

**Agency Biennium Comparison**

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Agency Biennium Comparison				
Budget Item	Appropriated Budget 18-19	Requested Budget 20-21	Biennium Change	Biennium % Change
Personal Services	115,655,819	129,834,855	14,179,036	12.26 %
Operating Expenses	74,087,624	76,955,078	2,867,454	3.87 %
Equipment & Intangible Assets	6,419,625	4,988,150	(1,431,475)	(22.30)%
Capital Outlay	30,059	0	(30,059)	(100.00)%
Local Assistance	50,000	50,000	0	0.00 %
Grants	192,200	180,000	(12,200)	(6.35)%
Benefits & Claims	2,242,382	2,242,382	0	0.00 %
Transfers	22,590	22,590	0	0.00 %
Debt Service	1,116,294	669,594	(446,700)	(40.02)%
<b>Total Expenditures</b>	<b>\$199,816,593</b>	<b>\$214,942,649</b>	<b>\$15,126,056</b>	<b>7.57 %</b>
General Fund	65,697,785	73,640,799	7,943,014	12.09 %
State/Other Special Rev. Funds	127,679,746	134,562,852	6,883,106	5.39 %
Federal Spec. Rev. Funds	2,690,476	2,846,059	155,583	5.78 %
Proprietary Funds	3,748,586	3,892,939	144,353	3.85 %
<b>Total Funds</b>	<b>\$199,816,593</b>	<b>\$214,942,649</b>	<b>\$15,126,056</b>	<b>7.57 %</b>
<b>Total Ongoing</b>	<b>\$198,016,593</b>	<b>\$214,062,649</b>	<b>\$16,046,056</b>	<b>8.10 %</b>
<b>Total OTO</b>	<b>\$1,800,000</b>	<b>\$880,000</b>	<b>(\$920,000)</b>	<b>(51.11)%</b>

**Agency Biennium Comparison -**

The biennium comparison table shows a total growth of 7.6%, which for the Department of Justice is significantly influenced by the FY 2018 appropriation reductions. Compared to the FY 2019 base appropriation, the growth is 5.7%

**Mission Statement**

The mission of the Department of Justice (DOJ) 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.

For additional information, please refer to the Agency Profile. The profile may be viewed at: <https://leg.mt.gov/content/Publications/fiscal/BA-2021/Section-D/Agency-Profiles/4110-DOJ.pdf>

Agency Highlights

<b>Department of Justice Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The Department of Justice 2021 biennium budget request is \$15.1 million or 7.6% higher than the 2019 biennium budget. Significant changes include:                             <ul style="list-style-type: none"> <li>◦ \$3.8 million in additional personal services requested in the 2021 biennium in the statewide present law adjustments</li> <li>◦ \$1.8 million in personal services authority for Montana highway patrol increases established by a statutorily required salary survey</li> <li>◦ \$1.4 million in personal services and 5.00 FTE for additional Montana highway patrol officers</li> <li>◦ \$0.9 million in operating expenses to provide for the criminal justice network and Criminal Records and Identification Services Section (CRISS) as a one-time-only appropriation</li> </ul> </li> </ul>
<b>LFD Issues</b>
<ul style="list-style-type: none"> <li>• Transferring authority from personal services to operating expenses appropriations increased the 2021 biennium budget by \$1.9 million each year of the biennium</li> <li>• A portion of the consumer education settlement fund balance of \$8.3 million could be used to offset general fund in other agencies</li> </ul>

Agency Actuals and Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Request Fiscal 2020	Request Fiscal 2021
FTE	0.00	770.41	770.41	784.91	784.91
Personal Services	59,046,979	56,723,563	58,932,256	64,941,719	64,893,136
Operating Expenses	28,369,657	35,339,212	38,748,412	39,023,185	37,931,893
Equipment & Intangible Assets	2,915,238	4,014,300	2,405,325	2,582,825	2,405,325
Capital Outlay	29,385	30,059	0	0	0
Local Assistance	8,657	25,000	25,000	25,000	25,000
Grants	122,200	102,200	90,000	90,000	90,000
Benefits & Claims	655,292	1,121,191	1,121,191	1,121,191	1,121,191
Transfers	11,295	11,295	11,295	11,295	11,295
Debt Service	73,450	781,497	334,797	334,797	334,797
<b>Total Expenditures</b>	<b>\$91,232,153</b>	<b>\$98,148,317</b>	<b>\$101,668,276</b>	<b>\$108,130,012</b>	<b>\$106,812,637</b>
General Fund	30,486,767	31,530,081	34,167,704	36,860,313	36,780,486
State/Other Special Rev. Funds	58,298,625	63,429,748	64,249,998	67,899,423	66,663,429
Federal Spec. Rev. Funds	818,033	1,334,835	1,355,641	1,423,048	1,423,011
Proprietary Funds	1,628,728	1,853,653	1,894,933	1,947,228	1,945,711
<b>Total Funds</b>	<b>\$91,232,153</b>	<b>\$98,148,317</b>	<b>\$101,668,276</b>	<b>\$108,130,012</b>	<b>\$106,812,637</b>
<b>Total Ongoing</b>	<b>\$91,136,153</b>	<b>\$96,848,317</b>	<b>\$101,168,276</b>	<b>\$107,315,012</b>	<b>\$106,747,637</b>
<b>Total OTO</b>	<b>\$96,000</b>	<b>\$1,300,000</b>	<b>\$500,000</b>	<b>\$815,000</b>	<b>\$65,000</b>

**Agency Discussion***FY 2018 Appropriations Compared To FY 2018 Actual Expenditures*

The Department of Justice expended 92.9% of its HB 2 appropriation. Four categories make up the bulk of the appropriations in FY 2018 including expenditures of 104.1% of the personal services budget, 80.3% of operating expenses, 72.6% of equipment & intangible assets, and 58.4% of benefits and claims.

Personal services were reduced by \$2.1 million in FY 2018 for legislatively imposed vacancy savings of 6.0%. The actual vacancy rate for DOJ was 0.0%. To offset the higher costs in personal services DOJ reduced operating expenses such as consulting and professional services, purchases of supplies and materials, and travel.

The legislature provided \$800,000 in a restricted, one-time-only, biennial appropriation of general fund to retrofit the crime lab in Yellowstone County. At fiscal year-end, DOJ had not expended this appropriation. According to DOJ, the project will be completed by December 2018 and the appropriation will be fully expended. In addition, DOJ delayed purchase of equipment within the Montana Highway Patrol.

Benefits and claims for crime victims were appropriated \$0.5 million in federal special revenues, however, only 10.1% of this appropriation was expended as requirements to expend federal appropriations were not met. According to DOJ, this is because the federal and state fiscal years are different and because federal law requires DOJ to spend state dollars before spending federal dollars.

*FY 2018 Appropriations Compared to FY 2019 Appropriations*

The FY 2019 appropriation is \$3.5 million, or 3.6% higher than the FY 2018 appropriation due to:

- November 2017 Special Session reductions in both fiscal years that were subsequently restored by SB 9 for FY 2019, in the amount of \$2.3 million
- SB 294 pay plan increase in FY 2019 of \$0.3 million
- Elimination of the state share contribution for employee benefits for two months in FY 2018 reducing personal services by \$1.6 million
- Partially offset by the establishment of a biennial appropriation of \$0.8 million in FY 2018 for morgue facility retrofit

*Comparison of FY 2019 Legislative Budget to FY 2019 Base*

Figure 1 illustrates the beginning FY 2019 budget as adopted by the 2017 Legislature compared to the finalized 2019 base budget, which includes modifications done by the executive (as authorized in statute) during the interim. The 2019 base budget was agreed upon by the executive and legislative branches to be the point from which any changes would be recorded for the 2021 biennium budgeting process.

Figure 1

FY 2019 Legislative Appropriations - Department of Justice				
	Legislative Action	Executive Modifications per Statutory Authority	Executive Base	% Change from Legislative Action
01 Legal Services Division				
61000 Personal Services	5,739,947	(300,224)	5,439,723	-5.2%
62000 Operating Expenses	1,990,207	652,969	2,643,176	32.8%
67000 Benefits & Claims	1,121,191	-	1,121,191	0.0%
Program Total	8,851,345	352,745	9,204,090	4.0%
03 Montana Highway Patrol				
61000 Personal Services	26,679,093	-	26,679,093	0.0%
62000 Operating Expenses	9,091,349	-	9,091,349	0.0%
63000 Equipment & Intangible Assets	1,992,165	-	1,992,165	0.0%
Program Total	37,762,607	-	37,762,607	0.0%
04 Information Technology System				
61000 Personal Services	2,991,275	(263,562)	2,727,713	-8.8%
62000 Operating Expenses	1,754,411	263,569	2,017,980	15.0%
63000 Equipment & Intangible Assets	36,820	-	36,820	0.0%
Program Total	4,782,506	7	4,782,513	0.0%
05 Division Of Criminal Investigation				
61000 Personal Services	8,376,805	(455,807)	7,920,998	-5.4%
62000 Operating Expenses	4,467,130	498,781	4,965,911	11.2%
63000 Equipment & Intangible Assets	123,452	-	123,452	0.0%
66000 Grants	90,000	-	90,000	0.0%
68000 Transfers-out	11,295	-	11,295	0.0%
Program Total	13,068,682	42,974	13,111,656	0.3%
07 Gambling Control Division				
61000 Personal Services	3,567,639	-	3,567,639	0.0%
62000 Operating Expenses	825,543	-	825,543	0.0%
63000 Equipment & Intangible Assets	82,860	-	82,860	0.0%
Program Total	4,476,042	-	4,476,042	0.0%
08 Forensic Services Division				
61000 Personal Services	3,483,858	-	3,483,858	0.0%
62000 Operating Expenses	1,261,003	741,390	2,002,393	58.8%
63000 Equipment & Intangible Assets	6,000	-	6,000	0.0%
69000 Debt Service	334,797	-	334,797	0.0%
Program Total	5,085,658	741,390	5,827,048	14.6%
09 Motor Vehicle Division				
61000 Personal Services	7,992,881	(507,924)	7,484,957	-6.4%
62000 Operating Expenses	16,270,692	(167,357)	16,103,335	-1.0%
63000 Equipment & Intangible Assets	114,028	50,000	164,028	43.8%
65000 Local Assistance	-	25,000	25,000	0.0%
69000 Debt Service	616,700	(616,700)	-	-100.0%
Program Total	24,994,301	(1,216,981)	23,777,320	-4.9%
10 Central Services Division				

61000 Personal Services	1,389,432	(3,311)	1,386,121	-0.2%
62000 Operating Expenses	332,731	83,176	415,907	25.0%
Program Total	1,722,163	79,865	1,802,028	4.6%
19 Post Council				
61000 Personal Services	242,154	-	242,154	0.0%
62000 Operating Expenses	182,817	-	182,817	0.0%
Program Total	424,971	-	424,971	0.0%
Grand Total	\$101,168,275	\$0	\$101,168,275	0.0%

There were a number of modifications to the legislative budget. Most of the executive modifications in the Department of Justice resulted in increased authority for operating expenses in the Legal Services Division, the Information Technology System, Forensic Services, and Central Services Divisions. See the LFD issues under Agency Personal Services for additional information on the impacts of these shifts. The Motor Vehicle Division transferred debt service appropriation authority for the MERLIN data system that was not required as the debt was retired in FY 2018.

*Executive Request*

The executive requests a 7.6% increase or \$15.1 million in total funding compared to the 2019 biennium. Changes include:

- \$3.4 million in additional personal services requested in the statewide present law adjustments
- \$0.5 million in fixed cost reductions, mainly for information technology services provided by the Department of Administration
- \$1.8 million in personal services for pay increases as indicated

*Elected Official Request*

As an elected official, the Attorney General may present to the legislature for consideration items not included in the executive budget. The Attorney General is not requesting consideration of any additional proposals.

*Legislative Audit Findings*

<b>LFD COMMENT</b>	<p>The Legislative Audit Division conducted an information systems audit of the integrated justice information sharing broker (IJIS Broker), also referred to as the full court enterprise data exchange in reports to the Legislative Finance Committee. The audit found that according to 44-5-213, MCA, dispositions resulting from formal proceedings in a court having jurisdiction in a criminal action against an individual shall be reported to the originating agency and the state repository within 15 days. Depending on the workload for the criminal records section at DOJ, there is a likelihood that the 15-day deadline will not be met. This timeline is crucial to law enforcement officers who rely on accurate information when dealing with individuals with criminal records or external parties who do criminal background checks for employment. Both DOJ and Judicial Branch are working on enterprise solutions, the Judicial Branch is working on an enterprise solution referred to as FullCourt and DOJ is completing an upgrade to the integrated justice information sharing broker. The two projects are heavily funded through federal grants awarded on an annual basis and in DOJ some general fund. While DOJ can make necessary changes to the integrated justice information sharing broker, a prerequisite for timely exchange of court data will be the completion of the FullCourt enterprise system.</p> <p>The Judicial Branch reported to the Legislative Finance Committee in September 2018 that the FullCourt enterprise system project was complete and in the closing phase. The Department of Justice reported that the related project was on hold while the Judicial Branch completed its work but would be designed and built beginning in November 2018.</p> <p>The Legislative Auditor recommends the Department of Justice:</p> <ul style="list-style-type: none"> <li>• Automate criminal disposition matching between FullCourt and the computerized criminal history (part of the IJS Broker)</li> </ul>
--------------------	--

- Complete the development and implementation of data exchanges through the IJIS Broker that will share protection orders, no-contact orders, arrest warrants, and bench warrants between FullCourt and the computerized criminal history

#### 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 2021 biennium 5.0% plan submitted for this agency is in the Budget Analysis Appendix. The Department of Justice included reductions of \$1.5 million in general fund and \$2.7 million in state special revenue. The proposal to reduce expenditures in the general fund includes:

- Reduce major litigation, operating expenses including hardware and software maintenance costs, equipment, and benefit and claims expenditures supported by the general fund
- Eliminate the call center
- Cancel or delay leases for instrumentation
- Reduce FTE or postpone hiring for vacant positions

The proposal to reduce expenditures in the state special revenue fund includes:

- Reduce dignitary protection and statewide Montana Highway Patrol coverage
- Close a regional investigation office or reduce investigation staff
- Eliminate one professional program trainer and some professional and leadership courses within the Montana Law Enforcement Academy

#### 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 four categories, as follows:

##### 1. Formula Based

Formula based changes are calculated independent of agency choices, such as: annualize personal services costs including FY 2019 statewide pay plan adjustments, changes to benefit rates, and longevity adjustments related to incumbents in each position at the time of the personal services snapshot, plus rate changes for workers' compensation and unemployment insurance.

A detailed illustration of this methodology is included in the Budget Analysis Appendix.

##### 2. Personal Services Management Decisions

Any agency management decisions that adjusted employee pay or transferred personal services authority between programs. This includes raises or position changes that may increase or reduce a budget, such as hiring FTE at a lower rate to replace retired senior staff or moving FTE and funding between programs.

##### 3. Proposed Reinstatement of Personal Services Base Budget Reductions

Most agencies requested reinstatement of personal services budget reductions taken last session. The single largest reinstatement is due to the lower vacancy savings rate requested by the executive. The FY 2019 personal services base included approximately 6.0% vacancy savings reduction as part of the funding adopted in HB 2. Generally, the executive requested a 2.0% vacancy savings reduction for 2021 biennium.

Agencies funded with general fund may have additional personal services reductions such as those reduced from the triggers in SB 261 from last session.

In some instances, the lower personal services budgets caused agencies to make management decisions that lowered the ongoing cost of personal services. When this occurred, the LFD reflected the lower reinstatement requested rather than the total of all personal services reductions made by the previous legislature.

4. Budget Modifications

This category includes modifications to the FY 2019 personal services budget such as transfer of personal services authority to operating expenses that occurred during the interim. These transfers may impact the overall size of the personal services present law adjustment (DP 1).

The Figure shows the analysis of the proposed changes.

Figure 2

Personal Services Present Law DP 1 - FY 2020					
Program	Formula Based	Management Decisions	Proposed Reinstatement of PS	Budget Modifications	DP1 SWPL
01 LEGAL SERVICES DIVISION	\$100,819	(\$88,350)	\$318,267	\$373,296	\$704,032
03 MONTANA HIGHWAY PATROL	429,832	159,453	(538,475)	-	50,810
04 JUSTICE INFORMATION TECHNOLOGY	40,243	42,633	177,792	263,562	524,230
05 DIVISION OF CRIMINAL INVESTIGATIONS	135,085	55,753	(121,191)	498,781	568,428
07 GAMBLING CONTROL DIVISION	46,822	(20,585)	141,803	-	168,040
08 FORENSIC SERVICES DIVISION	57,418	(13,433)	220,591	258,195	522,771
09 MOTOR VEHICLE DIVISION	47,913	103,106	429,403	507,924	1,088,346
10 CENTRAL SERVICES DIVISION	11,564	27,282	98,960	50,837	188,643
19 POST COUNCIL	4,494	(293)	14,697	-	18,898
Agency Total	\$874,190	\$265,566	\$741,847	1,952,595	\$3,834,198

Personal services appropriations are 60.4% of the DOJ 2021 biennium budget. As reflected in Figure 2, proposed changes as part of statewide present law adjustments include:

- Reinstatement of reductions by the 2017 Legislature and the November 2017 Special Session
- Reinstatement of personal services due to a proposed change in the vacancy savings reduction to 2.0%
- Modifications to the personal services base budget, DOJ transferred \$1.9 million in personal services authority to operating expenses in several divisions

<b>LFD ISSUE</b>	<p><u>Transferring Authority from Personal Services to Operating Expenses Appropriations Increases the 2021 Biennium Budget</u></p> <p>In FY 2019, the Department of Justice transferred \$1.9 million in personal services in the Legal Services, the Justice Information Technology Services Divisions, the Division of Criminal Investigations, and the Forensic Science, Motor Vehicle, and Central Services Divisions through modifications that moved authority out of personal services and into operating expenses. Personal services appropriations for the 2021 biennium use the salary and related benefits associated with FTE to establish the level of appropriation required for personal services. Since the Department of Justice did not reduce FTE when it eliminated personal services funding in FY 2019, the personal services reduction automatically returns when the personal services snapshot is used to establish the level of funding required in the 2021 biennium. As a result, the Department of Justice budget for the various divisions is \$1.9 million higher than it would have been had the appropriation remained in personal services</p>
------------------	---

instead of operating expenses, or as an alternative if FTE been reduced for the transfer of authority from personal services to operating expenses.

