performance of state drug treatment courts and reports on several indicators of performance, including program completion rates, graduation rates, length of stay, retention rate, recidivism, and employment status: admission to discharge. The branch defines recidivism to mean a return to criminal activity by someone who has already been adjudicated guilty, delinquent, or has an open child abuse and neglect case. Montana tracks recidivism or re-offense rates using convictions for a three-year period following admission to the drug court. Reports prepared by the branch on drug court statistics and recidivism performance measures can be found on <https://courts.mt.gov/courts/treatment/About/reports> with the newest report detailing the 2023 interim.

LFD COMMENT	The 2021 Legislature appropriated funding to the Judicial Branch in the amount of \$233,138 in FY 2023 for an additional judge and staff within the 11 th Judicial District (Flathead County). This appropriation was contingent upon the establishment of a new treatment court in Flathead County. The Judicial Branch established a family treatment court. Currently, Flathead County is the only major urban area in Montana without an adult drug treatment court.
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Funding

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

Total Judicial Branch Funding by Source of Authority 2025 Biennium Budget Request - Judicial Branch						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	113,684,278	0	0	0	113,684,278	92.81 %
State Special Total	7,628,410	0	0	0	7,628,410	6.23 %
Federal Special Total	619,102	0	0	0	619,102	0.51 %
Proprietary Total	0	0	563,412	0	563,412	0.46 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$121,931,790	\$0	\$563,412	\$0	\$122,495,202	
Percent - Total All Sources	99.54 %	0.00 %	0.46 %	0.00 %		

The Judicial Branch is primarily supported by general fund. State special revenue supports specific functions, the largest of which is the Water Court. The water adjudication fund supports over half of the funding for the Water Court. Other sources of state special revenue include fines, fees, assessments for training events, and the youth court intervention and prevention account, which according to statute, receives revenue from the transfer of unexpended general fund juvenile placement funds. Additionally, the branch receives a small amount of federal funding for grants supporting specific projects such as the Court Assessment Program.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	51,850,729	51,850,729	103,701,458	91.22 %	54,996,946	54,996,946	109,993,892	90.21 %
SWPL Adjustments	3,900,496	4,180,991	8,081,487	7.11 %	4,038,989	4,331,227	8,370,216	6.86 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	951,971	949,362	1,901,333	1.67 %	1,559,351	2,008,331	3,567,682	2.93 %
Total Budget	\$56,703,196	\$56,981,082	\$113,684,278		\$60,595,286	\$61,336,504	\$121,931,790	

HB 2 Language -

The executive is not proposing HB 2 language for the Judicial Branch.

Program Biennium Comparison

The following table compares the 2023 biennium appropriated budget to the 2025 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 22-23	Requested Budget 24-25	Biennium Change	Biennium % Change
Personal Services	16,141,167	18,093,586	1,952,419	12.10 %
Operating Expenses	11,524,584	13,011,340	1,486,756	12.90 %
Equipment & Intangible Assets	17,770	17,770	0	0.00 %
Grants	1,380,000	1,430,000	50,000	3.62 %
Benefits & Claims	7,275,100	12,430,050	5,154,950	70.86 %
Transfers	4,389,895	0	(4,389,895)	(100.00)%
Debt Service	175,898	0	(175,898)	(100.00)%
Total Expenditures	\$40,904,414	\$44,982,746	\$4,078,332	9.97 %
General Fund	39,056,480	41,441,886	2,385,406	6.11 %
State/Other Special Rev. Funds	1,643,520	2,921,758	1,278,238	77.77 %
Federal Spec. Rev. Funds	204,414	619,102	414,688	202.87 %
Total Funds	\$40,904,414	\$44,982,746	\$4,078,332	9.97 %
Total Ongoing	\$39,245,650	\$44,982,746	\$5,737,096	14.62 %
Total OTO	\$1,658,764	\$0	(\$1,658,764)	(100.00)%

Program Biennium Comparison -

The 2025 biennium budget for the Supreme Court Operations proposes an increase of 10.0% with a general fund increase of 6.1%. Compared to the FY 2023 base appropriation, the biennial request is an increase of 13.9%.

Program Description

The Supreme Court has appellate jurisdiction for the state of Montana. The court has original jurisdiction to issue, hear, and determine writs of habeas corpus and other writs provided by law. It also has general supervisory control over all other courts in the state. The Supreme Court is charged with establishing rules governing appellate procedure, the practice and procedure for all other courts, and admission to the bar and conduct of its members. Within the Supreme Court Operations program, the Office of Court Administrator provides centralized services to the Judicial Branch including information technology, budget and finance, payroll and human resource management, policy and technical support for the Youth Courts, judicial education, and services provided through the federal Court Improvement Program related to child abuse and neglect cases. Drug treatment courts also sit within the Supreme Court Operations.

The Boards and Commissions sub-program provides staff and other support to constitutionally and statutorily required commissions attached to the Montana Supreme Court, specifically the Judicial Standards Commission, the Sentence Review Board, and the Commission on Courts of Limited Jurisdiction. The sub-program also supports activities of the Commission on Practice. Other specialized commissions and task forces - not required by the Constitution and statute but created by the Supreme Court to address specific issues - receive minimal financial assistance with travel expenses and supplies.

Program Highlights

Supreme Court Operations Major Budget Highlights
<p>The proposed 2025 biennium budget for Supreme Court Operations is nearly \$4.1 million or 10.0% higher than the 2023 biennium budget. Significant changes include:</p> <ul style="list-style-type: none"> • \$2.0 million related to statewide present law adjustments for personal services, fixed costs, and inflation • \$1.7 million in general fund to continue the pre-trial diversion program • \$1.3 million in state special revenue associated with 8.00 FTE for eight MT drug courts coming off federal grants • Additional \$403,000 federal funding for grants related to the Court Improvement Program for which grant funding has previously been included in HB 4

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the expenditures requested for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Request Fiscal 2024	Request Fiscal 2025
FTE	0.00	94.50	94.50	103.00	106.00
Personal Services	7,149,618	7,913,513	8,227,654	8,902,728	9,190,858
Operating Expenses	5,491,669	5,851,286	5,673,298	6,441,120	6,570,220
Equipment & Intangible Assets	0	8,885	8,885	8,885	8,885
Grants	485,354	690,000	690,000	715,000	715,000
Benefits & Claims	593,348	1,296,475	5,978,625	6,135,825	6,294,225
Transfers	4,389,895	4,389,895	0	0	0
Debt Service	175,896	175,898	0	0	0
Total Expenditures	\$18,285,780	\$20,325,952	\$20,578,462	\$22,203,558	\$22,779,188
General Fund	17,745,807	19,402,263	19,654,217	20,660,584	20,781,302
State/Other Special Rev. Funds	454,668	821,760	821,760	1,234,021	1,687,737
Federal Spec. Rev. Funds	85,305	101,929	102,485	308,953	310,149
Total Funds	\$18,285,780	\$20,325,952	\$20,578,462	\$22,203,558	\$22,779,188
Total Ongoing	\$17,627,042	\$19,496,699	\$19,748,951	\$22,203,558	\$22,779,188
Total OTO	\$658,738	\$829,253	\$829,511	\$0	\$0

Program Discussion -

FY 2022 Appropriation Compared to FY 2022 Actual Expenditures

Supreme Court Operations expended 90.0% of its \$20.3 million HB 2 modified budget in FY 2022. Personal services were 90.3% expended, operating expenses were expended at 93.9%, and benefits and claims were 45.8% expended. Personal service costs are \$1.7 million below the same period in FY 2021 and can be explained by the retirement system “holidays” provided in SB 175 and HB 2 as approved by the 2021 Legislature in addition to higher-than-expected position vacancies resulting in reverted personal service expenditures. Additionally, there has been a decline in expenses for youth court placements that has resulted in lower spending out of benefits and claims.

The Branch received OTO funding in the amount of \$829,253 for continuation of the program that assists the criminal justice system with handling individuals arrested and held in jail within five pilot counties (Butte-Silver Bow, Lake, Lewis & Clark, Missoula, and Yellowstone). In FY 2022, Supreme Court Operations expended 79.4% or just under \$660,000 of this appropriation. Most of the reverted dollars in pretrial were primarily from Yellowstone County’s allocation. They were unable to fill several key positions throughout FY 2022 so the funding was not spent. As the county intends to work with contractors to fill several positions, it is anticipated that full amounts will be expended in FY 2023.

HB 701 Expungement Courts

As a result of HB 701 from the 2021 Legislature, the Judicial Branch was appropriated 3.00 FTE including a judge / special master in addition to a judicial assistant and court reporter to determine petitions for expungement or resentencing of marijuana convictions. Only 1.00 FTE has been utilized with the advertisement of a standing master in Lewis and Clark County for the first Judicial District. The other two positions remain vacant in case there is an uptick in expungement cases that cannot be handled by the local courts using the forms developed in-house by the Judicial Branch.

FY 2022 Appropriations Compared to FY 2023 Appropriations

Appropriations in FY 2023 are \$250,000 or 1.2% higher than FY 2022 appropriations mainly due to the reductions made in FY 2022 to the general fund budget for state share holidays.

LFD COMMENT	The 2021 Legislature appropriated an additional \$354,901 in funding for the 4 th Veterans, 13 th Pre-plea, and the 4 th , 6 th and 19 th Adult Treatment Courts coming off federal grants with HB 2. This appropriation included language stating this funding be contingent upon the implementation of the Corrections Institute of Cincinnati evidence-based evaluation protocols (UCCI tool) and the elimination of peer-reviewed evaluations by the Judicial Branch. During the 2023 biennium, the Judicial Branch researched the requirements of implementing the UCCI tool and performed a cost analysis. It was determined that the cost and requirements of the UCCI tool were out of the realm of possibility for the branch within current resources and appropriations. As a result, this appropriation was not available to the branch.
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Executive Request

For the 2025 biennium, the executive proposes the following in addition to statewide present law:

- \$1.3 million in state special revenue associated with 8.00 FTE for eight Montana drug courts coming off federal grants
- \$1.7 million in general fund to continue the pre-trial diversion program
- Additional \$403,000 federal funding for grants related to the Court Improvement Program
- \$140,000 general fund for 1.00 FTE to oversee security and safety within Montana courthouses

Program Personal Services

For the 2025 biennium, personal services in Supreme Court Operations reflect a proposed increase of nearly \$2.0 million when compared to the 2023 biennium. Part of this change is found in statewide present law adjustments to personal services in the amounts of \$400,000 in FY 2024 and \$440,000 in FY 2025. Changes in personal services include elected official salary adjustments, statutory pay increases, and nearly \$750,000 related to the OTO reductions to the state share holiday and judge’s retirement system contributions made by the 2021 Legislature.