Legislative options:

- Reduce personal services funding and related FTE in the Legal Services, Justice Information Technology Services, Forensic Science, Motor Vehicle, and Central Services Divisions, and the Division of Criminal Investigations to offset the reduction of personal services funding in FY 2019
- Reduce operating expenses in the Legal Services, Justice Information Technology Services, Forensic Science, Motor Vehicle, and Central Services Divisions, and the Division of Criminal Investigations by the amount restored
- Gain an understanding from DOJ regarding underlying specific funding requirements and adjust program budgets as needed

**Funding**

The following table shows proposed agency funding by source of authority.

Total Department of Justice Funding by Source of Authority 2021 Biennium Budget Request - Department of Justice						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	73,640,799	0	0	10,745,590	84,386,389	36.09 %
State Special Total	133,682,852	880,000	0	4,579,672	139,142,524	59.50 %
Federal Special Total	2,846,059	0	0	250,000	3,096,059	1.32 %
Proprietary Total	3,892,939	0	3,326,686	0	7,219,625	3.09 %
Other Total	0	0	0	0	0	0.00 %
<b>Total All Funds</b>	<b>\$214,062,649</b>	<b>\$880,000</b>	<b>\$3,326,686</b>	<b>\$15,575,262</b>	<b>\$233,844,597</b>	
<b>Percent - Total All Sources</b>	<b>91.54 %</b>	<b>0.38 %</b>	<b>1.42 %</b>	<b>6.66 %</b>		

Funding for the Department of Justice varies by division and function. General fund supports the Legal Services Division, Information Technology Services Division, Division of Criminal Investigations, Motor Vehicle Division, Forensic Science Division, Central Services Division, and Public Safety Officer Standards and Training (POST). In FY 2019 general fund provided 33.6% of DOJ HB 2 funding. The executive proposes increasing HB 2 general fund supporting DOJ by \$2.7 million in FY 2020 and \$2.6 million in FY 2021 thereby increasing general fund support to 34.3% of DOJ funding.

State special revenue supported 63.2% of the DOJ HB 2 budget in FY 2019. Reductions in state special revenue support of 0.6% or \$1.3 million are proposed in the executive budget request. State special revenue from consumer protection settlement proceeds supports consumer protection activities, gambling licensing fees support the Gambling Control Division, and motor vehicle fees support the Motor Vehicle Division. The 2017 Legislature established four new state special revenue accounts to replace highway state special revenue account funding that was previously provided. Information on revenues, expenditures, and fund balance for state special revenue accounts can be found in the funding narratives of the various divisions.

Federal special revenue combined with general fund support Medicaid fraud investigation and the Child Protection Unit within the Legal Services Division. In FY 2019 federal special revenue comprises 1.3% of DOJ HB 2 funding. A similar percentage of federal special revenue support is proposed in the 2021 biennium budget.

Proprietary funds support liquor licensing functions and legal service provided under contract to other state agencies. In FY 2019 budgeted proprietary funds provided 1.9% of DOJ HB 2 funding. In the executive request budgeted proprietary funds would decrease slightly to 1.8% of DOJ HB 2 funding.

**LFD  
COMMENT**

Changes in the funding are included as part of the statewide present law adjustments in several programs within the Department of Justice. Figure 3 shows the percentage of funding for each fund type, by program for the Department of Justice.

Figure 3

Department of Justice Statewide Present Law Adjustment Funding					
Division	Base FY 2019	Proposed FY 2020	Proposed FY 2021	Difference FY 2020	Difference FY 2021
<b>Legal Services Division</b>					
General Fund	78.1%	76.5%	76.5%	(\$11,025)	(\$11,194)
State Special Revenue	18.2%	20.0%	20.0%	12,574	12,674
Federal Special Revenue	3.7%	3.4%	3.4%	(1,549)	(1,480)
<b>Montana Highway Patrol</b>					
State Special Revenue	100.0%	100.0%	100.0%	0	0
<b>Justice Information Technology Services Division</b>					
General Fund	98.2%	100.0%	100.0%	9,177	9,165
State Special Revenue	1.8%	0.0%	0.0%	(9,177)	(9,165)
<b>Division of Criminal Investigation</b>					
General Fund	60.2%	14.0%	13.8%	(262,958)	(263,523)
State Special Revenue	33.5%	77.7%	77.8%	251,173	251,707
Federal Special Revenue	6.3%	8.3%	8.3%	11,785	11,816
<b>Gambling Control Division</b>					
State Special Revenue	71.0%	71.0%	71.0%	(50)	(48)
Proprietary	29.0%	29.0%	29.0%	50	48
<b>Forensic Science Division</b>					
General Fund	64.3%	100.0%	100.0%	186,735	188,235
State Special Revenue	35.7%	0.0%	0.0%	(186,735)	(188,235)
<b>Motor Vehicle Division</b>					
General Fund	65.5%	58.1%	58.1%	(80,241)	(80,012)
State Special Revenue	34.5%	41.9%	41.9%	80,241	80,012
<b>Central Services Division</b>					
General Fund	59.7%	57.4%	57.4%	(4,343)	(4,407)
State Special Revenue	38.0%	40.3%	40.3%	4,297	4,361
Proprietary	2.3%	2.3%	2.3%	46	46
<b>Public Safety and Training Council</b>					
General Fund	100.0%	100.0%	100.0%	0	0
<b>Department of Justice Total Funding Changes</b>					
General Fund				(162,655)	(161,736)
State Special Revenue				152,323	151,306
Federal Special Revenue				10,236	10,336
Proprietary				96	94

Overall, DOJ reduced general fund by \$162,655 in FY 2020 and \$161,736 in FY 2021 by increases support from state and federal special revenues, and proprietary funds.

This request is more appropriately categorized as a new proposal and should be evaluated by the legislature as they would consider a new proposal.

**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 section of the Budget Analysis.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	34,167,704	34,167,704	68,335,408	92.80 %	101,168,276	101,168,276	202,336,552	94.14 %
SWPL Adjustments	2,501,013	2,425,364	4,926,377	6.69 %	3,650,423	3,536,157	7,186,580	3.34 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	191,596	187,418	379,014	0.51 %	3,311,313	2,108,204	5,419,517	2.52 %
<b>Total Budget</b>	<b>\$36,860,313</b>	<b>\$36,780,486</b>	<b>\$73,640,799</b>		<b>\$108,130,012</b>	<b>\$106,812,637</b>	<b>\$214,942,649</b>	

**Language and Statutory Authority -**

The Department of Justice has statutory authority granted in 2-15-501, 2-15-2001-2021, MCA, and Titles 44 & 61 allowing DOJ to expend \$10.7 million in general fund, \$4.6 million in state special revenue, and \$0.3 million in federal special revenue.

General fund supports statutory appropriations of \$3.8 million for highway patrol retirement and \$6.9 million for the state's contribution to county attorney salaries. State special revenue supports \$0.3 million for the enforcement of drug laws, \$0.5 million for crime victims compensation, \$3.7 million for video gambling machine permits and video gambling local distributions, and \$0.1 million for grants to Montana based nonprofit organizations that grant wishes to Montana children who are chronically or critically ill. Federal special revenues supports \$0.3 million for enforcement of drug laws.

**Program Biennium Comparison**

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 18-19	Requested Budget 20-21	Biennium Change	Biennium % Change
Personal Services	10,812,466	12,282,732	1,470,266	13.60 %
Operating Expenses	4,378,962	5,319,158	940,196	21.47 %
Benefits & Claims	2,242,382	2,242,382	0	0.00 %
<b>Total Expenditures</b>	<b>\$17,433,810</b>	<b>\$19,844,272</b>	<b>\$2,410,462</b>	<b>13.83 %</b>
General Fund	13,443,006	15,479,465	2,036,459	15.15 %
State/Other Special Rev. Funds	2,527,719	2,844,423	316,704	12.53 %
Federal Spec. Rev. Funds	1,463,085	1,520,384	57,299	3.92 %
<b>Total Funds</b>	<b>\$17,433,810</b>	<b>\$19,844,272</b>	<b>\$2,410,462</b>	<b>13.83 %</b>
<b>Total Ongoing</b>	<b>\$17,433,810</b>	<b>\$19,844,272</b>	<b>\$2,410,462</b>	<b>13.83 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

**Program Biennium Comparison -**

The biennium comparison table shows a total growth of 13.8%, which for the Legal Services Division is significantly influenced by the FY 2018 appropriation reductions. Compared to the FY 2019 base appropriation, the growth is 7.8%.

**Program Description**

The Legal Services Division (LSD) provides:

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

The Prosecution Services Bureau assists local county attorneys by providing training and assisting in the prosecution of complex criminal cases, particularly homicide cases. The bureau prosecutes cases where the county attorney has a conflict of interest, as well as drug, workers' compensation, and Medicaid fraud cases. The bureau also investigates complaints against county attorneys.

The Appellate Services Bureau handles appeals of criminal matters, including death penalty cases, and represents the state in federal court when constitutional challenges are made to a criminal conviction.

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 and federal reserved water rights.

The Child Protection Unit handles child abuse and neglect cases around Montana. The unit has offices in Bozeman, Billings, Great Falls, and Miles City and focuses on resolving the legal status of children who have been in foster care for more than 15 out of the most recent 22 months.

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 officers, and local community organizations.

The Office of Consumer Protection responds to consumer complaints and enforces Montana’s consumer protection laws and regulations relating to unfair and deceptive business practices.

**Program Highlights**

<b>Legal Services Division Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The proposed Legal Services Division 2021 biennium budget is \$2.4 million or 13.8% higher than the 2019 biennium. Significant changes include:                             <ul style="list-style-type: none"> <li>◦ An additional \$1.4 million in personal services requested as part of statewide present law adjustments</li> <li>◦ Operating expense increases related to statewide present law adjustments</li> </ul> </li> </ul>
<b>LFD Issues</b>
<ul style="list-style-type: none"> <li>• Transferring authority from personal services to operating expenses increases the 2021 biennium budget</li> <li>• A portion of the consumer education settlement fund balance of \$8.3 million could be transferred to the general fund</li> </ul>

**Program Actuals and Budget Comparison**

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Request Fiscal 2020	Request Fiscal 2021
FTE	0.00	63.50	63.50	63.50	63.50
Personal Services	5,722,488	5,372,743	5,439,723	6,143,755	6,138,977
Operating Expenses	1,289,301	1,735,786	2,643,176	2,657,464	2,661,694
Benefits & Claims	655,292	1,121,191	1,121,191	1,121,191	1,121,191
<b>Total Expenditures</b>	<b>\$7,667,081</b>	<b>\$8,229,720</b>	<b>\$9,204,090</b>	<b>\$9,922,410</b>	<b>\$9,921,862</b>
General Fund	6,254,817	6,255,397	7,187,609	7,739,758	7,739,707
State/Other Special Rev. Funds	1,186,475	1,247,322	1,280,397	1,422,407	1,422,016
Federal Spec. Rev. Funds	225,789	727,001	736,084	760,245	760,139
<b>Total Funds</b>	<b>\$7,667,081</b>	<b>\$8,229,720</b>	<b>\$9,204,090</b>	<b>\$9,922,410</b>	<b>\$9,921,862</b>
<b>Total Ongoing</b>	<b>\$7,667,081</b>	<b>\$8,229,720</b>	<b>\$9,204,090</b>	<b>\$9,922,410</b>	<b>\$9,921,862</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Program Discussion -

*FY 2018 Appropriations Compared to FY 2018 Actual Expenditures*

The Legal Services Division (LSD) expended 93.2% of its HB 2 appropriation including 106.5% of the personal services budget, 74.3% of operating expenses, and 58.4% of benefits and claims. Personal services within the Legal Services Division were reduced by \$366,195 in FY 2018 for the legislative vacancy savings of 6.0%. The actual vacancy rate for LSD was 2.9%.

To offset personal services expenditures, LSD spent less in operating expenses supported through the general fund by reducing consulting and professional services, purchases of supplies and materials, and travel as compared to the 2017 biennium.

Benefits and claims for crime victims were appropriated \$0.5 million in federal special revenues, however, only 10.1% of this appropriation was expended as requirements to expend federal appropriations were not met. According to DOJ, this is because the federal and state fiscal years are different and because federal law requires DOJ to spend state dollars before spending federal dollars.

*FY 2018 Appropriations Compared to FY 2019 Appropriations*

FY 2019 appropriations were \$1.0 million, or 11.8% higher than the FY 2018 appropriation due to:

- The 2017 Legislature reduced operating expenses for LSD in FY 2018 and FY 2019. At the same time, the legislature partially restored \$0.3 million of the reduction in operating expenses in FY 2019
- November 2017 Special Session reductions in both years of the 2019 biennium that were subsequently restored by SB 9 for FY 2019 in the amount of \$0.5 million
- Transfer of \$0.1 million in personal services authority into Legal Services Division from the Motor Vehicle Division in FY 2019

*Executive Request*

The executive requests a 13.8% or \$2.4 million increase in total funding compared to the 2019 biennium. Increases include an additional \$1.4 million in personal services requested as part of statewide present law adjustments.

Program Personal Services

Personal services in the LSD increase by 13.6% when compared to the 2019 biennium. As reflected in Figure 2, the Legal Services Division included the following changes as part of its statewide present law adjustments:

- Reinstatement of reductions imposed by the 2017 Legislature
- Reinstatement related to required reductions included in SB 261
- Reinstatement due to a proposed change in the vacancy savings rate to 2.0%
- Modifications to the personal services base budget of \$464,000 in personal services. DOJ transferred authority out of personal services and into operating expenses including \$90,000 that was transferred to Central Services Division.

<b>LFD ISSUE</b>	<u>Transferring Authority from Personal Services to Operating Expenses Appropriations Increases the 2021 Biennium Budget</u>
<p>In FY 2019, the Department of Justice transferred \$373,000 in personal services in the Legal Services Division through modifications that transferred authority out of personal services and into operating expenses. DOJ did not eliminate related FTE. Personal services appropriations for the 2021 biennium use the salary and related benefits associated with FTE to establish the level of appropriation required for personal services. Since the Department of Justice did not reduce FTE when it eliminated personal services funding in FY 2019, the personal services reduction automatically returns when the personal services snapshot is used to establish the level of funding required in the 2021 biennium. As a result, the Department of Justice 2021 biennium budget for Legal Services Division is \$373,000 higher each year than it would have been had the appropriation remained in</p>	

personal services instead of operating expenses, or as an alternative if FTE been reduced for the transfer of authority from personal services to operating expenses.

Legislative options:

- Reduce personal services funding and related FTE in the Legal Services Division to offset the transfer of personal services funding in FY 2019
- Reduce operating expenses in the Legal Services Division by \$373,000
- Gain an understanding from LSD of underlying funding requirements and adjust budget as needed

**Funding**

The following table shows proposed program funding by source of authority.

Department of Justice, 01-Legal Services Division Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	15,479,465	0	0	0	15,479,465	76.31 %	
02106 Crime Victims Compensation-St	0	0	0	441,028	441,028	13.42 %	
02140 Consumer Education Settlement	2,266,748	0	0	0	2,266,748	68.99 %	
02937 DOJ Misc SSR MOUs	577,675	0	0	0	577,675	17.58 %	
02445 Coal Fired Generation	0	0	0	0	0	0.00 %	
<b>State Special Total</b>	<b>\$2,844,423</b>	<b>\$0</b>	<b>\$0</b>	<b>\$441,028</b>	<b>\$3,285,451</b>	<b>16.20 %</b>	
03169 Federal Crime Victims Benefits	1,089,831	0	0	0	1,089,831	71.68 %	
03187 BCC Grants To Dept. Of Justice	2	0	0	0	2	0.00 %	
03801 Dept Of Justice-Misc Grants	430,551	0	0	0	430,551	28.32 %	
<b>Federal Special Total</b>	<b>\$1,520,384</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,520,384</b>	<b>7.50 %</b>	
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Total All Funds</b>	<b>\$19,844,272</b>	<b>\$0</b>	<b>\$0</b>	<b>\$441,028</b>	<b>\$20,285,300</b>		

Each of the various functions within LSD has a unique funding source. Attorneys are supported by general fund and state special revenue from consumer education settlement funds and other state special revenues generated from agreements with other state agencies. Work for the Reserved Water Rights Compact Commission and prosecution of hunting violations are funded by the Department of Fish, Wildlife, and Parks, and prosecution of workers' compensation violations are funded by the Montana State Fund. The cost of major litigation is entirely supported by general fund. Funding for assistance to crime victims comes from the general fund and federal grants. State special revenue from the settlement of consumer protection litigation funds the portion of the division that supports consumer protection functions. Statutory authority for crime victims compensation is established in 53-9-113, MCA.

Figure 4 provides revenues, expenditures, and fund balance for the consumer education settlement account.

Figure 4 provides revenues, expenditures, and fund balance for the consumer education settlement account.

Figure 4

Department of Justice						
Consumer Education Settlement - 02140						
	Actuals FY 2016	Actuals FY 2017	Actuals FY 2018	Appropriated FY 2019	Proposed FY 2020	Proposed FY 2021
Beginning Fund Balance	\$7,024,013	\$5,282,249	\$16,808,604	\$6,333,883	\$7,018,879	\$7,650,169
<b>Revenues</b>						
Charges for Services	26,369	40,008	26,690	26,690	26,690	26,690
Fines/Forfeits	<u>1,110,320</u>	<u>13,456,749</u>	<u>1,596,243</u>	<u>2,353,891</u>	<u>2,353,891</u>	<u>2,353,891</u>
Total Revenue	1,136,689	13,496,757	1,622,933	2,380,581	2,380,581	2,380,581
<b>Expenditures</b>						
Personal Services	1,042,550	967,886	820,768	910,975	1,028,943	1,028,257
Operating Expenses	1,642,902	680,021	614,128	782,838	718,575	718,900
Equipment & Intangible Assets	0	126,495	62,759	1,773	1,773	1,773
Grants	193,000	196,000	0	0	0	0
Transfers Out	<u>0</u>	<u>0</u>	<u>10,600,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	2,878,452	1,970,402	12,097,655	1,695,585	1,749,290	1,748,929
Adjustments	(1)	0	1	0		
Ending Fund Balance	\$5,282,249	\$16,808,604	\$6,333,883	\$7,018,879	\$7,650,169	\$8,281,821

In FY 2018, HB 650 transferred \$6.6 million of the fund to the long-range building program for construction projects at the Montana Law Enforcement Academy and \$3.0 million to the general fund. The November 2017 Special Session required another \$1.0 million be transferred to the general fund. As reflected in Figure 3, the consumer education settlement account will have a projected fund balance of \$8.3 million by the end of FY 2021. Under Montana’s Consumer Protection Act, civil fines, costs, and fees received or recovered by DOJ are deposited into the consumer education settlement account. Settlement agreements are negotiated by the Department of Justice and, once negotiated, DOJ takes the settlement to a judge to have the judge make the settlement a court order. Uses of the account include defraying the expense of DOJ in discharging its administrative and regulatory powers and duties for consumer protection. Any excess civil fines, costs, or fees must be transferred to the general fund.

<b>LFD ISSUE</b>	<p><u>A Portion of the Consumer Education Settlement Fund Balance Could Be Used To Offset General Fund</u></p> <p>Consumer settlements are legal agreements negotiated by the Department of Justice in cases where Montana’s Consumer Protection Act has been violated. Statute defines that excess civil fines, costs, and fees in the account are to be deposited into the general fund. According to the Department of Justice, the court orders are considered settlements which exempts them from the requirement to deposit the excess into the general fund. In FY 2017 the Department of Justice negotiated a settlement agreement with a drug company for \$13.5 million. According to the Department of Justice, the terms of the settlement agreement require the funds to be used to impact illegal drug use. The Judicial Branch Supreme Court Operations includes a proposed \$1.3 million a year in the 2021 biennium for drug courts, a specialized diversionary program designed to impact offenders who are addicted to drugs, including alcohol. It appears a portion of the \$13.5 million received from the drug settlement could be used to offset \$2.6 million in general fund provided to the Judicial Branch for drug courts.</p>
----------------------	---

In addition, the Office of the Public Defender represents defendants accused of drug-related crimes. A portion of the funding might also be used to offset the general fund for the Office of the Public Defender, however further analysis would need to be conducted to determine the level of funding that could be used to offset general fund.

Legislative Options:

- Provide the Judicial Branch with \$1.3 million spending authority from the consumer education settlement account and reduce general fund supporting the drug courts; and
- Provide the Office of the Public Defender spending authority from the consumer education settlement account and reduce general fund to support defense of those accused of drug-related crimes
- Continue to allow the fund balance in the consumer education settlement account to increase

**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 section of the Budget Analysis.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	7,187,609	7,187,609	14,375,218	92.87 %	9,204,090	9,204,090	18,408,180	92.76 %
SWPL Adjustments	552,149	552,098	1,104,247	7.13 %	718,320	717,772	1,436,092	7.24 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
<b>Total Budget</b>	<b>\$7,739,758</b>	<b>\$7,739,707</b>	<b>\$15,479,465</b>		<b>\$9,922,410</b>	<b>\$9,921,862</b>	<b>\$19,844,272</b>	

**Present Law Adjustments**

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the budget proposed by the executive. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	538,906	140,965	24,161	704,032	0.00	535,005	140,194	24,055	699,254
DP 2 - Fixed Costs	0.00	6,571	1,045	0	7,616	0.00	8,812	1,425	0	10,237
DP 3 - Inflation Deflation	0.00	6,672	0	0	6,672	0.00	8,281	0	0	8,281
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$552,149</b>	<b>\$142,010</b>	<b>\$24,161</b>	<b>\$718,320</b>	<b>0.00</b>	<b>\$552,098</b>	<b>\$141,619</b>	<b>\$24,055</b>	<b>\$717,772</b>

\*\*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:

- Formula based changes
- Personal services management decisions
- Reinstatement of personal services previously reduced
- Modifications made to the personal services budget in the 2019 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, 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 food, postage, gasoline, and others.

**Program Biennium Comparison**

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 18-19	Requested Budget 20-21	Biennium Change	Biennium % Change
Personal Services	52,828,343	56,005,461	3,177,118	6.01 %
Operating Expenses	17,644,540	18,627,081	982,541	5.57 %
Equipment & Intangible Assets	4,635,194	4,139,330	(495,864)	(10.70)%
<b>Total Expenditures</b>	<b>\$75,108,077</b>	<b>\$78,771,872</b>	<b>\$3,663,795</b>	<b>4.88 %</b>
State/Other Special Rev. Funds	75,108,077	78,771,872	3,663,795	4.88 %
<b>Total Funds</b>	<b>\$75,108,077</b>	<b>\$78,771,872</b>	<b>\$3,663,795</b>	<b>4.88 %</b>
<b>Total Ongoing</b>	<b>\$75,108,077</b>	<b>\$78,771,872</b>	<b>\$3,663,795</b>	<b>4.88 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

**Program Description**

The Montana Highway Patrol Division (MHP) 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**

<b>Montana Highway Patrol Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The proposed Montana Highway Patrol 2021 biennium budget is \$3.7 million or 4.9% higher than the 2019 biennium. Significant changes include:                             <ul style="list-style-type: none"> <li>◦ Proposal to increase salaries for the Montana Highway Patrol to align with those provided deputy sherriffs at a cost of \$1.8 million</li> <li>◦ Proposal to add 5.00 FTE and \$1.4 million in personal services and operating expenses to address traffic safety</li> </ul> </li> </ul>

**Program Actuals and Budget Comparison**

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Request Fiscal 2020	Request Fiscal 2021
FTE	0.00	305.09	305.09	310.09	310.09
Personal Services	26,122,505	26,149,250	26,679,093	28,022,010	27,983,451
Operating Expenses	8,182,268	8,553,191	9,091,349	9,392,184	9,234,897
Equipment & Intangible Assets	2,492,161	2,643,029	1,992,165	2,147,165	1,992,165
<b>Total Expenditures</b>	<b>\$36,796,934</b>	<b>\$37,345,470</b>	<b>\$37,762,607</b>	<b>\$39,561,359</b>	<b>\$39,210,513</b>
State/Other Special Rev. Funds	36,796,934	37,345,470	37,762,607	39,561,359	39,210,513
<b>Total Funds</b>	<b>\$36,796,934</b>	<b>\$37,345,470</b>	<b>\$37,762,607</b>	<b>\$39,561,359</b>	<b>\$39,210,513</b>
<b>Total Ongoing</b>	<b>\$36,796,934</b>	<b>\$37,345,470</b>	<b>\$37,762,607</b>	<b>\$39,561,359</b>	<b>\$39,210,513</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Program Discussion -**

*FY 2018 Appropriations Compared to FY 2018 Actual Expenditures*

The Montana Highway Patrol (MHP) expended 98.5% of its HB 2 appropriations including 99.9% of personal services, 95.7% of operating expenses, and 94.3% of equipment and intangible assets. The legislature imposed a 3.0% vacancy savings reduction or \$801,000 in state special revenues. Overall MHP, during FY 2018, did not incur vacancies.

MHP expended slightly more in FY 2018 than in previous biennia for operating expenses. The main exception to this was less expenditures for computer hardware when compared to those made in the 2017 biennium.

*FY 2018 Appropriations Compared to FY 2019 Appropriations*

FY 2019 appropriations are \$417,000 higher, or 1.1% higher than FY 2018 appropriations. Personal services are \$529,800 higher in FY 2019 due to the elimination of two months of contributions to state employee health benefits in FY 2018. Operating expenses are \$538,000 higher in FY 2019 mainly due a transfer of \$464,000 in operating expense authority to equipment in FY 2018 that did not occur in FY 2019. An additional transfer of \$187,000 from personal services to equipment and intangible assets in FY 2018 increased the equipment and intangible assets authority.

*Executive Request*

The executive requests an increase of 4.9% or \$3.7 million in total funding compared to the 2019 biennium. Increases include:

- \$1.8 million in personal services supported by state special revenue to increase MHP salaries. A salary survey of deputy sherriff salaries was completed indicating the increase would keep MHP salaries comparable with their law enforcement counterparts
- \$1.4 million in personal services supported by state special revenue for 5.00 FTE to address traffic safety needs

Program Personal Services

Personal services in the MHP increase by 6.0% compared to the 2019 biennium including new proposals for statutory pay increases and 5.00 FTE and related personal services funding. As reflected in Figure 2 in the Agency Summary, the Montana Highway Patrol proposes reinstatement of \$48,000 in personal services due to a proposed change in the vacancy savings rate to 0.0%.

Funding

The following table shows proposed program funding by source of authority.

Department of Justice, 03-Montana Highway Patrol Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
General Fund	0	0	0	3,842,374	3,842,374	4.65 %	
02014 Highway Patrol Pay & Retention	14,430,473	0	0	0	14,430,473	18.32 %	
02143 Drug Forfeitures-State	0	0	0	0	0	0.00 %	
02937 DOJ Misc SSR MOUs	0	0	0	0	0	0.00 %	
02464 MHP Administrative SSR	64,341,399	0	0	0	64,341,399	81.68 %	
02372 MHP MISC	0	0	0	0	0	0.00 %	
<b>State Special Total</b>	<b>\$78,771,872</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$78,771,872</b>	<b>95.35 %</b>	
03549 MHP Grants	0	0	0	0	0	0.00 %	
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Total All Funds</b>	<b>\$78,771,872</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,842,374</b>	<b>\$82,614,246</b>		

Functions of the Montana Highway Patrol are supported by state special revenue, with the bulk of the costs supported by the MHP administrative account established by the 2017 Legislature. Statutory authority outlined in 16-6-404, MCA provides general fund for highway patrol retirement contributions. Figure 5 shows the revenues, expenditures, and fund balance for the MHP administrative account. This funding replaced restricted highways state special revenue funding.

Figure 5

Department of Justice Montana Highway Patrol Highway State Special - 02464				
	Actuals FY 2018	Appropriated FY 2019	Proposed FY 2020	Proposed FY 2021
Beginning Fund Balance	\$875,965	\$8,577,161	\$8,495,034	\$7,326,710
Revenues*				
Taxes	30,872,506	31,005,000	31,375,000	31,585,000
Charges for Services	430	0	0	0
Grants, Transfers, Misc	<u>5,761,180</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenue	36,634,116	31,005,000	31,375,000	31,585,000
Expenditures				
Personal Services	19,141,416	19,949,303	21,051,613	21,013,054
Operating Expenses	8,182,257	9,145,659	9,291,494	9,187,260
Equipment and Intangible Assets	<u>1,609,247</u>	<u>1,992,165</u>	<u>2,200,217</u>	<u>1,992,165</u>
Total Expenditures	28,932,920	31,087,127	32,543,324	32,192,479
Ending Fund Balance	\$8,577,161	\$8,495,034	\$7,326,710	\$6,719,231
* Appropriated and Proposed Revenues from LFD Estimates November 2018				

HB 650 enacted by the 2017 Legislature established the MHP administrative account and required that \$0.04 of the gas tax be deposited into the account for use and management by the MHP. The uses of the account are not defined in statute.

The highway patrol recruitment and retention account supported by a \$10.00 vehicle registration fee may be used to support the cost of uniformed officers, equipment, pay increases, and the executive protection function.

The 2017 Legislature doubled the fee deposited into the highway patrol pay and retention account from \$5.00 to \$10.00. Figure 6 shows the revenues, expenditures, and fund balance for this state special revenue fund account.

Figure 6

Department of Justice Highway Patrol Pay and Retention - 02014						
	Actuals FY 2016	Actuals FY 2017	Actuals FY 2018	Appropriated FY 2019	Proposed FY 2020	Proposed FY 2021
Beginning Fund Balance	\$5,094,038	\$4,112,513	\$3,118,959	\$4,569,594	\$7,709,721	\$10,693,325
<b>Revenues</b>						
Licenses and Permits	5,173,390	5,362,989	10,201,831	10,201,831	10,198,841	10,198,841
Grants, Transfers, Misc	(817)	5,037	1,136	0	0	0
<b>Total Revenue</b>	<b>5,172,573</b>	<b>5,368,026</b>	<b>10,202,967</b>	<b>10,201,831</b>	<b>10,198,841</b>	<b>10,198,841</b>
<b>Expenditures</b>						
Personal Services	6,154,097	6,045,507	6,908,092	6,879,289	7,113,289	7,113,289
Operating Expenses	0	322,296	0	182,415	101,948	101,947
Equipment & Intangible Assets	0	0	1,844,240	0	0	0
Capital Projects	0	0	0	0	0	2,805,000
<b>Total Expenditures</b>	<b>6,154,097</b>	<b>6,367,803</b>	<b>8,752,332</b>	<b>7,061,704</b>	<b>7,215,237</b>	<b>10,020,236</b>
Adjustments	(1)	6,223				
<b>Ending Fund Balance</b>	<b>\$4,112,513</b>	<b>\$3,118,959</b>	<b>\$4,569,594</b>	<b>\$7,709,721</b>	<b>\$10,693,325</b>	<b>\$10,871,930</b>
* Appropriated and Proposed Revenues from LFD Estimates November 2018						

As reflected in Figure 6, the fund balance in the account increases in the 2021 biennium, reversing what had been a declining balance. In FY 2021, the MHP proposes construction of a new building in Glendive to house MHP functions in eastern Montana.

**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 section of the Budget Analysis.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	37,762,607	37,762,607	75,525,214	95.88 %
SWPL Adjustments	0	0	0	0.00 %	27,574	(7,273)	20,301	0.03 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	1,771,178	1,455,179	3,226,357	4.10 %
<b>Total Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>\$39,561,359</b>	<b>\$39,210,513</b>	<b>\$78,771,872</b>	

**Present Law Adjustments**

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the budget proposed by the executive. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	50,810	0	50,810	0.00	0	12,252	0	12,252
DP 2 - Fixed Costs	0.00	0	(23,451)	0	(23,451)	0.00	0	(19,792)	0	(19,792)
DP 3 - Inflation Deflation	0.00	0	215	0	215	0.00	0	267	0	267
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$0</b>	<b>\$27,574</b>	<b>\$0</b>	<b>\$27,574</b>	<b>0.00</b>	<b>\$0</b>	<b>(\$7,273)</b>	<b>\$0</b>	<b>(\$7,273)</b>

\*"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:

- Formula based changes
- Personal services management decisions
- Reinstatement of personal services previously reduced
- Modifications made to the personal services budget in the 2019 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, 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 food, postage, gasoline, and others.

**New Proposals**

The "New Proposals" table shows new changes to spending.

	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 301 - MHP Salary Survey	0.00	0	900,000	0	900,000	0.00	0	900,000	0	900,000
DP 302 - MHP Base Adjustment	0.00	0	25,000	0	25,000	0.00	0	25,000	0	25,000
DP 303 - MHP Trooper FTE	5.00	0	846,178	0	846,178	5.00	0	530,179	0	530,179
<b>Total</b>	<b>5.00</b>	<b>\$0</b>	<b>\$1,771,178</b>	<b>\$0</b>	<b>\$1,771,178</b>	<b>5.00</b>	<b>\$0</b>	<b>\$1,455,179</b>	<b>\$0</b>	<b>\$1,455,179</b>

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

DP 301 - MHP Salary Survey -

The Montana Highway Patrol proposes a 4.3% increase for uniformed officers' salaries based on results of the salary survey conducted by the Department of Administration in accordance with 2-18-303, MCA. The survey averaged the starting wage in eight Montana county sheriff's offices.