Funding

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

Judicial Branch, 01-Supreme Court Operations Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	41,441,886	0	0	0	41,441,886	92.13 %
02151 YthCrt Intervention?evention	485,884	0	0	0	485,884	16.63 %
02399 Judicial Education Conferences	122,770	0	0	0	122,770	4.20 %
02536 Legal Assistance	256,647	0	0	0	256,647	8.78 %
02961 State Grants to Drug Courts	443,156	0	0	0	443,156	15.17 %
02373 Treatment Court Support Acct	1,613,301	0	0	0	1,613,301	55.22 %
State Special Total	\$2,921,758	\$0	\$0	\$0	\$2,921,758	6.50 %
03136 State Justice Institute Grant	0	0	0	0	0	0.00 %
03153 Court Improvement Prg Grants	0	0	0	0	0	0.00 %
03240 Court Assessment Program	619,102	0	0	0	619,102	100.00 %
03352 NCHIP-MBCC Grant	0	0	0	0	0	0.00 %
03920 ARPA State Recovery Sec 602	0	0	0	0	0	0.00 %
03807 Telemed Grant	0	0	0	0	0	0.00 %
Federal Special Total	\$619,102	\$0	\$0	\$0	\$619,102	1.38 %
06004 Electronic Government Services	0	0	0	0	0	0.00 %
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$44,982,746	\$0	\$0	\$0	\$44,982,746	

General fund supports 92.1% of costs within the program.

State special revenue supports administration of juvenile delinquency intervention prevention funds, training for judges from conference fees, legal assistance for indigent victims of domestic violence from court filing fees primarily from dissolution of marriage filings, and grants to drug courts from drug court fees charged to participants.

The following figure outlines the appropriated budget for juvenile placement (JDP) funds for FY 2022 – FY 2025.

Judicial Branch Juvenile Placement Funds				
	Appropriated FY 2022	Appropriated FY 2023	Requested FY 2024	Requested FY 2025
Expenditures				
Personal Services	\$106,783	\$181,131	\$187,993	\$188,572
Operating Expenses	50,352	50,352	53,030	53,899
Benefits and Claims	4,611,613	4,611,613	4,611,613	4,611,613
Total	\$4,768,748	\$4,843,096	\$4,852,636	\$4,854,084
Funding				
General Fund	\$4,547,030	\$4,621,378	\$4,630,918	\$4,632,366
State Special Revenue	221,718	221,718	221,718	221,718
Total	\$4,768,748	\$4,843,096	\$4,852,636	\$4,854,084

To establish a funding source for the Judicial Branch to provide alternatives to youth placement and early intervention strategies, any unexpended appropriations for juvenile placement remaining at the end of each fiscal year are transferred to the youth court intervention and prevention (YCIP) state special revenue fund as required by 41-5-2011, MCA. This fund receives:

- Unexpended funding from the judicial districts’ annual allocations of juvenile placement funds
- Unexpended funding from the cost containment pool created from juvenile placement funds

By statute, the YCIP may be used to by District Court Operations:

- Establish or expand community prevention and intervention programs and services for youth
- Provide alternative funding methods for out-of-home placements
- Provide matching funds for federal money for intervention and prevention programs that provide services to youth

The process for this funding is as follows:

1. The legislature appropriates general fund as requested by the Judicial Branch, which intentionally includes funding beyond that planned for juvenile placements
2. At the end of the fiscal year, the unused general fund is transferred to the YCIP
3. This is now statutorily appropriated state special funding to be used by District Court Operations for the next two fiscal years
4. Any unused authority after two years is transferred back to the general fund

LFD COMMENT	As described above, unexpended general fund is transferred to the YCIP state special revenue fund at the end of each fiscal year to be used for the following two fiscal years. The Legislature could choose to rewrite Title 41, part 5, chapter 20 of the Youth Court Act, which outlines the required appropriation structure, in order to simplify this process. This could allow general fund to be appropriated directly for each purpose to enhance transparency and eliminate additional steps in the process.
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Pretrial Diversion Program State Special Revenue Account

The state special revenue fund established in MCA 17-2-102 funds a pilot project in five counties to analyze the costs and benefits of the following: the risk associated with an offender being released into the community prior to the offender's trial date and the potential or actual savings in jail costs for not having the offender incarcerated during that time. The following figure shows the current balance of the pretrial diversion state special revenue account.

Judicial Branch State Special Revenue Fund Balance Pretrial Diversion Program - 02374				
	Actuals FY 2020	Actuals FY 2021	Actuals FY 2022	Appropriated FY 2023
Beginning Fund Balance	\$1,553,000	\$891,963	\$224,883	\$224,883
Revenues				
Grants/Transfers/Misc	-	-	-	-
Expenditures				
Personal Services	(183,867)	(191,118)	-	-
Operating Expenses	(37,245)	(33,475)	-	-
Grants	(439,925)	(442,487)	-	-
Total Expenditures	(661,037)	(667,080)	-	-
Ending Fund Balance	\$891,963	\$224,883	\$224,883	\$224,883

LFD COMMENT

Upon the initial establishment of the pilot project by the 2017 Legislature, funding for the pretrial diversion program came from the general fund. The 2019 Legislature passed HB 684, which switched the funding from general fund to state special effective FY 2020 with a one-time transfer from the account established in 30-14-143, MCA. The 2021 Legislature effectively switched the funding back to general fund as part of HB 2 for FY 2022 and FY 2023. As seen in the figure above, there is an existing fund balance of nearly \$225,000 with no current appropriations against the fund.

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	18,824,706	18,824,706	37,649,412	90.85 %	19,748,951	19,748,951	39,497,902	87.81 %
SWPL Adjustments	922,828	1,046,177	1,969,005	4.75 %	934,177	1,060,849	1,995,026	4.44 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	913,050	910,419	1,823,469	4.40 %	1,520,430	1,969,388	3,489,818	7.76 %
Total Budget	\$20,660,584	\$20,781,302	\$41,441,886		\$22,203,558	\$22,779,188	\$44,982,746	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	399,294	0	1,516	400,810	0.00	433,576	0	1,606	435,182
DP 2 - Fixed Costs	0.00	109,545	110	0	109,655	0.00	128,903	110	0	129,013
DP 3 - Inflation Deflation	0.00	413,989	6,405	3,318	423,712	0.00	483,698	8,532	4,424	496,654
Grand Total All Present Law Adjustments	0.00	\$922,828	\$6,515	\$4,834	\$934,177	0.00	\$1,046,177	\$8,642	\$6,030	\$1,060,849