**LFD  
COMMENT**

In statute, uniformed officers of the Montana Highway Patrol receive a salary increase based on the Department of Administration salary survey of the eight largest Montana counties. The most recent survey calculated that a 4.3% increase would be required to keep Montana Highway Patrol officer salaries at a level comparable with county sheriffs. Increases given to uniformed officers are exclusive of and not in addition to any increases otherwise awarded to other state employees.

DP 302 - MHP Base Adjustment -

The Montana Highway Patrol is proposing additional state special revenue to support rent increases included in operating expenses.

DP 303 - MHP Trooper FTE -

The Montana Highway Patrol requests five additional troopers (5.00 FTE) to address increased traffic safety needs. The positions will be paid for using MHP state special revenue. In FY 2020 \$392,107 in personal services, \$299,071 in operating expenses, and \$155,000 in equipment and intangible assets is requested. In FY 2021 \$392,106 in personal services and \$138,073 in operating expenses is requested.

**Program Biennium Comparison**

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 18-19	Requested Budget 20-21	Biennium Change	Biennium % Change
Personal Services	5,414,455	7,133,641	1,719,186	31.75 %
Operating Expenses	3,549,804	4,279,831	730,027	20.57 %
Equipment & Intangible Assets	122,654	96,140	(26,514)	(21.62)%
Capital Outlay	30,059	0	(30,059)	(100.00)%
<b>Total Expenditures</b>	<b>\$9,116,972</b>	<b>\$11,509,612</b>	<b>\$2,392,640</b>	<b>26.24 %</b>
General Fund	8,555,565	10,014,052	1,458,487	17.05 %
State/Other Special Rev. Funds	526,601	1,460,754	934,153	177.39 %
Federal Spec. Rev. Funds	5,270	5,270	0	0.00 %
Proprietary Funds	29,536	29,536	0	0.00 %
<b>Total Funds</b>	<b>\$9,116,972</b>	<b>\$11,509,612</b>	<b>\$2,392,640</b>	<b>26.24 %</b>
<b>Total Ongoing</b>	<b>\$9,116,972</b>	<b>\$11,509,612</b>	<b>\$2,392,640</b>	<b>26.24 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

**Program Biennium Comparison -**

The biennium comparison table shows a total growth of 26.2%, which for the Justice Information Technology Services Division is significantly influenced by the FY 2018 appropriation reductions. Compared to the FY 2019 base appropriation, the growth is 20.3%.

**Program Description**

The Justice Information Technology Services Division (JITSD) engineers, designs, plans, implements, directs, evaluates, operates, and manages all information technologies systems and services within the Department of Justice.

These systems include the Montana enhanced registration licensing network (MERLIN), driver testing, and license/identification production, integrated justice information sharing broker (IJIS Broker), SmartCop, criminal justice information network (CJIN), computerized criminal history, automated biometric identification system, sexual or violent offender repository and web site, laboratory management information system, GenTax, and many other technology solutions deployed within the department.

The division provides direct and indirect support for statewide services to federal, state, and local law enforcement agencies in identification of persons, fingerprint processing, and criminal records storage and dissemination. JITSD is also responsible for DOJ information security, disaster recovery plan and implementation, and the IT Strategic Plan.

Program Highlights

<b>Justice Information Technology Services Division Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The proposed Justice Information Technology Services Division 2021 biennium budget is \$2.4 million or 26.2% higher than the 2019 biennium. Significant changes include:                             <ul style="list-style-type: none"> <li>◦ Additional personal services of \$1.0 million over the biennium included in statewide present law adjustments</li> <li>◦ \$0.9 million in additional personal services for 3.50 FTE for disaster recovery and Real Id</li> </ul> </li> </ul>
<b>LFD Issues</b>
<ul style="list-style-type: none"> <li>• Transferring authority from personal services to operating expenses increases the 2021 biennium budget</li> </ul>

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Request Fiscal 2020	Request Fiscal 2021
FTE	0.00	36.80	36.80	40.30	40.30
Personal Services	2,943,169	2,686,742	2,727,713	3,566,834	3,566,807
Operating Expenses	1,276,049	1,531,824	2,017,980	2,193,563	2,086,268
Equipment & Intangible Assets	85,834	85,834	36,820	59,320	36,820
Capital Outlay	29,385	30,059	0	0	0
<b>Total Expenditures</b>	<b>\$4,334,437</b>	<b>\$4,334,459</b>	<b>\$4,782,513</b>	<b>\$5,819,717</b>	<b>\$5,689,895</b>
General Fund	4,053,736	4,053,759	4,501,806	5,005,471	5,008,581
State/Other Special Rev. Funds	263,298	263,297	263,304	796,843	663,911
Federal Spec. Rev. Funds	2,635	2,635	2,635	2,635	2,635
Proprietary Funds	14,768	14,768	14,768	14,768	14,768
<b>Total Funds</b>	<b>\$4,334,437</b>	<b>\$4,334,459</b>	<b>\$4,782,513</b>	<b>\$5,819,717</b>	<b>\$5,689,895</b>
<b>Total Ongoing</b>	<b>\$4,334,437</b>	<b>\$4,334,459</b>	<b>\$4,782,513</b>	<b>\$5,819,717</b>	<b>\$5,689,895</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Program Discussion -

*FY 2018 Appropriations Compared to FY 2018 Actual Expenditures*

The Justice Information Technology Services Division expended 109.5% of its personal services budget, 83.3% of operating expenses, 100.0% of equipment and intangible assets, and 97.8% of capital outlay. The legislature imposed a 6.0% vacancy savings reduction or \$190,059. JITSD incurred actual vacancies of 6.2%, however the vacant positions did not generate sufficient funding to offset the reduction in personal services imposed through vacancy savings.

Reductions to costs in operating expenses were achieved through reduced expenditures for training costs, conferences, and travel as compared to the 2017 biennium.

FY 2018 Appropriations Compared to FY 2019 Appropriations

FY 2019 appropriations were \$448,000, or 10.3% higher than the FY 2018 appropriation due to:

- November 2017 Special Session reductions in both fiscal years that were subsequently restored by SB 9 for FY 2019, in the amount of \$299,000
- Elimination of \$72,000 in employer state share contributions in FY 2018
- SB 294 pay plan increase in FY 2019 of \$10,000

Executive Request

The executive requests an increase of 26.2% or \$2.4 million in total funding compared to the 2019 biennium. Increases include:

- An additional \$1.1 million in personal services requested as part of statewide present law adjustments
- \$0.9 million in additional personal services supporting 3.50 FTE for disaster recovery and Real Id implementation

Program Personal Services

Personal services in JITSD increase by 31.8% when compared to the 2019 biennium budget. New proposals for 3.50 FTE makes up 17.3% of the increase. As reflected in Figure 2 in the Agency Discussion, the JITSD proposes the following changes as part of its statewide present law adjustments in each year of the biennium:

- Reinstatement of reductions enacted by the 2017 Legislature
- Reinstatement of SB 261 reductions
- Reinstatement due to a proposed change in the vacancy savings rate to 2.0%
- Modifications to the personal services base budget, JITSD reduced personal services appropriations by \$263,000 and increased operating expenses in FY 2019

**LFD  
ISSUE**Transferring Authority from Personal Services to Operating Expenses Appropriations Increases the 2021 Biennium Budget

In FY 2019, the Department of Justice transferred \$263,000 of personal services in the Justice Information Technology Services Division to operating expenses. JITSD did not eliminate related FTE. Personal services appropriations for the 2021 biennium use the salary and related benefits associated with FTE to establish the level of appropriation required for personal services. Since the JITSD did not reduce FTE when it eliminated personal services funding in FY 2019, the personal services reduction automatically returns when the personal services snapshot is used to establish the level of funding required in the 2021 biennium. As a result, the Department of Justice 2021 biennium budget for JITSD is \$263,000 higher in each year than it would have been had the appropriation remained in personal services instead of operating expenses, or as an alternative if FTE been reduced for the transfer of authority from personal services to operating expenses.

Legislative options:

- Reduce personal services funding and related FTE in the Justice Information Technology Services Division to offset the transfer of personal services funding in FY 2019
- Reduce operating expenses in the Justice Information Technology Services Division by \$263,000 each year of the 2021 biennium
- Gain an understanding from JITSD of underlying funding requirements and adjust budget as needed

Funding

The following table shows proposed program funding by source of authority.

Department of Justice, 04-Justice Information Technology Services Division Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	10,014,052	0	0	0	10,014,052	87.01 %	
02016 Criminal Justice Info Network	7,926	0	0	0	7,926	0.54 %	
02074 Gambling License Fee Account	34,926	0	0	0	34,926	2.39 %	
02140 Consumer Education Settlement	245,284	0	0	0	245,284	16.79 %	
02349 Highway Non-Restricted Account	14	0	0	0	14	0.00 %	
02456 61-6-158 MTIVS & MCE	0	0	0	0	0	0.00 %	
02797 Criminal Records Info Sys	95,496	0	0	0	95,496	6.54 %	
02798 61-3-550 MVD MERLIN HB261	934,146	0	0	0	934,146	63.95 %	
02937 DOJ Misc SSR MOUs	7,188	0	0	0	7,188	0.49 %	
02799 MVD Administrative Fee	27,154	0	0	0	27,154	1.86 %	
02464 MHP Administrative SSR	108,620	0	0	0	108,620	7.44 %	
<b>State Special Total</b>	<b>\$1,460,754</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,460,754</b>	<b>12.69 %</b>	
03800 Medicaid Fraud	5,270	0	0	0	5,270	100.00 %	
<b>Federal Special Total</b>	<b>\$5,270</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,270</b>	<b>0.05 %</b>	
06005 Liquor Division	14,264	0	0	0	14,264	48.29 %	
06500 Agency Legal Services	15,272	0	0	0	15,272	51.71 %	
<b>Proprietary Total</b>	<b>\$29,536</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$29,536</b>	<b>0.26 %</b>	
<b>Total All Funds</b>	<b>\$11,509,612</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$11,509,612</b>		

JITSD is funded mainly with general fund. State special revenue, which makes up 12.7% of the funding in the 2021 biennium, comes primarily from Motor Vehicle Division MERLIN funds, consumer education settlement funds, criminal records information system fees, and the MHP administrative account. The balance of JITSD’s funding comes from a small amount of federal special revenues (Medicaid) and proprietary funds including liquor licensing fees and agency legal service 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 section of the Budget Analysis.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	4,501,806	4,501,806	9,003,612	89.91 %	4,782,513	4,782,513	9,565,026	83.10 %
SWPL Adjustments	503,665	506,775	1,010,440	10.09 %	503,665	506,775	1,010,440	8.78 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	533,539	400,607	934,146	8.12 %
<b>Total Budget</b>	<b>\$5,005,471</b>	<b>\$5,008,581</b>	<b>\$10,014,052</b>		<b>\$5,819,717</b>	<b>\$5,689,895</b>	<b>\$11,509,612</b>	

Present Law Adjustments

The “Present Law Adjustments” table shows the changes from the FY 2019 base appropriation to the budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	524,230	0	0	524,230	0.00	523,594	0	0	523,594
DP 2 - Fixed Costs	0.00	(22,272)	0	0	(22,272)	0.00	(18,937)	0	0	(18,937)
DP 3 - Inflation Deflation	0.00	1,707	0	0	1,707	0.00	2,118	0	0	2,118
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$503,665</b>	<b>\$0</b>	<b>\$0</b>	<b>\$503,665</b>	<b>0.00</b>	<b>\$506,775</b>	<b>\$0</b>	<b>\$0</b>	<b>\$506,775</b>

\*\*\*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:

- Formula based changes
- Personal services management decisions
- Reinstatement of personal services previously reduced
- Modifications made to the personal services budget in the 2019 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, 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 food, postage, gasoline, and others.

**New Proposals**

The "New Proposals" table shows new changes to spending.

New Proposals										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 406 - JITSD FTE	3.50	0	533,539	0	533,539	3.50	0	400,607	0	400,607
<b>Total</b>	<b>3.50</b>	<b>\$0</b>	<b>\$533,539</b>	<b>\$0</b>	<b>\$533,539</b>	<b>3.50</b>	<b>\$0</b>	<b>\$400,607</b>	<b>\$0</b>	<b>\$400,607</b>

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

DP 406 - JITSD FTE -

The Justice Information Technology Services Division requests 3.50 FTE and related personal services appropriations to reinforce the department's disaster recovery and Real ID efforts as required by the Motor Vehicle Division.

**Program Biennium Comparison**

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 18-19	Requested Budget 20-21	Biennium Change	Biennium % Change
Personal Services	15,216,439	17,307,500	2,091,061	13.74 %
Operating Expenses	9,822,855	10,405,102	582,247	5.93 %
Equipment & Intangible Assets	265,904	246,904	(19,000)	(7.15)%
Grants	192,200	180,000	(12,200)	(6.35)%
Transfers	22,590	22,590	0	0.00 %
<b>Total Expenditures</b>	<b>\$25,519,988</b>	<b>\$28,162,096</b>	<b>\$2,642,108</b>	<b>10.35 %</b>
General Fund	14,401,916	15,254,004	852,088	5.92 %
State/Other Special Rev. Funds	9,895,951	11,587,687	1,691,736	17.10 %
Federal Spec. Rev. Funds	1,222,121	1,320,405	98,284	8.04 %
<b>Total Funds</b>	<b>\$25,519,988</b>	<b>\$28,162,096</b>	<b>\$2,642,108</b>	<b>10.35 %</b>
<b>Total Ongoing</b>	<b>\$25,519,988</b>	<b>\$27,282,096</b>	<b>\$1,762,108</b>	<b>6.90 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$880,000</b>	<b>\$880,000</b>	<b>100.00 %</b>

**Program Biennium Comparison -**

The biennium comparison table shows a total growth of 10.4%, which for the Division of Criminal Investigation is significantly influenced by the FY 2018 appropriation reductions. Compared to the FY 2019 base appropriation, the growth is 7.4%.

**Program Description**

The Division of Criminal Investigation (DCI) includes the administration, management, and coordination of criminal investigative services and training performed by the Investigations Bureau, the Narcotics Bureau, the Crime Information Bureau, the Law Enforcement Academy Bureau, and the Children’s Justice 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 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 Medicaid Fraud Control Section also investigates elder exploitation, elder abuse, and fraud by providers within the Medicaid system. The Montana Analysis and Technical Information Center (MATIC) a statewide criminal intelligence center and addresses homeland security issues.

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 Crime Information Bureau is responsible for the repository of all Montana criminal records, maintains and operates the criminal justice information network that supports public safety, and administers the Amber Alert Program. The bureau also manages the Computer Internet Crime Unit focused on digital forensics support for criminal investigations, online sexual predator cases, and maintains the sexual and violent offender registry.

The Law Enforcement Academy Bureau provides criminal justice officers and other qualified individuals with basic and specialized training in the field of law enforcement, as well as advanced training opportunities for law enforcement officials statewide.

The Children’s Justice Bureau supports safety and justice for Montana children and other underserved and vulnerable citizens through training, technical support, and assistance to Montana professionals who respond to children and other citizens victimized by crime and abuse. The bureau’s programs include facilitation of Montana child sexual abuse response teams, the child and family ombudsman, drug endangered children awareness training, the Montana Developmental Center facility investigator, and the state Sexual Assault Kit Initiative Program.

**Program Highlights**

<b>Division of Criminal Investigation Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The proposed Division of Criminal Investigation 2021 biennium budget is \$2.6 million or 10.4% than the 2019 biennium. Significant changes include:                             <ul style="list-style-type: none"> <li>◦ Additional personal services of \$1.1 million included in the statewide present law adjustment</li> <li>◦ \$0.9 million in state special revenues for operating expenses for the criminal justice information network and the Criminal Records and Identification Services Section (CRISS)</li> </ul> </li> </ul>
<b>LFD Issues</b>
<ul style="list-style-type: none"> <li>• Transferring authority from personal services to operating expenses increases the 2021 biennium budget</li> </ul>

**Program Actuals and Budget Comparison**

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Request Fiscal 2020	Request Fiscal 2021
FTE	0.00	104.99	104.99	106.99	106.99
Personal Services	7,511,108	7,295,441	7,920,998	8,654,239	8,653,261
Operating Expenses	3,987,088	4,856,943	4,965,912	5,575,677	4,829,425
Equipment & Intangible Assets	81,471	142,452	123,452	123,452	123,452
Grants	122,200	102,200	90,000	90,000	90,000
Transfers	11,295	11,295	11,295	11,295	11,295
<b>Total Expenditures</b>	<b>\$11,713,162</b>	<b>\$12,408,331</b>	<b>\$13,111,657</b>	<b>\$14,454,663</b>	<b>\$13,707,433</b>
General Fund	6,786,178	6,837,069	7,564,847	7,626,168	7,627,836
State/Other Special Rev. Funds	4,337,375	4,966,063	4,929,888	6,168,327	5,419,360
Federal Spec. Rev. Funds	589,609	605,199	616,922	660,168	660,237
<b>Total Funds</b>	<b>\$11,713,162</b>	<b>\$12,408,331</b>	<b>\$13,111,657</b>	<b>\$14,454,663</b>	<b>\$13,707,433</b>
<b>Total Ongoing</b>	<b>\$11,713,162</b>	<b>\$12,408,331</b>	<b>\$13,111,657</b>	<b>\$13,639,663</b>	<b>\$13,642,433</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$815,000</b>	<b>\$65,000</b>

**Program Discussion -**

*FY 2018 Appropriations Compared to FY 2018 Actual Expenditures*

The Division of Criminal Investigation (DCI) expended 103.0% of its personal services HB 2 appropriations, 82.1% of operating expenses, 57.2% of equipment and intangible assets, 119.6% of grants, and 100.0% of transfers out. The legislature imposed a 6.0% vacancy savings reduction of \$492,819. The actual vacancy rate in DCI was 0.3%.