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

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2023 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

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

New Proposals

The "New Proposals" table shows new proposals for spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 101 - Funding for Expiring Grant Funded Drug Courts	5.00	0	405,746	0	405,746	8.00	0	857,335	0	857,335
DP 103 - Security Specialist	1.00	69,202	0	0	69,202	1.00	66,448	0	0	66,448
DP 104 - Pretrial Program	2.50	843,848	0	0	843,848	2.50	843,971	0	0	843,971
DP 105 - CIP Additional Federal Authority	0.00	0	0	201,634	201,634	0.00	0	0	201,634	201,634
Total	8.50	\$913,050	\$405,746	\$201,634	\$1,520,430	11.50	\$910,419	\$857,335	\$201,634	\$1,969,388

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

DP 101 - Funding for Expiring Grant Funded Drug Courts -

This proposal is for additional general fund and state special revenue authority associated with 8.00 FTE to fund eight drug courts coming off federal grant funding during the 2025 biennium. The drug courts to be funded include the 4th Veterans Treatment Court (Missoula County), the 4th (Missoula County), 6th (Park and Sweet Grass Counties), 12th (Hill County), 19th (Lincoln County), and the 21st (Ravalli County) Adult Drug Courts, as well as, the 13th (Yellowstone County) Pre-plea and Indian Child Welfare Act (ICWA) Treatment Courts.

LFD COMMENT	New drug courts are developed through federal start-up grants. Generally, the grants provide three years of funding, allowing time to determine if a court can be successful. This request is for the above-mentioned courts to transition to state funding. The funding proposal is based on placing the courts within the general fund drug court funding matrix established by the Judicial Branch. The funding matrix generally allows for funding of a drug court coordinator and funding for treatment, drug testing, surveillance, and other client related services. Due to COVID the courts listed above were able to maintain sufficient funding to get through fiscal year 2023 and have requested grant extensions to allow the funding to be carried over through fiscal year 2023. Funding for these courts and the related 5.00 FTE is being requested from the general fund effective July 1, 2023. Additionally, the 12 th Adult, 13 th ICWA, and the 21 st Adult have BJA grants that expire September 30, 2023, and these court will be eligible for a no cost extension and funding and 3.00 FTE are estimated to be needed September 30, 2024.
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DP 103 - Security Specialist -

This request is for additional general fund and 1.00 FTE for the 2025 biennium for the continuous monitoring of courthouse security needs and improvements and to act as a liaison with court staff on emerging security issues related to high profile cases.

DP 104 - Pretrial Program -

This proposal requests 2.75 FTE and additional general fund authority for the biennium for the Pretrial Program currently being implemented in five Montana counties.

LFD COMMENT	Funding and resources were allocated to the Judicial Branch for the 2019 biennium and have been approved as OTO funding in both the 2021 and 2023 biennia. The branch is requesting funding for the Pretrial Program be ongoing and part of the Judicial Branch base budget moving forward.
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DP 105 - CIP Additional Federal Authority -

This proposal is for additional federal authority for the biennium to facilitate the U.S. Department of Health and Human Services change from issuing three separate Court Improvement Program (CIP) grant awards to one.

LFD COMMENT	The Judicial Branch currently receives three separate awards: basic, data, and training. HB 2 already includes authority for the basic grant; this request will increase federal authority to include amounts for the training and data grants, which until now have been included in HB 4.
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Program Biennium Comparison

The following table compares the 2023 biennium appropriated budget to the 2025 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 22-23	Requested Budget 24-25	Biennium Change	Biennium % Change
Personal Services	859,662	912,819	53,157	6.18 %
Operating Expenses	701,856	775,141	73,285	10.44 %
Equipment & Intangible Assets	206,442	176,442	(30,000)	(14.53)%
Debt Service	3,763	0	(3,763)	(100.00)%
Total Expenditures	\$1,771,723	\$1,864,402	\$92,679	5.23 %
General Fund	1,771,723	1,864,402	92,679	5.23 %
Total Funds	\$1,771,723	\$1,864,402	\$92,679	5.23 %
Total Ongoing	\$1,771,723	\$1,864,402	\$92,679	5.23 %
Total OTO	\$0	\$0	\$0	0.00 %

Program Biennium Comparison -

The 2025 biennium budget for the Law Library proposes an increase of 5.2% all in general fund. Compared to the FY 2023 base appropriation, the biennial request is an increase of 4.0%.

Program Description

The State Law Library of Montana (22-1-501, MCA, et seq) provides access to legal information consistent with the present and anticipated needs, responsibilities, and concerns of Montana's courts, legislature, state officers and employees, members of the bar of the Supreme Court of Montana, and members of the general public. The library selects, acquires, and maintains resources consistent with this mission. More electronic licenses are acquired each year, which frequently replace hard copies. This allows the library to get the information more quickly to the customer and to conserve its available shelf space for books and other printed material. The library's space, equipment, and technology are maintained in a manner that will ensure operational efficiency, improve collection preservation, and respond to requirements for accessibility of users and staff.

Library staff provide extensive training in legal research methods and access to the Montana court system. The library's web site (www.lawlibrary.mt.gov) has been designed to help Montana's citizens find the statutes, court cases and rules, legal forms, and explanation of the laws they need. Seventy-five percent of the people the Law Library assists are nonlawyers who cannot afford attorneys. The Library also operates a court-help center.

Program Highlights

Law Library Major Budget Highlights
The proposed Law Library 2025 biennium budget request is almost \$93,000 or 5.2% higher than the 2023 biennium. This includes an increase of \$72,000 general fund related to statewide present law increases for personal services and inflation.

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the expenditures requested for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Request Fiscal 2024	Request Fiscal 2025
FTE	0.00	6.75	6.75	6.75	6.75
Personal Services	342,361	419,743	439,919	455,226	457,593
Operating Expenses	331,841	334,039	367,817	387,616	387,525
Equipment & Intangible Assets	113,798	118,221	88,221	88,221	88,221
Debt Service	0	3,763	0	0	0
Total Expenditures	\$788,000	\$875,766	\$895,957	\$931,063	\$933,339
General Fund	788,000	875,766	895,957	931,063	933,339
Total Funds	\$788,000	\$875,766	\$895,957	\$931,063	\$933,339
Total Ongoing	\$788,000	\$875,766	\$895,957	\$931,063	\$933,339
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Discussion -

FY 2022 Appropriation Compared to FY 2022 Actual Expenditures

The Law Library expended 90.0% of its \$876,000 HB 2 modified budget. Personal services were 81.6% expended, operating expenses were 99.3% expended, and equipment and intangible assets were 96.3% expended. Lower than expected expenditures are seen in personal services which, as discussed earlier, were reverted back to the general fund due to high position vacancies.

FY 2022 Appropriations Compared to FY 2023 Appropriations

The percentage change from FY 2022 appropriations to FY 2023 appropriations is 2.3%. This can be seen in slightly higher appropriations for operating expenses and personal services (including \$14,000 in reductions to the state holiday in FY 2022). These increases were partially offset by lower appropriations in equipment and intangible assets in FY 2023.

Executive Request

The executive requests \$72,000 in statewide present law adjustments. Of this amount, \$33,000 is requested for personal services, and \$39,000 is requested for inflation.

Program Personal Services

Personal services comprised \$440,000 or 49.1% of total FY 2023 appropriations. The executive is proposing an increase of \$15,000 in FY 2024 and \$18,000 in FY 2025. This personal services increase includes management decisions for broadband pay increases for staff in addition to the Legislative pay plan.

Funding

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

Judicial Branch, 03-Law Library Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	1,864,402	0	0	0	1,864,402	76.79 %
State Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
06019 Lexis Proprietary Account	0	0	563,412	0	563,412	100.00 %
Proprietary Total	\$0	\$0	\$563,412	\$0	\$563,412	23.21 %
Total All Funds	\$1,864,402	\$0	\$563,412	\$0	\$2,427,814	

HB 2 funding for the Law Library is entirely general fund. The Law Library also operates an enterprise type proprietary funded program for which the legislature does not approve rates. For further information, refer to the Proprietary Rate narrative for the Law Library.

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	895,957	895,957	1,791,914	96.11 %	895,957	895,957	1,791,914	96.11 %
SWPL Adjustments	35,106	37,382	72,488	3.89 %	35,106	37,382	72,488	3.89 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$931,063	\$933,339	\$1,864,402		\$931,063	\$933,339	\$1,864,402	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	15,307	0	0	15,307	0.00	17,674	0	0	17,674
DP 3 - Inflation Deflation	0.00	19,799	0	0	19,799	0.00	19,708	0	0	19,708
Grand Total All Present Law Adjustments	0.00	\$35,106	\$0	\$0	\$35,106	0.00	\$37,382	\$0	\$0	\$37,382

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

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2023 biennium

DP 3 - Inflation Deflation -

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

Other Issues -

Proprietary Rates

Lexis Proprietary Account 06019

Proprietary Program Description

The Law Library contracts with an online provider for access to a legal database.

Revenues and Expenditures

The following 2025 Biennium Report on Internal Service and Enterprise Funds shows the actual and projected costs and related revenues associated with the fund.

2025 Biennium Report on Internal Service and Enterprise Funds						
Fund	Fund Name	Agency #	Agency Name	Program Name		
06019	Lexis Proprietary	21100	Judicial Branch	03 - Law Library		
			Actual	Estimated	Proposed	Proposed
			FY 22	FY 23	FY 24	FY 25
Operating Revenues						
Fees and Charges						
	Fee Revenue A		263,572	271,479	279,624	288,012
Total Operating Revenues			263,572	271,479	279,624	288,012
Expenses						
	Other Operating Expense					
	Expense A		261,865	268,943	276,380	283,816
Total Operating Expense			261,865	268,943	276,380	283,816
Operating Income (Loss)			1,707	2,536	3,244	4,196
Nonoperating Expenses						
	Other Expense A		(1,067)	(1,141)	(1,278)	(1,278)
Total Nonoperating Revenues (Expenses)			(1,067)	(1,141)	(1,278)	(1,278)
Income (Loss) Before Contributions and Transfers			640	1,395	1,966	2,918
Change in Net Position			640	1,395	1,966	2,918
Beginning Net Position - July 1			38,306	38,946	40,341	42,308
	Prior Period Adjustments					
	Change in Net Position		640	1,395	1,966	2,918
Ending Net Position - June 30			38,946	40,341	42,308	45,226
Net Position (Fund Balance) Analysis						
	Unrestricted Net Position		38,946	40,341	42,308	45,226

Expenses

There are two expenditures for the Lexis proprietary account: 1) an allocation for statewide indirect cost pool; and 2) charges for searches and research of the online database.

Rate(s) and Rate Explanation

This program is funded with an enterprise type proprietary fund. As such, the legislature does not appropriate funds or approve rates for the program. Instead, the legislature reviews the report for the enterprise fund and identifies any concerns with the financial position of the fund. Rates are based on actual cost.