To offset higher than budgeted personal services, DCI spent less on operating expenses. DCI reduced expenditures on computer hardware and software, ammunition, and travel when compared to expenditures for the 2017 biennium. In addition, expenditures for vehicle purchases were deferred.

Grants to local government agencies were above levels originally authorized in HB 2.

*FY 2018 Appropriations Compared to FY 2019 Appropriations*

FY 2019 appropriations were \$703,000, or 56.7% higher than the FY 2018 appropriations due to:

- November 2017 Special Session reductions in both fiscal years that were subsequently restored by SB 9 for FY 2019, in the amount of \$498,000
- Temporary elimination of \$210,000 in employer state share contributions in FY 2018

*Executive Request*

The executive requests an increase of 10.4% or \$2.6 million in total funding compared to the 2019 biennium.

*Program Personal Services*

Personal services in DCI increase by 13.7% or \$2.1 million compared to the 2019 biennium. Increases include an additional \$1.1 million in personal services requested as part of statewide present law adjustments. As reflected in Figure 2 in the Agency Discussion, the Division of Criminal Investigations proposes the following annual changes as part of its statewide present law adjustments:

- Reinstatement of SB 261 reductions
- Reinstatement due to a proposed change in the vacancy savings rate to 2.0%
- Modifications to the personal services base budget of \$499,000 in personal services due to transfer of authority from personal services to operating expenses

**LFD  
ISSUE**

Transferring Authority from Personal Services to Operating Expenses Appropriations Increases the 2021 Biennium Budget

In FY 2019, the Department of Justice transferred \$499,000 in personal services in the Division of Criminal Investigations to operating expenses. Personal services appropriations for the 2021 biennium use the salary and related benefits associated with FTE to establish the level of appropriation required for personal services. Since the DCI did not reduce FTE when it eliminated personal services funding in FY 2019, the personal services reduction automatically returns when the personal services snapshot is used to establish the level of funding required in the 2021 biennium. As a result, the Department of Justice 2021 biennium budget for DCI is \$499,000 million higher in each year than it would have been had the appropriation remained in personal services instead of operating expenses, or as an alternative if FTE been reduced for the transfer of authority from personal services to operating expenses.

Legislative options:

- Reduce personal services funding and related FTE in the Division of Criminal Investigations to offset the transfer of personal services funding in FY 2019
- Reduce operating expenses in the Division of Criminal Investigations by \$499,000 each year of the 2021 biennium
- Gain an understanding from DCI of underlying funding requirements and adjust budget as needed

Funding

The following table shows proposed program funding by source of authority.

Department of Justice, 05-Division of Criminal Investigation Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	15,254,004	0	0	0	15,254,004	54.05 %	
02006 Cigarette Fire Safety Standard	196,946	0	0	0	196,946	1.69 %	
02016 Criminal Justice Info Network	1,031,591	0	0	0	1,031,591	8.86 %	
02118 Local Govt Subgrants	0	0	0	0	0	0.00 %	
02143 Drug Forfeitures-State	0	0	0	61,556	61,556	0.53 %	
02349 Highway Non-Restricted Account	166	0	0	0	166	0.00 %	
02546 MT Law Enforcement Academy	3,817,008	0	0	0	3,817,008	32.77 %	
02797 Criminal Records Info Sys	5,238,222	880,000	0	0	6,118,222	52.52 %	
02937 DOJ Misc SSR MOUs	423,754	0	0	0	423,754	3.64 %	
<b>State Special Total</b>	<b>\$10,707,687</b>	<b>\$880,000</b>	<b>\$0</b>	<b>\$61,556</b>	<b>\$11,649,243</b>	<b>41.27 %</b>	
03051 Homeland Security	0	0	0	0	0	0.00 %	
03187 BCC Grants To Dept. Of Justice	14,780	0	0	0	14,780	1.12 %	
03214 Drug Forfeitures - Federal	0	0	0	0	0	0.00 %	
03542 DCI Grants	0	0	0	0	0	0.00 %	
03800 Medicaid Fraud	1,305,625	0	0	0	1,305,625	98.88 %	
03811 NCHIP FFY2015	0	0	0	0	0	0.00 %	
<b>Federal Special Total</b>	<b>\$1,320,405</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,320,405</b>	<b>4.68 %</b>	
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Total All Funds</b>	<b>\$27,282,096</b>	<b>\$880,000</b>	<b>\$0</b>	<b>\$61,556</b>	<b>\$28,223,652</b>		

DCI is supported by a combination of general fund, state and federal special revenue. General fund supports criminal investigations, fire prevention and investigation, state matching funds for Medicaid fraud investigators, drug task forces, the computer crime unit, sexual and violent offender registry, amber alert, and the child sexual abuse response team.

The three largest sources of state special revenue supporting DCI are Montana Law Enforcement Academy surcharges that support the 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 the background check.

The largest source of federal state special revenue is Medicaid funding that supports investigation of Medicaid fraud.

Additional information on revenues, expenditures, and fund balance for the state special revenue accounts can be found in the Appendix.

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 section of the Budget Analysis.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	7,564,847	7,564,847	15,129,694	99.19 %	13,111,657	13,111,657	26,223,314	93.12 %
SWPL Adjustments	61,321	62,989	124,310	0.81 %	528,006	530,776	1,058,782	3.76 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	815,000	65,000	880,000	3.12 %
<b>Total Budget</b>	<b>\$7,626,168</b>	<b>\$7,627,836</b>	<b>\$15,254,004</b>		<b>\$14,454,663</b>	<b>\$13,707,433</b>	<b>\$28,162,096</b>	

**Present Law Adjustments**

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the budget proposed by the executive. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	79,443	441,601	47,384	568,428	0.00	78,578	441,968	47,384	567,930
DP 2 - Fixed Costs	0.00	(26,575)	(18,162)	(4,138)	(48,875)	0.00	(26,079)	(17,496)	(4,069)	(47,644)
DP 3 - Inflation Deflation	0.00	8,453	0	0	8,453	0.00	10,490	0	0	10,490
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$61,321</b>	<b>\$423,439</b>	<b>\$43,246</b>	<b>\$528,006</b>	<b>0.00</b>	<b>\$62,989</b>	<b>\$424,472</b>	<b>\$43,315</b>	<b>\$530,776</b>

\*\*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:

- Formula based changes
- Personal services management decisions
- Reinstatement of personal services previously reduced
- Modifications made to the personal services budget in the 2019 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, 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 food, postage, gasoline, and others.

**New Proposals**

The "New Proposals" table shows new changes to spending.

	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 501 - DCI Fire Marshal FTE	1.00	0	0	0	0	1.00	0	0	0	0
DP 502 - DCI Authority Increase CRISS/CJIN	0.00	0	815,000	0	815,000	0.00	0	65,000	0	65,000
DP 507 - DCI CYBER INVESTIGATOR FTE	1.00	0	0	0	0	1.00	0	0	0	0
<b>Total</b>	<b>2.00</b>	<b>\$0</b>	<b>\$815,000</b>	<b>\$0</b>	<b>\$815,000</b>	<b>2.00</b>	<b>\$0</b>	<b>\$65,000</b>	<b>\$0</b>	<b>\$65,000</b>

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

DP 501 - DCI Fire Marshal FTE -

The Division of Criminal Investigation is requesting 1.00 FTE for a fire marshal supported by general fund. Operating expenses have been reduced to offset the cost of the new FTE.

**LFD  
COMMENT**

As discussed under Program Personal Services, budget modifications that transferred personal services authority to operating expenses resulted in a higher biennium budget. The general fund reduced in operating expenses was established as a result of the transfer of personal services appropriations.

DP 502 - DCI Authority Increase CRISS/CJIN -

DCI requests additional operating expenses for the Criminal Record Information System Section/criminal justice information network as one-time-only.

DP 507 - DCI CYBER INVESTIGATOR FTE -

The Division of Criminal Investigation requests 1.00 FTE for a cyber investigator. A cyber investigator would contribute to the Governor's Information Security Advisory Council and Attorney General's National Association of Attorneys General cyber efforts to build a stronger cyber response to those attacking state systems and defrauding business and the general public. To date, there is no state or local entity conducting cyber investigations.

**Program Biennium Comparison**

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 18-19	Requested Budget 20-21	Biennium Change	Biennium % Change
Personal Services	3,150,389	2,968,381	(182,008)	(5.78)%
Operating Expenses	462,599	358,305	(104,294)	(22.55)%
<b>Total Expenditures</b>	<b>\$3,612,988</b>	<b>\$3,326,686</b>	<b>(\$286,302)</b>	<b>(7.92)%</b>
Proprietary Funds	3,612,988	3,326,686	(286,302)	(7.92)%
<b>Total Funds</b>	<b>\$3,612,988</b>	<b>\$3,326,686</b>	<b>(\$286,302)</b>	<b>(7.92)%</b>

**Program Description**

The Agency Legal Services Bureau (ALS) within Department of Justice provides legal, hearing examiner, and investigative services to state agency clients on a contract basis. ALS attorneys and investigators bill clients for their services, case-related, and incidental costs. ALS FTE are funded from the revenues generated. The customers served are state agencies, boards, and commissions that have entered into contracts with ALS.

The Attorney General is the legal officer for the state per Article VI, Section 4(4), of the Montana Constitution. Statute 2-4-611(2), MCA provides that state agencies may request from the Attorney General's Office a hearing examiner in a contested case. State agencies have the option to use in-house or private counsel and investigators instead of ALS. Executive Order 5-93 provides that agencies must receive approval from the Legal Services Review Committee (made up of a representative of the Attorney General, Budget Director, and the Governor's Chief Legal Counsel) prior to contracting for outside legal services.

**Program Highlights**

<b>Agency Legal Services Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• Agency Legal Services Bureau is entirely funded with non-budgeted proprietary funds</li> <li>• Agency Legal Services Bureau 2021 biennium budget decreases by \$286,000 or 7.9% when compared to the 2019 biennium budget. Reductions included in statewide present law adjustments for personal services make up the majority of the reduction</li> </ul>

**Program Actuals and Budget Comparison**

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Request Fiscal 2020	Request Fiscal 2021
FTE	0.00	14.00	14.00	14.00	14.00
Personal Services	1,428,164	1,498,977	1,651,412	1,483,180	1,485,201
Operating Expenses	275,904	283,629	178,970	179,098	179,207
<b>Total Expenditures</b>	<b>\$1,704,068</b>	<b>\$1,782,606</b>	<b>\$1,830,382</b>	<b>\$1,662,278</b>	<b>\$1,664,408</b>
Proprietary Funds	1,704,068	1,782,606	1,830,382	1,662,278	1,664,408
<b>Total Funds</b>	<b>\$1,704,068</b>	<b>\$1,782,606</b>	<b>\$1,830,382</b>	<b>\$1,662,278</b>	<b>\$1,664,408</b>

**Program Discussion -**

Discussion of proprietary expenditures is provided in the Other Issues section of this program narrative.

**Funding**

The following table shows proposed program funding by source of authority.

Department of Justice, 06-Agency Legal Services Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
General Fund	0	0	0	0	0	0.00 %	
<b>State Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
06500 Agency Legal Services	0	0	3,326,686	0	3,326,686	100.00 %	
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,326,686</b>	<b>\$0</b>	<b>\$3,326,686</b>	<b>100.00 %</b>	
<b>Total All Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,326,686</b>	<b>\$0</b>	<b>\$3,326,686</b>		

ALS is funded with non-budgeted proprietary funds from fees charged to state agencies for attorney and paralegal work. For information on the rates charged to state agencies refer to the Other Issues section of this program narrative.

**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 section of the Budget Analysis.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	1,830,382	1,830,382	3,660,764	110.04 %
SWPL Adjustments	0	0	0	0.00 %	(168,104)	(165,974)	(334,078)	(10.04)%
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
<b>Total Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>\$1,662,278</b>	<b>\$1,664,408</b>	<b>\$3,326,686</b>	

**Present Law Adjustments**

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the budget proposed by the executive. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	0	(168,232)	0.00	0	0	0	(166,211)
DP 2 - Fixed Costs	0.00	0	0	0	(26)	0.00	0	0	0	46
DP 3 - Inflation Deflation	0.00	0	0	0	154	0.00	0	0	0	191
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$168,104)</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$165,974)</b>

\*\*\*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:

- Formula based changes
- Personal services management decisions
- Reinstatement of personal services previously reduced
- Modifications made to the personal services budget in the 2019 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, 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 food, postage, gasoline, and others.

**Other Issues -**

**Proprietary Rates**

The Agency Legal Services Bureau provides legal services to state agencies. This program proposes a separate proprietary rate for approval by the legislature.

**Agency Legal Services Bureau 06500**

*Program Description*

The Agency Legal Services Bureau within Department of Justice provides legal, hearing examiner, and investigative services to state agency clients on a contract basis. ALS attorneys and investigators bill clients for their services, case-related, and

incidental costs. ALS FTE are funded from the revenues generated. The customers served are state agencies, boards, and commissions that have entered into contracts with ALS.

*Revenue and Expenditures*

The following 2021 Biennium Report on Internal Service and Enterprise Funds for fund 06500 shows the actual and projected and related revenues associated with the fund from FY 2018 through FY 2021. The report is provided as submitted by the executive but the LFD has edited and reconfigured the figure for clarity.

2021 Biennium Report on Internal Service and Enterprise Funds									
Fund	Fund Name	Agency #	Agency Name	Program Name					
06500	Agency Legal Service	41100	Department of Justice	Agency Legal Services					
				Actual FY 16	Actual FY 17	Projected FY 18	Budgeted FY 19	Budgeted FY 20	Budgeted FY 21
<b>Operating Revenues</b>									
<b>Fees and Charges</b>									
	Charges for Services			1,555,855	1,476,098	1,631,412	1,704,528	1,704,528	1,704,528
<b>Total Operating Revenues</b>				1,555,855	1,476,098	1,631,412	1,704,528	1,704,528	1,704,528
<b>Expenses</b>									
	Personal Services			1,153,742	1,252,333	1,430,805	1,494,579	1,502,052	1,502,052
	Other Operating Expense			186,845	237,311	268,158	186,606	186,606	186,606
<b>Total Operating Expense</b>				1,340,587	1,489,644	1,698,963	1,681,185	1,688,658	1,688,658
<b>Operating Income (Loss)</b>				215,268	(13,547)	(67,551)	23,343	15,870	15,870
<b>Income (Loss) Before Contributions and Transfers</b>				215,268	(13,547)	(67,551)	23,343	15,870	15,870
<b>Change in Net Position</b>				215,268	(13,547)	(67,551)	23,343	15,870	15,870
<b>Beginning Net Position - July 1</b>				(107,616)	107,653	94,106	26,555	49,898	65,768
	Prior Period Adjustments								
	Change in Net Position			215,268	(13,547)	(67,551)	23,343	15,870	15,870
<b>Ending Net Position - June 30</b>				107,653	94,106	26,555	49,898	65,768	81,638

Expenses

The primary costs for ALS are personal services for 14.00 FTE and operating costs. Factors that influence costs include the state pay plan, the ability to recruit and retain staff, and general inflationary pressures that increase costs for items such as utilities, rent, supplies, and equipment. As proposed, the costs for Agency Legal Services Bureau decrease by \$168,104 and \$165,974 between FY 2019 and FY 2020 and FY 2021 respectively. The decreases are included as part of the statewide present law adjustment for the ALS, mainly for personal services.

Revenues

Revenues are generated by fees charged to other state agencies for services provided.

*Rate(s) and Rate Explanation*

For the 2021 biennium the following rates are proposed by the executive. The rates charged in the base year and those by paid state agencies in FY 2018 are shown for comparison purposes.

<b>Requested Rates for Internal Service or Enterprise Funds Fee/Rate Information</b>						
	<b>Actual FY 16</b>	<b>Actual FY 17</b>	<b>Actual FY 18</b>	<b>Budgeted FY 19</b>	<b>Budgeted FY 20</b>	<b>Budgeted FY 21</b>
Fee Description:						
-Attorney (per hour)	106	106	106	106	106	106
-Investigator (per hour)	62	62	62	62	62	62

The rates approved by the legislature are the maximum the program may charged during the interim. They are not the rates the program must charge.

**Program Biennium Comparison**

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 18-19	Requested Budget 20-21	Biennium Change	Biennium % Change
Personal Services	6,999,895	7,465,574	465,679	6.65 %
Operating Expenses	1,647,409	1,645,947	(1,462)	(0.09)%
Equipment & Intangible Assets	165,720	165,720	0	0.00 %
<b>Total Expenditures</b>	<b>\$8,813,024</b>	<b>\$9,277,241</b>	<b>\$464,217</b>	<b>5.27 %</b>
State/Other Special Rev. Funds	6,338,709	6,668,516	329,807	5.20 %
Proprietary Funds	2,474,315	2,608,725	134,410	5.43 %
<b>Total Funds</b>	<b>\$8,813,024</b>	<b>\$9,277,241</b>	<b>\$464,217</b>	<b>5.27 %</b>
<b>Total Ongoing</b>	<b>\$8,813,024</b>	<b>\$9,277,241</b>	<b>\$464,217</b>	<b>5.27 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

**Program Biennium Comparison -**

The biennium comparison table shows a total growth of 5.3%, which for the Gambling Control Division is significantly influenced by the FY 2018 appropriation reductions. Compared to the FY 2019 base appropriation, the growth is 3.6%.

**Program Description**

The Gambling Control Division (GCD) was established by the 1989 Legislature to regulate the gambling industry in Montana. GCD has criminal justice authority and conducts routine field inspections, audits, and investigations related to gambling activities. In addition to collecting and distributing licensing and permit fees for gambling machines and activities, GCD collects the gambling tax assessed on the net proceeds of gambling activities. GCD 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 Division is mandated by state law.

**Program Highlights**

<b>Gambling Control Division Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>The proposed Gambling Control Division 2021 biennium budget is \$464,000 or 5.3% higher than the 2019 biennium. Significant changes include an additional \$330,000 in personal services included in statewide present law adjustments</li> </ul>

**Program Actuals and Budget Comparison**

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Request Fiscal 2020	Request Fiscal 2021
FTE	0.00	45.99	45.99	45.99	45.99
Personal Services	3,247,792	3,432,256	3,567,639	3,735,679	3,729,895
Operating Expenses	558,369	821,866	825,543	822,806	823,141
Equipment & Intangible Assets	72,258	82,860	82,860	82,860	82,860
<b>Total Expenditures</b>	<b>\$3,878,419</b>	<b>\$4,336,982</b>	<b>\$4,476,042</b>	<b>\$4,641,345</b>	<b>\$4,635,896</b>
State/Other Special Rev. Funds	2,754,988	3,119,884	3,218,825	3,336,192	3,332,324
Proprietary Funds	1,123,431	1,217,098	1,257,217	1,305,153	1,303,572
<b>Total Funds</b>	<b>\$3,878,419</b>	<b>\$4,336,982</b>	<b>\$4,476,042</b>	<b>\$4,641,345</b>	<b>\$4,635,896</b>
<b>Total Ongoing</b>	<b>\$3,878,419</b>	<b>\$4,336,982</b>	<b>\$4,476,042</b>	<b>\$4,641,345</b>	<b>\$4,635,896</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### Program Discussion -

#### *FY 2018 Appropriations Compared to FY 2018 Actual Expenditures*

The Gambling Control Division expended 94.6% of its personal services HB 2 appropriations, 67.9% of operating expenses, and 87.2% of equipment and intangible assets. The legislature imposed a 6.0% vacancy savings reduction or \$221,580. The actual vacancy rate in GCD was 4.3%.

Operating expenses in HB 2, including background checks and travel, and purchases of equipment and intangible assets were reduced to offset personal services expenditures.

#### *FY 2018 Appropriations Compared to FY 2019 Appropriations*

FY 2019 appropriations are \$139,000, or 3.2% higher than the FY 2018 appropriations mainly due to reductions of the employer contribution to employee health insurance in FY 2018 as enacted by the November 2017 Special Session.

#### *Executive Request*

The executive requests an increased of 5.3% or \$464,000 in total funding compared to the 2019 biennium. Increases include an additional \$330,000 personal services requested as part of statewide present law adjustments.

#### Program Personal Services

Personal services for GCD increase by 6.7% when compared to the 2019 biennium. As reflected in Figure 2 in the Agency Discussion, the Gambling Control Division proposes the following changes as part of its statewide present law adjustments in each year of the 2021 biennium:

- Reinstatement of reductions enacted by the 2017 Legislature
- Reinstatement due to a proposed change in the vacancy savings rate to 2.0%

Funding

The following table shows proposed program funding by source of authority.

Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	0	0	0	0	0	0.00 %
02074 Gambling License Fee Account	6,396,437	0	0	3,700,088	10,096,525	97.19 %
02120 Live Game Tax	0	0	0	20,000	20,000	0.19 %
02790 6901-Statewide Tobacco Sttlmnt	272,079	0	0	0	272,079	2.62 %
<b>State Special Total</b>	<b>\$6,668,516</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,720,088</b>	<b>\$10,388,604</b>	<b>79.93 %</b>
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>
06005 Liquor Division	2,608,725	0	0	0	2,608,725	100.00 %
<b>Proprietary Total</b>	<b>\$2,608,725</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,608,725</b>	<b>20.07 %</b>
<b>Total All Funds</b>	<b>\$9,277,241</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,720,088</b>	<b>\$12,997,329</b>	

Gambling control activities are supported primarily by state special revenue generated from gambling licensing fees. Liquor licensing fees (a proprietary fund) support GCD functions related to liquor licensing. A small amount of funds from the tobacco settlement state special revenue account support activities related to enforcement of settlement provisions. Figure 7 shows the revenues, expenditures, and fund balance for the gambling license fee account.

Figure 7

Department of Justice Gambling License Fee - 02074						
	Actuals FY 2016	Actuals FY 2017	Actuals FY 2018	Appropriated FY 2019	Proposed FY 2020	Proposed FY 2021
Beginning Fund Balance	\$1,170,138	\$1,283,304	\$1,160,921	\$1,271,153	\$769,194	\$415,300
Revenues*						
Licenses and Permits	4,711,461	4,641,744	4,688,744	4,603,000	4,688,743	4,688,743
Charges for Services	37,620	36,594	51,393	51,393	88,435	88,435
Grants, Transfers, Misc	<u>1,720</u>	<u>498</u>	<u>12</u>	<u>12</u>	<u>13</u>	<u>13</u>
Total Revenue	4,750,801	4,678,836	4,740,149	4,654,405	4,777,191	4,777,191
Expenditures						
Personal Services	2,281,874	2,470,741	2,305,879	2,539,629	2,605,724	2,601,791
Operating Expenses	516,671	446,525	463,080	709,103	617,729	617,957
Equipment & Intangible Assets	78,890	62,843	55,758	57,588	57,588	57,588
Local Assistance	<u>1,760,200</u>	<u>1,819,500</u>	<u>1,805,200</u>	<u>1,850,044</u>	<u>1,850,044</u>	<u>1,850,044</u>
Total Expenditures	4,637,635	4,799,609	4,629,917	5,156,364	5,131,085	5,127,380
Adjustments	0	(1,610)	0	0		
Ending Fund Balance	\$1,283,304	\$1,160,921	\$1,271,153	\$769,194	\$415,300	\$65,111

\* Adopted by the Revenue and Transportation Interim Committee November 2018

Current estimates of the revenues in the account are below the projected expenditures, utilizing fund balance to make up the difference.

Statutory appropriations of state special revenue provide for distribution of local government portions of gambling license 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 section of the Budget Analysis.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	4,476,042	4,476,042	8,952,084	96.50 %
SWPL Adjustments	0	0	0	0.00 %	165,303	159,854	325,157	3.50 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
<b>Total Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>\$4,641,345</b>	<b>\$4,635,896</b>	<b>\$9,277,241</b>	

**Present Law Adjustments**

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the budget proposed by the executive. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2020-----				-----Fiscal 2021-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	119,308	0	168,040	0.00	0	115,202	0	162,256
DP 2 - Fixed Costs	0.00	0	(1,949)	0	(2,745)	0.00	0	(1,712)	0	(2,411)
DP 3 - Inflation Deflation	0.00	0	8	0	8	0.00	0	9	0	9
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$0</b>	<b>\$117,367</b>	<b>\$0</b>	<b>\$165,303</b>	<b>0.00</b>	<b>\$0</b>	<b>\$113,499</b>	<b>\$0</b>	<b>\$159,854</b>

\*\*"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:

- Formula based changes
- Personal services management decisions
- Reinstatement of personal services previously reduced
- Modifications made to the personal services budget in the 2019 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, 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 food, postage, gasoline, and others.

**Program Biennium Comparison**

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 18-19	Requested Budget 20-21	Biennium Change	Biennium % Change
Personal Services	6,820,877	8,472,014	1,651,137	24.21 %
Operating Expenses	3,766,538	3,764,236	(2,302)	(0.06)%
Equipment & Intangible Assets	902,097	12,000	(890,097)	(98.67)%
Debt Service	619,594	669,594	50,000	8.07 %
<b>Total Expenditures</b>	<b>\$12,109,106</b>	<b>\$12,917,844</b>	<b>\$808,738</b>	<b>6.68 %</b>
General Fund	10,136,088	10,029,358	(106,730)	(1.05)%
State/Other Special Rev. Funds	1,973,018	2,888,486	915,468	46.40 %
<b>Total Funds</b>	<b>\$12,109,106</b>	<b>\$12,917,844</b>	<b>\$808,738</b>	<b>6.68 %</b>
<b>Total Ongoing</b>	<b>\$11,309,106</b>	<b>\$12,917,844</b>	<b>\$1,608,738</b>	<b>14.23 %</b>
<b>Total OTO</b>	<b>\$800,000</b>	<b>\$0</b>	<b>(\$800,000)</b>	<b>(100.00)%</b>

**Program Description**

The Forensic Science Division (FSD), better known as the state crime lab, was established in Montana Code in 1977. The FSD has facilities in both Missoula and Billings. The Missoula facility houses the medical examiners, DNA/serology, toxicology, chemical analysis, latent prints, firearms/toolmarks, quality assurance, and evidence functions. The Billings facility also contains medical examiner, chemical analysis, and evidence functions.

**Program Highlights**

<b>Forensic Science Division Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The proposed Forensic Science Division 2021 biennium budget is \$809,000 or 6.7% higher than the 2019 biennium. Significant changes include:                             <ul style="list-style-type: none"> <li>◦ Additional personal services of \$1.1 million included in statewide present law adjustments</li> <li>◦ Proposal to add 1.50 FTE and related personal services</li> </ul> </li> </ul>
<b>LFD Issues</b>
<ul style="list-style-type: none"> <li>• Transferring authority from personal services to operating expenses increases the 2021 biennium budget</li> </ul>

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Request Fiscal 2020	Request Fiscal 2021
FTE	0.00	40.30	40.30	41.80	41.80
Personal Services	3,878,865	3,337,019	3,483,858	4,234,805	4,237,209
Operating Expenses	1,309,287	1,764,145	2,002,393	1,885,088	1,879,148
Equipment & Intangible Assets	98,398	896,097	6,000	6,000	6,000
Debt Service	61,692	284,797	334,797	334,797	334,797
<b>Total Expenditures</b>	<b>\$5,348,242</b>	<b>\$6,282,058</b>	<b>\$5,827,048</b>	<b>\$6,460,690</b>	<b>\$6,457,154</b>
General Fund	4,953,284	5,753,283	4,382,805	5,016,447	5,012,911
State/Other Special Rev. Funds	394,958	528,775	1,444,243	1,444,243	1,444,243
<b>Total Funds</b>	<b>\$5,348,242</b>	<b>\$6,282,058</b>	<b>\$5,827,048</b>	<b>\$6,460,690</b>	<b>\$6,457,154</b>
<b>Total Ongoing</b>	<b>\$5,348,242</b>	<b>\$5,482,058</b>	<b>\$5,827,048</b>	<b>\$6,460,690</b>	<b>\$6,457,154</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$800,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Program Discussion -

*FY 2018 Appropriations Compared to FY 2018 Actual Expenditures*

The Forensic Services Division (FSD) expended 116.2% of its personal services HB 2 appropriations, 74.2% of operating expenses, and 11.0% of equipment and intangible assets. The legislature imposed a 6.0% vacancy savings reduction or \$217,965. The actual vacancy rate in FSD was 3.8%.

Reductions in HB 2 operating expenses, including consulting and professional services, travel, and property management were used to offset personal services expenditures.

The legislature provided \$896,097 in equipment and intangible assets including \$800,000 in a restricted, one-time-only, biennial appropriations of general fund to retrofit the crime lab in Yellowstone County. As of fiscal year-end FSD had not expended this appropriation. According to DOJ, the project required working with the Architecture and Engineering Division at the Department of Administration to go out for a request for proposal (RFP). The RFP was awarded the third week of August 2018 with work to be completed by December 2018. DOJ anticipates the appropriation will be fully expended by December 2018.

*FY 2018 Appropriations Compared to FY 2019 Appropriations*

FY 2019 appropriations were \$455,000 or 7.2% lower than FY 2018 appropriations due to:

- The biennial appropriation of \$800,000 to retrofit the crime lab that was fully recorded in FY 2018. Had the biennial appropriations been recorded in each fiscal year the FY 2019 appropriations would have been \$400,000 higher
- \$0.3 million in November 2017 Special Session reductions in both years of the 2019 biennium that were subsequently restored by SB 9 in FY 2019

*Executive Request*

The executive requests an increase of 6.7% or \$809,000 in total funding compared to the 2019 biennium. Increases include an additional \$1.1 million in personal services requested as part of statewide present law adjustments.

*Program Personal Services*

Personal services in FSD increase by 24.2% or \$1.7 million when compared to the 2019 biennium. New proposals for an additional 1.50 FTE and \$232,000 make up about 14.1% of the proposed adjustments to personal services. As reflected in Figure 2 in the Agency Discussion, the Forensic Science Division proposes the following changes as part of its statewide present law adjustments in each year of the biennium:

- Reinstatement of reductions enacted by the 2017 Legislature
- Reinstatement of reductions included in SB 261
- Reinstatement due to a proposed change in the vacancy savings rate to 2.0%
- Modifications to the personal services base budget of \$258,000 in personal services due to transfer of authority from personal services to operating expenses

**LFD  
ISSUE**

Transferring Authority from Personal Services to Operating Expenses Appropriations Increases the 2021 Biennium Budget

In FY 2019, the Department of Justice transferred \$258,000 in personal services in the Forensic Science Division to operating expenses. Personal services appropriations for the 2021 biennium use the salary and related benefits associated with FTE to establish the level of appropriation required for personal services. Since the FSD did not reduce FTE when it eliminated personal services funding in FY 2019, the personal services reduction automatically returns when the personal services snapshot is used to establish the level of funding required in the 2021 biennium. As a result, the Department of Justice 2021 biennium budget for FSD is \$258,000 higher in each year than it would have been had the appropriation remained in personal services instead of operating expenses, or as an alternative if FTE been reduced for the transfer of authority from personal services to operating expenses.

Legislative options:

- Reduce personal services funding and related FTE in the Forensic Science Division to offset the transfer of personal services funding in FY 2019
- Reduce operating expenses in the Forensic Science Division by \$258,000 each year of the 2021 biennium
- Gain an understanding from FSD of underlying funding requirements and adjust budget as needed

**Funding**

The following table shows proposed program funding by source of authority.

Department of Justice, 08-Forensic Science Division Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	10,029,358	0	0	0	10,029,358	77.64 %	
02349 Highway Non-Restricted Account	782,672	0	0	0	782,672	27.10 %	
02945 DOJ Blood Draw MCA 61-8-402	299,602	0	0	0	299,602	10.37 %	
02450 Medical Examiner SSR	1,806,212	0	0	0	1,806,212	62.53 %	
<b>State Special Total</b>	<b>\$2,888,486</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,888,486</b>	<b>22.36 %</b>	
03187 BCC Grants To Dept. Of Justice	0	0	0	0	0	0.00 %	
03561 FSD Federal Grants	0	0	0	0	0	0.00 %	
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Total All Funds</b>	<b>\$12,917,844</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$12,917,844</b>		

FSD is funded primarily with general fund. The 2017 Legislature established the medical examiner state special revenue account for the operation and administration of state forensic laboratories. The funding partially replaced non-restricted highway state special revenue funds that supported certification, equipment maintenance, and training of law enforcement in the use of breath testing equipment. Figure 8 shows the revenues, expenditures, and fund balance for the medical examiner state special revenue account.

Figure 8

Department of Justice Medical Examiner State Special Revenue Account - 02450				
	Actuals FY 2018	Appropriated FY 2019	Proposed FY 2020	Proposed FY 2021
Beginning Fund Balance	\$0	\$821,073	\$817,967	\$819,861
<b>Revenues</b>				
Licenses and Permits	821,072	900,000	905,000	905,000
Grants, Transfers, Misc	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenue	821,073	900,000	905,000	905,000
<b>Expenditures</b>				
Personal Services	0	853,106	853,106	853,106
Operating Expenses	<u>0</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
Total Expenditures	0	903,106	903,106	903,106
Ending Fund Balance	\$821,073	\$817,967	\$819,861	\$821,755

Current estimates of the revenues in the account are slightly below the projected expenditures.

The DOJ blood draw account revenue comes from a blood-draw fee of \$300.00 imposed on drivers stopped for suspicion of driving under the influence of alcohol or drugs and is imposed when the driver refuses to submit to a blood or breath test.