Program Biennium Comparison

The following table compares the 2023 biennium appropriated budget to the 2025 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 22-23	Requested Budget 24-25	Biennium Change	Biennium % Change
Personal Services	55,433,743	62,242,158	6,808,415	12.28 %
Operating Expenses	5,663,807	6,017,924	354,117	6.25 %
Equipment & Intangible Assets	82,446	155,446	73,000	88.54 %
Benefits & Claims	70,000	70,000	0	0.00 %
Debt Service	714	0	(714)	(100.00)%
Total Expenditures	\$61,250,710	\$68,485,528	\$7,234,818	11.81 %
General Fund	59,748,020	66,975,157	7,227,137	12.10 %
State/Other Special Rev. Funds	1,502,690	1,510,371	7,681	0.51 %
Total Funds	\$61,250,710	\$68,485,528	\$7,234,818	11.81 %
Total Ongoing	\$61,250,710	\$68,485,528	\$7,234,818	11.81 %
Total OTO	\$0	\$0	\$0	0.00 %

Program Biennium Comparison -

The 2025 biennium budget for District Court Operations proposes an increase of 11.8% with a general fund increase of 12.1%. Compared to the FY 2023 base appropriation, the biennial request is an increase of 9.3%.

Program Description

The District Courts have original jurisdiction in all felony criminal cases, most civil matters, and other cases in law, and in equity. These courts may issue all writs appropriate to their jurisdiction and hear appeals from Courts of Limited Jurisdiction pursuant to statutory parameters. The District Courts are also the state's Youth Courts, responsible for managing juvenile probation functions. There are 51 District Court judges in 22 judicial districts serving all 56 counties. The 2001 Legislature mandated state funding of District Court expenses, including salaries and operating expenses for judges and their employees. District Court costs are the largest segment of the Judicial Branch budget.

Program Highlights

District Court Operations Major Budget Highlights
The proposed 2025 biennium budget for District Court Operations is \$7.2 million or 11.8% higher than the 2023 biennium budget. Changes can mainly be attributed to statewide present law adjustments for personal services.

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the expenditures requested for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Request Fiscal 2024	Request Fiscal 2025
FTE	0.00	335.19	335.19	335.19	335.19
Personal Services	25,660,179	27,028,414	28,405,329	31,069,075	31,173,083
Operating Expenses	2,634,180	2,846,726	2,817,081	2,988,297	3,029,627
Equipment & Intangible Assets	0	4,723	77,723	77,723	77,723
Benefits & Claims	12,742	35,000	35,000	35,000	35,000
Debt Service	0	714	0	0	0
Total Expenditures	\$28,307,101	\$29,915,577	\$31,335,133	\$34,170,095	\$34,315,433
General Fund	27,672,792	29,164,326	30,583,694	33,415,303	33,559,854
State/Other Special Rev. Funds	634,309	751,251	751,439	754,792	755,579
Total Funds	\$28,307,101	\$29,915,577	\$31,335,133	\$34,170,095	\$34,315,433
Total Ongoing	\$28,307,101	\$29,915,577	\$31,335,133	\$34,170,095	\$34,315,433
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Discussion -

FY 2022 Appropriation Compared to FY 2022 Actual Expenditures

District Court Operations expended 94.6% of its \$29.9 million HB 2 modified budget in FY 2022. Personal services were 94.9% expended, while operating expenses were 92.5% expended. Unspent authority in District Court Operations mostly occurred in personal services where vacancies were higher than expected during the biennium.

FY 2022 Appropriations Compared to FY 2023 Appropriations

Appropriations in FY 2023 increased by 4.7% or \$1.4 million when compared to FY 2022 appropriations. The majority of this difference is seen in personal services, which reflect a reduction of \$680,000 in FY 2022 for the state share holiday and an increase in FY 2023 over FY 2022 for 6.00 FTE for a new judge and associated staff for the 11th Judicial District (Flathead County).

Executive Request

District Court Operations is requesting an increase in statewide present law adjustments for personal services.

Program Personal Services

For the 2025 biennium, personal services within District Court Operations increase by 12.3% or \$6.8 million when compared to the 2023 biennium. Of this amount, \$2.7 million in FY 2024 and \$2.8 million in FY 2025 can be attributed to statewide present law adjustments to personal services. This increase reflects the one-time-only reductions to the state share holiday and judge’s retirement fund contribution made during the 2023 biennium. Additional changes include elected official salary adjustments and broadband pay increases.

Funding

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

Judicial Branch, 04-District Court Operations Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	66,975,157	0	0	0	66,975,157	97.79 %	
02141 Fines & Fees Fund	180,417	0	0	0	180,417	11.95 %	
02151 YthCrt Intervention?evention	0	0	0	0	0	0.00 %	
02562 Crt Appointed Special Advocate	1,329,954	0	0	0	1,329,954	88.05 %	
State Special Total	\$1,510,371	\$0	\$0	\$0	\$1,510,371	2.21 %	
03077 Drug Trmt Court Fed Res 13VTC	0	0	0	0	0	0.00 %	
03078 Drug Trmt Court Fed Res 13Adlt	0	0	0	0	0	0.00 %	
03114 Drug Trmt Crt Fed Res JD1/SW	0	0	0	0	0	0.00 %	
03117 Drug Trmt Court Fed Res SW	0	0	0	0	0	0.00 %	
03174 Drug Trmt Court Fed Res JD13	0	0	0	0	0	0.00 %	
03177 Drug Trmt Court Fed Res JD12	0	0	0	0	0	0.00 %	
03373 Drug Trmt Court Fed Res JD7	0	0	0	0	0	0.00 %	
03154 Drug Trmt Crt Fed Res JD8	0	0	0	0	0	0.00 %	
03432 Drug Trmt Court Fed Res JD4	0	0	0	0	0	0.00 %	
03434 Fam Trmt Court JD11 Flathead	0	0	0	0	0	0.00 %	
03995 Drug Trmt Court Fed Res	0	0	0	0	0	0.00 %	
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %	
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$68,485,528	\$0	\$0	\$0	\$68,485,528		

The majority of funding for District Court Operations comes from the general fund. State special revenues supporting the program comes from court-imposed fines and fees.

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	30,583,694	30,583,694	61,167,388	91.33 %	31,335,133	31,335,133	62,670,266	91.51 %
SWPL Adjustments	2,831,609	2,976,160	5,807,769	8.67 %	2,834,962	2,980,300	5,815,262	8.49 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$33,415,303	\$33,559,854	\$66,975,157		\$34,170,095	\$34,315,433	\$68,485,528	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	2,663,746	0	0	2,663,746	0.00	2,767,754	0	0	2,767,754
DP 2 - Fixed Costs	0.00	0	65	0	65	0.00	0	65	0	65
DP 3 - Inflation Deflation	0.00	167,863	3,288	0	171,151	0.00	208,406	4,075	0	212,481
Grand Total All Present Law Adjustments	0.00	\$2,831,609	\$3,353	\$0	\$2,834,962	0.00	\$2,976,160	\$4,140	\$0	\$2,980,300

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

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2023 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

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

Program Biennium Comparison

The following table compares the 2023 biennium appropriated budget to the 2025 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 22-23	Requested Budget 24-25	Biennium Change	Biennium % Change
Personal Services	4,197,357	4,663,317	465,960	11.10 %
Operating Expenses	386,254	608,394	222,140	57.51 %
Equipment & Intangible Assets	16,574	16,574	0	0.00 %
Debt Service	207,600	0	(207,600)	(100.00)%
Total Expenditures	\$4,807,785	\$5,288,285	\$480,500	9.99 %
General Fund	1,880,406	2,092,004	211,598	11.25 %
State/Other Special Rev. Funds	2,927,379	3,196,281	268,902	9.19 %
Total Funds	\$4,807,785	\$5,288,285	\$480,500	9.99 %
Total Ongoing	\$4,807,785	\$5,288,285	\$480,500	9.99 %
Total OTO	\$0	\$0	\$0	0.00 %

Program Biennium Comparison -

The 2025 biennium budget for the Water Court proposes an increase of 10.0% with an increase in general fund of 11.3%. When compared to the FY 2023 base appropriation, the biennial request is an increase of 9.0%.

Program Description

The Water Courts Supervision Program, located in Bozeman, adjudicates claims of existing water rights in Montana pursuant to Title 3, Chapter 7 and Title 85, Chapter 2, MCA .

Program Highlights

Water Court Major Budget Highlights
The Water Court proposed 2025 biennium budget request is \$481,000 or 10.0% higher than the 2023 biennium budget. Changes to the budget are all included as statewide present law adjustments.

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the expenditures requested for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Request Fiscal 2024	Request Fiscal 2025
FTE	0.00	24.50	24.50	24.50	24.50
Personal Services	1,950,842	2,076,740	2,120,617	2,324,635	2,338,682
Operating Expenses	85,402	89,327	296,927	303,859	304,535
Equipment & Intangible Assets	0	8,287	8,287	8,287	8,287
Debt Service	207,600	207,600	0	0	0
Total Expenditures	\$2,243,844	\$2,381,954	\$2,425,831	\$2,636,781	\$2,651,504
General Fund	799,319	925,108	955,298	1,042,457	1,049,547
State/Other Special Rev. Funds	1,444,525	1,456,846	1,470,533	1,594,324	1,601,957
Total Funds	\$2,243,844	\$2,381,954	\$2,425,831	\$2,636,781	\$2,651,504
Total Ongoing	\$2,243,844	\$2,381,954	\$2,425,831	\$2,636,781	\$2,651,504
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Discussion -

FY 2022 Appropriation Compared to FY 2022 Actual Expenditures

The Water Court division expended 94.2% of its \$2.4 million FY 2022 modified HB2 budget. Personal services were 93.9% expended, and operating expenses were 95.6% expended.

FY 2022 Appropriations Compared to FY 2023 Appropriations

When compared to FY 2022, appropriations in FY 2023 increased by 1.8%. This difference can be seen in personal services where the 2021 Legislature reduced the general fund budget for the state share holiday in FY 2022. The differences in operating expenses and debt service reflect the new accounting treatment of long-term leases where the Branch performs an operating plan change to move money into debt service late in the fiscal year.

Executive Request

Water Courts is requesting an increase of \$437,000 in additional funding related to statewide present law adjustments for personal services, fixed costs, and inflation. Of this amount, \$181,000 comes from general fund and the remaining from state special revenues.

Program Personal Services

For the 2025 biennium, personal services in the Water Court division reflect an increase of 11.1% or \$466,000 when compared to the 2023 biennium. Of this amount, \$200,000 in FY 2024 and \$220,000 in FY 2025 can be attributed to statewide present law adjustments. Increases in personal services include expected changes like the pay plan and broadband pay increases. Approximately \$163,000 of this increase can be directly attributed to the one-time-only reductions made to the state share in judge’s retirement contributions and the state share holiday made during the 2021 Legislative Session.

Funding

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

Judicial Branch, 05-Water Court Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	2,092,004	0	0	0	2,092,004	39.56 %
02431 Water Adjudication	3,196,281	0	0	0	3,196,281	100.00 %
State Special Total	\$3,196,281	\$0	\$0	\$0	\$3,196,281	60.44 %
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$5,288,285	\$0	\$0	\$0	\$5,288,285	

General fund provides a little over a third of the funding for Water Court Supervision. The remaining funding is from the water adjudication account established within the state special revenue account created in 17-2-102, MCA.