<b>LFD COMMENT</b>	The Department of Justice has requested a bill draft, LC 0113, to generally revised state medical examiner laws. A section of the proposed legislation includes increasing the revenues provided to this account.
--------------------	---

**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 section of the Budget Analysis.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	4,382,805	4,382,805	8,765,610	87.40 %	5,827,048	5,827,048	11,654,096	90.22 %
SWPL Adjustments	513,520	518,003	1,031,523	10.28 %	513,520	518,003	1,031,523	7.99 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	120,122	112,103	232,225	2.32 %	120,122	112,103	232,225	1.80 %
<b>Total Budget</b>	<b>\$5,016,447</b>	<b>\$5,012,911</b>	<b>\$10,029,358</b>		<b>\$6,460,690</b>	<b>\$6,457,154</b>	<b>\$12,917,844</b>	

**Present Law Adjustments**

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the budget proposed by the executive. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	522,771	0	0	522,771	0.00	526,970	0	0	526,970
DP 2 - Fixed Costs	0.00	(9,251)	0	0	(9,251)	0.00	(8,967)	0	0	(8,967)
DP 3 - Inflation Deflation	0.00	0	0	0	0	0.00	0	0	0	0
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$513,520</b>	<b>\$0</b>	<b>\$0</b>	<b>\$513,520</b>	<b>0.00</b>	<b>\$518,003</b>	<b>\$0</b>	<b>\$0</b>	<b>\$518,003</b>

\*\*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:

- Formula based changes
- Personal services management decisions
- Reinstatement of personal services previously reduced
- Modifications made to the personal services budget in the 2019 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, 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 food, postage, gasoline, and others.

**New Proposals**

The "New Proposals" table shows new changes to spending.

	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 802 - FSD DNA FTE	1.00	99,390	0	0	99,390	1.00	96,529	0	0	96,529
DP 803 - FSD ME PT FTE	0.50	20,732	0	0	20,732	0.50	15,574	0	0	15,574
<b>Total</b>	<b>1.50</b>	<b>\$120,122</b>	<b>\$0</b>	<b>\$0</b>	<b>\$120,122</b>	<b>1.50</b>	<b>\$112,103</b>	<b>\$0</b>	<b>\$0</b>	<b>\$112,103</b>

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

DP 802 - FSD DNA FTE -

The Forensic Science Division requests 1.00 FTE forensic scientist position offset with a funding reduction in the Motor Vehicle Division. According to FSD, the DNA casework at the Forensic Science Division has increased 88.0% over the past 5 years, including an increases in more time-consuming sex assault cases. Despite increases in productivity and improved workflow efficiency, the section is unable to keep up with demand without an additional analyst.

DP 803 - FSD ME PT FTE -

The Forensic Science Division requests an additional part-time (0.50 FTE) medical examiner (ME) position in Billings. Department of Justice also proposes a reduction in HB 2 funding in the Motor Vehicle Division to provide funding for this position. Autopsy service volume in Billings is currently over 40.0% of the total in the state. According to FSD, one medical examiner, particularly the chief ME, is insufficient to manage that volume and still adequately provide coroner training, supervise staff, and perform other administrative functions for the office.

**Program Biennium Comparison**

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 18-19	Requested Budget 20-21	Biennium Change	Biennium % Change
Personal Services	14,469,646	17,143,494	2,673,848	18.48 %
Operating Expenses	32,113,793	31,601,322	(512,471)	(1.60)%
Equipment & Intangible Assets	328,056	328,056	0	0.00 %
Local Assistance	50,000	50,000	0	0.00 %
Debt Service	496,700	0	(496,700)	(100.00)%
<b>Total Expenditures</b>	<b>\$47,458,195</b>	<b>\$49,122,872</b>	<b>\$1,664,677</b>	<b>3.51 %</b>
General Fund	16,026,049	18,807,010	2,780,961	17.35 %
State/Other Special Rev. Funds	30,249,628	29,133,344	(1,116,284)	(3.69)%
Proprietary Funds	1,182,518	1,182,518	0	0.00 %
<b>Total Funds</b>	<b>\$47,458,195</b>	<b>\$49,122,872</b>	<b>\$1,664,677</b>	<b>3.51 %</b>
<b>Total Ongoing</b>	<b>\$46,458,195</b>	<b>\$49,122,872</b>	<b>\$2,664,677</b>	<b>5.74 %</b>
<b>Total OTO</b>	<b>\$1,000,000</b>	<b>\$0</b>	<b>(\$1,000,000)</b>	<b>(100.00)%</b>

**Program Biennium Comparison -**

The biennium comparison table shows a total growth of 3.5%, which for the Motor Vehicle Division is significantly influenced by the FY 2018 appropriation reductions. Compared to the FY 2019 base appropriation, the growth is 1.2%.

**Program Description**

The Motor Vehicle Division (MVD) is responsible for:

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

Program Highlights

<b>Motor Vehicle Division Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The proposed Motor Vehicle Division 2021 biennium budget is \$1.7 million or 3.5% higher than the 2019 biennium. Significant changes include:                             <ul style="list-style-type: none"> <li>◦ Additional personal services of \$1.1 million included in statewide present law adjustments</li> <li>◦ Requests to reduce general fund by \$0.2 million in MVD to fund increased personal services in the Forensic Science Division</li> </ul> </li> </ul>
<b>LFD Issues</b>
<ul style="list-style-type: none"> <li>• Restoring operating expenses instead of personal services increases the 2021 biennium budget</li> </ul>

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Request Fiscal 2020	Request Fiscal 2021
FTE	0.00	152.25	152.25	152.25	152.25
Personal Services	8,048,270	6,984,689	7,484,957	8,573,303	8,570,191
Operating Expenses	11,351,572	15,510,458	16,603,335	15,792,465	15,808,857
Equipment & Intangible Assets	85,116	164,028	164,028	164,028	164,028
Local Assistance	8,657	25,000	25,000	25,000	25,000
Debt Service	11,758	496,700	0	0	0
<b>Total Expenditures</b>	<b>\$19,505,373</b>	<b>\$23,180,875</b>	<b>\$24,277,320</b>	<b>\$24,554,796</b>	<b>\$24,568,076</b>
General Fund	7,013,461	7,163,456	8,862,593	9,396,806	9,410,204
State/Other Special Rev. Funds	12,031,910	15,426,160	14,823,468	14,566,731	14,566,613
Proprietary Funds	460,002	591,259	591,259	591,259	591,259
<b>Total Funds</b>	<b>\$19,505,373</b>	<b>\$23,180,875</b>	<b>\$24,277,320</b>	<b>\$24,554,796</b>	<b>\$24,568,076</b>
<b>Total Ongoing</b>	<b>\$19,409,373</b>	<b>\$22,680,875</b>	<b>\$23,777,320</b>	<b>\$24,554,796</b>	<b>\$24,568,076</b>
<b>Total OTO</b>	<b>\$96,000</b>	<b>\$500,000</b>	<b>\$500,000</b>	<b>\$0</b>	<b>\$0</b>

Program Discussion -

*FY 2018 Appropriations Compared to FY 2018 Actual Expenditures*

The Motor Vehicle Division (MVD) expended 115.7% of its personal services HB 2 appropriations or \$1.1 million above HB 2 appropriations, 73.2% of operating expenses or \$4.2 million less than appropriated in HB 2, 51.9% of equipment and intangible assets, 34.6% of local assistance, and 2.4% of debt service. The legislature imposed a 6.0% vacancy savings reduction or \$507,864. The actual vacancy rate in MVD was 0.0%.

To offset higher than budgeted personal service costs, MVD spent less in operating expenses including professional and consulting services, and postage and mailing. It should be noted that MVD also received \$0.5 million in a biennial, one-time-only state special appropriations for county information technology efficiency. At F YE, MVD had expended \$0.1

million or 19.2% of the funding. According to DOJ, MVD is working with county governments to complete the project and anticipates completion in FY 2019.

Debt service appropriations in MVD were \$497,000 with expenditures of \$12,000 in FY 2018. Debt service appropriations were used for loans with the Board of Investment for the Motor Vehicle Division automation project (MERLIN). As the loans were repaid at the beginning of FY 2018, the majority of the debt service appropriation was not required in FY 2018.

*FY 2018 Appropriations Compared to FY 2019 Appropriations*

FY 2019 appropriations were \$1.1 million or 4.7% higher than the FY 2018 appropriation due to:

- November 2017 Special Session reductions in both fiscal years that were subsequently restored by SB 9 for FY 2019, in the amount of \$639,000
- SB 294 pay plan increase in FY 2019 of \$63,000
- Reductions of \$323,000 enacted by the November 2017 Special Session by reducing employer contribution to employee health benefits for two months

*Executive Request*

The executive requests 3.5% or \$1.7 million in total funding compared to the 2019 biennium. Significant changes include:

- An additional \$2.7 million in personal services requested as part of statewide present law adjustments
- Reductions of \$0.2 million eliminated in MVD and added in the Forensic Science Division for additional FTE

*Program Personal Services*

Personal services for the MVD increase by 18.5% when compared to the 2019 biennium. As reflected in Figure 2 in the Agency Discussion, the Motor Vehicle Division proposes the following changes as part of its statewide present law adjustments in each year of the biennium:

- Reinstatement of reductions enacted by the 2017 Legislature
- Reinstatement of reductions included in SB 261
- Reinstatement due to a proposed change in the vacancy savings rate to 2.0%
- Modifications to the personal services base budget of \$1,050,000 million that were transferred to operating expenses. This includes \$422,000 that was transferred to operating expenses in other divisions, \$258,000 to the Forensic Science Division and \$164,000 to the Legal Services Division

<b>LFD ISSUE</b>	<p><u>Restoring Operating Expenses Instead of Personal Services Appropriations Increases 2021 Biennium Budget</u></p> <p>In FY 2019, the Department of Justice transferred \$1.1 million in personal services in the Motor Vehicle Division. MVD did not eliminate related FTE. Personal services appropriations for the 2021 biennium use the salary and related benefits associated with FTE to establish the level of appropriation required for personal services. Since the MVD did not reduce FTE when it eliminated personal services funding in FY 2019, the personal services reduction automatically returns when the personal services snapshot is used to establish the level of funding required in the 2021 biennium. As a result, the Department of Justice 2021 biennium budget for MVD is \$1.1 million higher in each year than it would have been had the transfers not be made from personal services or if MVD had reduced FTE for the transfer of authority from personal services to operating expenses.</p> <p>Legislative options:</p> <ul style="list-style-type: none"> <li>◦ Reduce personal services funding and related FTE in the Motor Vehicle Division to offset the transfer of personal services funding in FY 2019</li> <li>◦ Reduce operating expenses in the Motor Vehicle Division by \$1,050,000 each year of the 2021 biennium, \$628,000 in MVD, \$258,000 in FSD, and \$164,000 in the LSD</li> <li>◦ Gain an understanding from MVD of underlying funding requirements and adjust budget as needed</li> </ul>
----------------------	---

Funding

The following table shows proposed program funding by source of authority.

Department of Justice, 09-Motor Vehicle Division Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	18,807,010	0	0	0	18,807,010	38.20 %	
02349 Highway Non-Restricted Account	0	0	0	0	0	0.00 %	
02390 Spec Motorcycle Lic Plates	0	0	0	107,000	107,000	0.37 %	
02456 61-6-158 MTIVS & MCE	9,220,484	0	0	0	9,220,484	31.53 %	
02798 61-3-550 MVD MERLIN HB261	4,248,784	0	0	0	4,248,784	14.53 %	
02799 MVD Administrative Fee	15,664,076	0	0	0	15,664,076	53.57 %	
<b>State Special Total</b>	<b>\$29,133,344</b>	<b>\$0</b>	<b>\$0</b>	<b>\$107,000</b>	<b>\$29,240,344</b>	<b>59.40 %</b>	
03801 Dept Of Justice-Misc Grants	0	0	0	0	0	0.00 %	
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
06080 MVD/State Information Portal	0	0	0	0	0	0.00 %	
06083 61-3-118 MVD E-Commerce	1,182,518	0	0	0	1,182,518	100.00 %	
<b>Proprietary Total</b>	<b>\$1,182,518</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,182,518</b>	<b>2.40 %</b>	
<b>Total All Funds</b>	<b>\$49,122,872</b>	<b>\$0</b>	<b>\$0</b>	<b>\$107,000</b>	<b>\$49,229,872</b>		

Drivers licensing and vehicle titling and registration functions are supported by the general fund and MVD administrative fee state special revenue account. State special revenues collected for vehicle registration fees support payment of debt that was incurred for the development and implementation of the computer system known as the Montana Enhanced Registration and Licensing Information Network (MERLIN) and the vehicle insurance verification system. Proprietary funds collected from fees charged for e-government services support online web based services that may be used by the public. Figure 9 shows the revenues, expenditures, and fund balance for the Montana insurance verification system (MTIVS) and Montana correctional enterprises (MCE) account in the state special revenue fund.

Figure 9

Department of Justice MTIVS & MCE - 02456						
	Actuals FY 2016	Actuals FY 2017	Actuals FY 2018	Appropriated FY 2019	Proposed FY 2020	Proposed FY 2021
Beginning Fund Balance	\$5,085,044	\$5,711,008	\$6,093,293	\$4,792,125	\$2,436,807	\$1,569,740
<b>Revenues</b>						
Licenses and Permits	2,972,604	2,834,505	3,761,752	3,499,971	3,499,971	3,499,971
Charges for Services	0	0	6,267	0	0	0
<b>Total Revenue</b>	<b>2,972,604</b>	<b>2,834,505</b>	<b>3,768,019</b>	<b>3,499,971</b>	<b>3,499,971</b>	<b>3,499,971</b>
<b>Expenditures</b>						
Personal Services	0	(3)	1,942,297	1,635,766	1,635,766	1,635,766
Operating Expenses	2,346,640	2,452,223	3,078,205	4,219,523	2,731,272	2,731,272
Equipment & Intangible Assets	0	0	48,684	0	0	0
<b>Total Expenditures</b>	<b>2,346,640</b>	<b>2,452,220</b>	<b>5,069,186</b>	<b>5,855,289</b>	<b>4,367,038</b>	<b>4,367,038</b>
Adjustments	0	0	(1)			
<b>Ending Fund Balance</b>	<b>\$5,711,008</b>	<b>\$6,093,293</b>	<b>\$4,792,125</b>	<b>\$2,436,807</b>	<b>\$1,569,740</b>	<b>\$702,673</b>

Additional fund balance tables for the MVD MERLIN account and the newly established MVD administrative fee account are included in the Appendix.

**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 section of the Budget Analysis.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	8,862,593	8,862,593	17,725,186	94.25 %	23,777,320	23,777,320	47,554,640	96.81 %
SWPL Adjustments	654,335	659,714	1,314,049	6.99 %	897,598	902,859	1,800,457	3.67 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	(120,122)	(112,103)	(232,225)	(1.23)%	(120,122)	(112,103)	(232,225)	(0.47)%
<b>Total Budget</b>	<b>\$9,396,806</b>	<b>\$9,410,204</b>	<b>\$18,807,010</b>		<b>\$24,554,796</b>	<b>\$24,568,076</b>	<b>\$49,122,872</b>	

**Present Law Adjustments**

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the budget proposed by the executive. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	632,212	456,134	0	1,088,346	0.00	630,403	454,831	0	1,085,234
DP 2 - Fixed Costs	0.00	15,537	(212,871)	0	(197,334)	0.00	21,138	(211,686)	0	(190,548)
DP 3 - Inflation Deflation	0.00	6,586	0	0	6,586	0.00	8,173	0	0	8,173
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$654,335</b>	<b>\$243,263</b>	<b>\$0</b>	<b>\$897,598</b>	<b>0.00</b>	<b>\$659,714</b>	<b>\$243,145</b>	<b>\$0</b>	<b>\$902,859</b>

\*\*\*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:

- Formula based changes
- Personal services management decisions
- Reinstatement of personal services previously reduced
- Modifications made to the personal services budget in the 2019 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, 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 food, postage, gasoline, and others.

**New Proposals**

The "New Proposals" table shows new changes to spending.

New Proposals										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 802 - FSD DNA FTE	0.00	(99,390)	0	0	(99,390)	0.00	(96,529)	0	0	(96,529)
DP 803 - FSD ME PT FTE	0.00	(20,732)	0	0	(20,732)	0.00	(15,574)	0	0	(15,574)
<b>Total</b>	<b>0.00</b>	<b>(\$120,122)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$120,122)</b>	<b>0.00</b>	<b>(\$112,103)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$112,103)</b>

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

DP 802 - FSD DNA FTE -

The Forensic Science Division DNA FTE requests is offset by funding reductions of \$99,390 in FY 2020 and \$96,529 in FY 2021 from the Motor Vehicle Division.

**LFD COMMENT** Reductions in the Motor Vehicle Division are from operating expenses. Refer to the LFD issue in the Program Personal Services for additional information on operating expenses.

DP 803 - FSD ME PT FTE -

The Forensic Science Division ME PT FTE requests is offset by funding reductions of \$150,427 in FY 2020 and \$145,269 in FY 2021 from the Motor Vehicle Division.

**LFD COMMENT** Reductions in the Motor Vehicle Division are from operating expenses. Refer to the LFD issue in the Program Personal Services for additional information on operating expenses.