LFD COMMENT	If amounts appropriated by the legislature to fund the Water Court Program exceed the available and unencumbered fund balance within the water adjudication account, statute requires that general fund be transferred into the account at the beginning of each fiscal in order to fully fund legislative appropriations to the program.
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Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	955,298	955,298	1,910,596	91.33 %	2,425,831	2,425,831	4,851,662	91.74 %
SWPL Adjustments	87,159	94,249	181,408	8.67 %	210,950	225,673	436,623	8.26 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$1,042,457	\$1,049,547	\$2,092,004		\$2,636,781	\$2,651,504	\$5,288,285	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2024-----				-----Fiscal 2025-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	87,159	116,859	0	204,018	0.00	94,249	123,816	0	218,065
DP 2 - Fixed Costs	0.00	0	1,043	0	1,043	0.00	0	1,043	0	1,043
DP 3 - Inflation Deflation	0.00	0	5,889	0	5,889	0.00	0	6,565	0	6,565
Grand Total All Present Law Adjustments	0.00	\$87,159	\$123,791	\$0	\$210,950	0.00	\$94,249	\$131,424	\$0	\$225,673

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

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2023 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

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

Program Biennium Comparison

The following table compares the 2023 biennium appropriated budget to the 2025 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 22-23	Requested Budget 24-25	Biennium Change	Biennium % Change
Personal Services	1,073,949	1,220,492	146,543	13.65 %
Operating Expenses	85,692	90,337	4,645	5.42 %
Debt Service	1,454	0	(1,454)	(100.00)%
Total Expenditures	\$1,161,095	\$1,310,829	\$149,734	12.90 %
General Fund	1,161,095	1,310,829	149,734	12.90 %
Total Funds	\$1,161,095	\$1,310,829	\$149,734	12.90 %
Total Ongoing	\$1,161,095	\$1,310,829	\$149,734	12.90 %
Total OTO	\$0	\$0	\$0	0.00 %

Program Biennium Comparison -

The 2025 biennium budget for the Clerk of Court proposes an increase of 12.9% all in general fund. Compared to the FY 2023 base appropriation, the biennial request is an overall increase of 10.9%.

Program Description

The Office of Clerk of the Supreme Court Program, pursuant to Title 3, Chapter 2, part 4, conducts the business of the court, and serves as the liaison between the public, attorneys and the Supreme Court. By statutory authority, the clerk controls the docket and filings, manages the appellate process, and is the custodian of all legal records for the public and the court. Additionally, the clerk administers appellate mediation, maintains the official roll of Montana attorneys, and is responsible for licensing Montana’s attorneys.

Program Highlights

Clerk of Court Major Budget Highlights
The proposed 2025 biennium budget request for the Clerk of Court is \$150,000 or 12.9% higher than the 2023 biennium and is comprised of statewide present law adjustments and an additional \$78,000 general fund and 0.50 FTE over the biennium for a new half-time appellate case manager.

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the expenditures requested for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Request Fiscal 2024	Request Fiscal 2025
FTE	0.00	5.50	5.50	6.00	6.00
Personal Services	495,505	526,453	547,496	608,703	611,789
Operating Expenses	32,389	42,114	43,578	45,086	45,251
Debt Service	0	1,454	0	0	0
Total Expenditures	\$527,894	\$570,021	\$591,074	\$653,789	\$657,040
General Fund	527,894	570,021	591,074	653,789	657,040
Total Funds	\$527,894	\$570,021	\$591,074	\$653,789	\$657,040
Total Ongoing	\$527,894	\$570,021	\$591,074	\$653,789	\$657,040
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Discussion -

FY 2022 Appropriations Compared to FY 2022 Actual Expenditures

Clerk of Court expended 92.6% of its \$570,000 HB 2 modified budget in FY 2022. Personal services were 94.1% expended, while operating expenses were expended at 77.0%.

FY 2022 Appropriations Compared to FY 2023 Appropriations

The percentage change from FY 2022 appropriations to FY 2023 appropriations is 3.7%, the majority of which can be found in personal services and is associated with the FY 2022 one-time-only reduction in the state share holiday.

Executive Request

In addition to proposed increases in statewide present law adjustments related to personal services, the executive requests \$78,000 general fund and 0.5 FTE over the biennium for a new half-time appellate case manager.

Program Personal Services

In the 2025 biennium, personal services in the Clerk of Court increase by 13.7% or \$146,000 when compared to the 2023 biennium. Increases in personal services include expected changes and broadband pay increases.

Funding

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

Funds	Judicial Branch, 06-Clerk of Court Funding by Source of Authority					
	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	1,310,829	0	0	0	1,310,829	100.00 %
State Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$1,310,829	\$0	\$0	\$0	\$1,310,829	

The Clerk of Court Program is funded entirely from general fund.

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	591,074	591,074	1,182,148	90.18 %	591,074	591,074	1,182,148	90.18 %
SWPL Adjustments	23,794	27,023	50,817	3.88 %	23,794	27,023	50,817	3.88 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	38,921	38,943	77,864	5.94 %	38,921	38,943	77,864	5.94 %
Total Budget	\$653,789	\$657,040	\$1,310,829		\$653,789	\$657,040	\$1,310,829	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	22,286	0	0	22,286	0.00	25,350	0	0	25,350
DP 3 - Inflation Deflation	0.00	1,508	0	0	1,508	0.00	1,673	0	0	1,673
Grand Total All Present Law Adjustments	0.00	\$23,794	\$0	\$0	\$23,794	0.00	\$27,023	\$0	\$0	\$27,023

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

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2023 biennium

DP 3 - Inflation Deflation -

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

New Proposals

The "New Proposals" table shows new proposals for spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 601 - Appellate Case Manager FTE	0.50	38,921	0	0	38,921	0.50	38,943	0	0	38,943
Total	0.50	\$38,921	\$0	\$0	\$38,921	0.50	\$38,943	\$0	\$0	\$38,943

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

DP 601 - Appellate Case Manager FTE -

This proposal requests general fund and 0.50 FTE for the 2025 biennium to hire a half-time case manager to increase the pace at which documents are digitized in the Office of the Clerk of Supreme Court.