**Program Biennium Comparison**

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 18-19	Requested Budget 20-21	Biennium Change	Biennium % Change
Personal Services	2,618,353	3,152,326	533,973	20.39 %
Operating Expenses	830,920	918,805	87,885	10.58 %
<b>Total Expenditures</b>	<b>\$3,449,273</b>	<b>\$4,071,131</b>	<b>\$621,858</b>	<b>18.03 %</b>
General Fund	2,327,013	2,791,201	464,188	19.95 %
State/Other Special Rev. Funds	1,060,043	1,207,770	147,727	13.94 %
Proprietary Funds	62,217	72,160	9,943	15.98 %
<b>Total Funds</b>	<b>\$3,449,273</b>	<b>\$4,071,131</b>	<b>\$621,858</b>	<b>18.03 %</b>
<b>Total Ongoing</b>	<b>\$3,449,273</b>	<b>\$4,071,131</b>	<b>\$621,858</b>	<b>18.03 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

**Program Biennium Comparison -**

The biennium comparison table shows a total growth of 18.0%, which for the Central Services Division is significantly influenced by the FY 2018 appropriation reductions. Compared to the FY 2019 base appropriation, the growth is 12.9%.

**Program Description**

The Central Services Division (CSD) provides accounting; asset management; budgeting; fiscal management; human resources; internal controls; payroll and benefits; purchasing; training; and assistance with the implementation of policies, rules, and regulations for the Department of Justice. The program also administers payments to counties for a portion of the cost of county attorney payroll costs.

**Program Highlights**

<b>Central Services Division Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The proposed Central Services Division 2021 biennium budget is \$622,000 or 18.0% higher than the 2019 biennium. Significant changes include:                             <ul style="list-style-type: none"> <li>◦ Additional personal services of \$380,000 included in the statewide present law adjustments</li> <li>◦ Additional operating expenses of \$87,000 for increased fixed costs</li> </ul> </li> </ul>
<b>LFD Issues</b>
<ul style="list-style-type: none"> <li>• Transferring authority from personal services to operating expenses increases the 2021 biennium base budget</li> </ul>

**Program Actuals and Budget Comparison**

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Request Fiscal 2020	Request Fiscal 2021
FTE	0.00	18.49	18.49	18.49	18.49
Personal Services	1,321,258	1,232,232	1,386,121	1,574,764	1,577,562
Operating Expenses	284,389	415,013	415,907	504,996	413,809
<b>Total Expenditures</b>	<b>\$1,605,647</b>	<b>\$1,647,245</b>	<b>\$1,802,028</b>	<b>\$2,079,760</b>	<b>\$1,991,371</b>
General Fund	1,042,433	1,083,940	1,243,073	1,440,391	1,350,810
State/Other Special Rev. Funds	532,687	532,777	527,266	603,321	604,449
Proprietary Funds	30,527	30,528	31,689	36,048	36,112
<b>Total Funds</b>	<b>\$1,605,647</b>	<b>\$1,647,245</b>	<b>\$1,802,028</b>	<b>\$2,079,760</b>	<b>\$1,991,371</b>
<b>Total Ongoing</b>	<b>\$1,605,647</b>	<b>\$1,647,245</b>	<b>\$1,802,028</b>	<b>\$2,079,760</b>	<b>\$1,991,371</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Program Discussion -**

*FY 2018 Appropriations Compared to FY 2018 Actual Expenditures*

The Central Services Division expended 107.2% of its personal services HB 2 appropriations, and 68.5% of operating expenses. The legislature imposed a 6.0% vacancy savings reduction or \$89,718. The actual vacancy rate in CSD was 1.8%.

Operating expenses, including consulting and professional services and education and training costs, were reduced compared to the 2017 biennium to offset the personal services expenditures that were above the HB 2 budget.

*FY 2018 Appropriations Compared to FY 2019 Appropriations*

FY 2019 appropriations are \$155,000, or 9.4% higher than the FY 2018 appropriation due to:

- November 2017 Special Session reductions in both fiscal years that were subsequently restored by SB 9 for FY 2019, in the amount of \$73,000
- SB 294 pay plan increase in FY 2019 of \$17,000
- Reductions of \$36,000 enacted by the November 2017 Special Session by reducing employer contributions to employee health benefits for two months

*Executive Request*

The executive requests 18.0% or \$622,000 in total funding compared to the 2019 biennium. Increases include an additional \$380,000 in personal services and \$86,000 in operating expenses requested as part of statewide present law adjustments.

*Program Personal Services*

Personal services in the CSD are 20.4% higher compared to the 2019 biennium. As reflected in Figure 2 in the Agency Discussion, the Central Services Division proposes the following changes as part of its statewide present law adjustments in each year of the biennium:

- Reinstatement of reductions enacted by the 2017 Legislature
- Reinstatement of reductions included in SB 261
- Reinstatement due to a proposed change in the vacancy savings rate to 2.0%
- Modifications to the personal services base budget of \$51,000 in personal services due to a transfer of authority from personal services to operating expenses

**LFD  
ISSUE**

Restoring Operating Expenses Instead of Personal Services Appropriations Increases 2021 Biennium Budget

In FY 2019, the Department of Justice transferred \$51,000 in personal services to operating expenses in the Central Services Division. CSD did not reduce FTE. Personal services appropriations for the 2021 biennium use the salary and related benefits associated with FTE to establish the level of appropriation required for personal services. Since the CSD did not reduce FTE when it eliminated personal services funding in FY 2019, the personal services reduction automatically returns when the personal services snapshot is used to establish the level of funding required in the 2021 biennium. As a result, the Department of Justice 2021 biennium budget is \$51,000 higher than it would have been had the restoration been made to personal services instead of operating expenses.

Legislative Options:

- Reduce personal services funding and related FTE in the Central Services Division to offset the transfer of personal services funding in FY 2019
- Reduce operating expenses in the Central Services Division by \$51,000 each year of the 2021 biennium
- Gain an understanding from CSD of underlying funding requirements and adjust budget as needed

**Funding**

The following table shows proposed program funding by source of authority.

Department of Justice, 10-Central Services Division Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	2,791,201	0	0	6,903,216	9,694,417	84.49 %	
02006 Cigarette Fire Safety Standard	0	0	0	0	0	0.00 %	
02014 Highway Patrol Pay & Retention	0	0	0	0	0	0.00 %	
02016 Criminal Justice Info Network	0	0	0	0	0	0.00 %	
02074 Gambling License Fee Account	127,014	0	0	0	127,014	8.71 %	
02140 Consumer Education Settlement	317,537	0	0	0	317,537	21.78 %	
02143 Drug Forfeitures-State	0	0	0	250,000	250,000	17.15 %	
02349 Highway Non-Restricted Account	64	0	0	0	64	0.00 %	
02456 61-6-158 MTIVS & MCE	0	0	0	0	0	0.00 %	
02546 MT Law Enforcement Academy	0	0	0	0	0	0.00 %	
02797 Criminal Records Info Sys	158,768	0	0	0	158,768	10.89 %	
02798 61-3-550 MVD MERLIN HB261	0	0	0	0	0	0.00 %	
02937 DOJ Misc SSR MOUs	0	0	0	0	0	0.00 %	
02799 MVD Administrative Fee	318,603	0	0	0	318,603	21.86 %	
02464 MHP Administrative SSR	285,784	0	0	0	285,784	19.60 %	
<b>State Special Total</b>	<b>\$1,207,770</b>	<b>\$0</b>	<b>\$0</b>	<b>\$250,000</b>	<b>\$1,457,770</b>	<b>12.70 %</b>	
03169 Federal Crime Victims Benefits	0	0	0	0	0	0.00 %	
03187 BCC Grants To Dept. Of Justice	0	0	0	0	0	0.00 %	
03214 Drug Forfeitures - Federal	0	0	0	250,000	250,000	100.00 %	
03800 Medicaid Fraud	0	0	0	0	0	0.00 %	
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$250,000</b>	<b>\$250,000</b>	<b>2.18 %</b>	
06005 Liquor Division	72,160	0	0	0	72,160	100.00 %	
<b>Proprietary Total</b>	<b>\$72,160</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$72,160</b>	<b>0.63 %</b>	
<b>Total All Funds</b>	<b>\$4,071,131</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,403,216</b>	<b>\$11,474,347</b>		

CSD is funded by allocation of costs among the various funding sources supporting the department. General fund would provide roughly 68.5% of the division’s HB 2 funding. State special revenue, the largest source being the MVD administrative fee, would provide an additional 29.7% of the division HB 2 funding. Proprietary funds including liquor licensing fees provide the remainder of HB 2 funding.

General fund also accounts for an additional \$6.9 million in funding under a statutory appropriation that funds roughly half of county attorney’s salaries and contributions to group benefits.

**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 section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	1,243,073	1,243,073	2,486,146	89.07 %	1,802,028	1,802,028	3,604,056	88.53 %
SWPL Adjustments	197,318	107,737	305,055	10.93 %	277,732	189,343	467,075	11.47 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
<b>Total Budget</b>	<b>\$1,440,391</b>	<b>\$1,350,810</b>	<b>\$2,791,201</b>		<b>\$2,079,760</b>	<b>\$1,991,371</b>	<b>\$4,071,131</b>	

**Present Law Adjustments**

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the budget proposed by the executive. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----				-----Fiscal 2021-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	108,229	76,055	0	188,643	0.00	109,835	77,183	0	191,441
DP 2 - Fixed Costs	0.00	88,946	0	0	88,946	0.00	(2,276)	0	0	(2,276)
DP 3 - Inflation Deflation	0.00	143	0	0	143	0.00	178	0	0	178
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$197,318</b>	<b>\$76,055</b>	<b>\$0</b>	<b>\$277,732</b>	<b>0.00</b>	<b>\$107,737</b>	<b>\$77,183</b>	<b>\$0</b>	<b>\$189,343</b>

\*\*"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:

- Formula based changes
- Personal services management decisions
- Reinstatement of personal services previously reduced
- Modifications made to the personal services budget in the 2019 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, 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 food, postage, gasoline, and others.

**Program Biennium Comparison**

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 18-19	Requested Budget 20-21	Biennium Change	Biennium % Change
Personal Services	475,345	872,113	396,768	83.47 %
Operating Expenses	332,803	393,596	60,793	18.27 %
<b>Total Expenditures</b>	<b>\$808,148</b>	<b>\$1,265,709</b>	<b>\$457,561</b>	<b>56.62 %</b>
General Fund	808,148	1,265,709	457,561	56.62 %
<b>Total Funds</b>	<b>\$808,148</b>	<b>\$1,265,709</b>	<b>\$457,561</b>	<b>56.62 %</b>
<b>Total Ongoing</b>	<b>\$808,148</b>	<b>\$1,265,709</b>	<b>\$457,561</b>	<b>56.62 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

**Program Biennium Comparison -**

The biennium comparison table shows a total growth of 56.6%, which for the Public Safety Officer and Training Council (POST) is significantly influenced by the FY 2018 appropriation reductions. Compared to the FY 2019 base appropriation, the growth is 48.9%.

**Program Description**

The Montana Public Safety Officer Standards and Training (POST) Council is a quasi-judicial board authorized by Section 2-15-2029, MCA. POST is responsible for establishing basic and advanced qualification and training standards for employment of Montana's public safety officers, as defined in 44-4-401, MCA. In addition, POST conducts and approves training, provides for the certification and re-certification of public safety officers, and is responsible for the suspension or revocation of certification of public safety officers.

**Program Highlights**

<b>Public Safety Officer Standards and Training Council Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The proposed POST 2021 biennium budget is \$458,000 or 56.6% higher than the 2019 biennium. Significant changes include:                             <ul style="list-style-type: none"> <li>◦ Additional personal services of \$37,000 as part of the statewide present law adjustment</li> <li>◦ Proposal to increase FTE by 2.50 and provide related personal services of \$379,000</li> </ul> </li> </ul>

**Program Actuals and Budget Comparison**

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Request Fiscal 2020	Request Fiscal 2021
FTE	0.00	3.00	3.00	5.50	5.50
Personal Services	251,524	233,191	242,154	436,330	435,783
Operating Expenses	131,334	149,986	182,817	198,942	194,654
<b>Total Expenditures</b>	<b>\$382,858</b>	<b>\$383,177</b>	<b>\$424,971</b>	<b>\$635,272</b>	<b>\$630,437</b>
General Fund	382,858	383,177	424,971	635,272	630,437
<b>Total Funds</b>	<b>\$382,858</b>	<b>\$383,177</b>	<b>\$424,971</b>	<b>\$635,272</b>	<b>\$630,437</b>
<b>Total Ongoing</b>	<b>\$382,858</b>	<b>\$383,177</b>	<b>\$424,971</b>	<b>\$635,272</b>	<b>\$630,437</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Program Discussion -**

*FY 2018 Appropriations Compared to FY 2018 Actual Expenditures*

The POST Council expended 107.9% of its personal services HB 2 appropriations, and 87.6% of operating expenses. The legislature imposed a 6.0% vacancy savings reduction or \$15,429. The actual vacancy rate in POST was 0.0%.

To offset personal services expenditure POST reduced expenditures for temporary services and software when compared to the 2017 biennium.

*FY 2018 Appropriations Compared to FY 2019 Appropriations*

FY 2019 total appropriations are \$42,000, or 10.9% higher than FY 2018 appropriations due to:

- November 2017 Special Session reductions in both fiscal years that were subsequently restored by SB 9 for FY 2019, in the amount of \$28,000
- SB 294 pay plan increase in FY 2019 of \$1,000
- Reductions of \$6,000 enacted by the November 2017 Special Session by reducing employer contribution to employee health benefits for two months

*Executive Request*

The executive requests an increase of 56.6% or \$397,000 in total funding compared to the 2019 biennium. Increases include an additional \$37,000 in personal services requested as part of statewide present law adjustments.

*Program Personal Services*

Personal services increase by 83.5% when compared to the 2019 biennium. A new proposal to add 2.50 FTE and \$379,000 in personal services funding makes up 79.7% of the increase. As reflected in Figure 2 in the Agency Discussion, the Public Safety Officers Standards and Training Council proposes the following changes as part of its statewide present law adjustments in each year of the biennium:

- Reinstatement of reductions enacted by the 2017 Legislature
- Reinstatement of reductions included in SB 261
- Reinstatement due to a proposed change in the vacancy savings rate to 2.0%

Funding

The following table shows proposed program funding by source of authority.

Department of Justice, 19-Post Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	1,265,709	0	0	0	1,265,709	100.00 %	
02798 61-3-550 MVD MERLIN HB261	0	0	0	0	0	0.00 %	
<b>State Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Total All Funds</b>	<b>\$1,265,709</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,265,709</b>		

POST is funded with 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 section of the Budget Analysis.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	424,971	424,971	849,942	67.15 %	424,971	424,971	849,942	67.15 %
SWPL Adjustments	18,705	18,048	36,753	2.90 %	18,705	18,048	36,753	2.90 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	191,596	187,418	379,014	29.94 %	191,596	187,418	379,014	29.94 %
<b>Total Budget</b>	<b>\$635,272</b>	<b>\$630,437</b>	<b>\$1,265,709</b>		<b>\$635,272</b>	<b>\$630,437</b>	<b>\$1,265,709</b>	

Present Law Adjustments

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the budget proposed by the executive. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	18,898	0	0	18,898	0.00	18,233	0	0	18,233
DP 2 - Fixed Costs	0.00	(193)	0	0	(193)	0.00	(185)	0	0	(185)
DP 3 - Inflation Deflation	0.00	0	0	0	0	0.00	0	0	0	0
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$18,705</b>	<b>\$0</b>	<b>\$0</b>	<b>\$18,705</b>	<b>0.00</b>	<b>\$18,048</b>	<b>\$0</b>	<b>\$0</b>	<b>\$18,048</b>

\*\*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:

- Formula based changes
- Personal services management decisions
- Reinstatement of personal services previously reduced
- Modifications made to the personal services budget in the 2019 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, 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 food, postage, gasoline, and others.

**New Proposals**

The “New Proposals” table shows new changes to spending.

New Proposals	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1901 - POST ADMINISTRATIVE ASSISTANT FTE	2.00	119,841	0	0	119,841	2.00	117,767	0	0	117,767
DP 1902 - POST PART TIME ATTORNEY FTE	0.50	71,755	0	0	71,755	0.50	69,651	0	0	69,651
<b>Total</b>	<b>2.50</b>	<b>\$191,596</b>	<b>\$0</b>	<b>\$0</b>	<b>\$191,596</b>	<b>2.50</b>	<b>\$187,418</b>	<b>\$0</b>	<b>\$0</b>	<b>\$187,418</b>

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

DP 1901 - POST ADMINISTRATIVE ASSISTANT FTE -

The Montana POST Council requests 2.00 FTE for an administrative assistant at the cost of \$119,840 in FY 2020 and \$117,767 in FY 2021 funded by the general fund. POST staff currently consists of 3.00 FTE, to provide sufficient support to the over 5,000 public safety officers in Montana. The administrative assistant will be responsible for entering, organizing and editing data for accuracy in a software program, outreach to public safety agencies to assure ongoing accurate record maintenance, answer phones, file documents, accept and disseminate mail, and provide clerical assistance to other members of the POST Council staff.

DP 1902 - POST PART TIME ATTORNEY FTE -

The Montana POST Council requests 0.50 FTE for an attorney position at a cost of \$71,756 in FY 2020 and \$69,651 in FY 2021 funded by general fund. In 2013, POST investigated 36 complaint allegations. Currently there are 60-80 complaint allegations pending, ranging from policy violations to allegations relating to felony criminal conduct. The demands and increase in workload require additional staff to maintain and process the legal requirements for these allegations.