

**Agency Budget Comparison**

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	26,134,687	28,535,966	2,401,279	9.19 %
Operating Expenses	8,713,687	10,496,384	1,782,697	20.46 %
Equipment & Intangible Assets	3,600,200	1,654,196	(1,946,004)	(54.05)%
Transfers	298,837	588,000	289,163	96.76 %
<b>Total Expenditures</b>	<b>\$38,747,411</b>	<b>\$41,274,546</b>	<b>\$2,527,135</b>	<b>6.52 %</b>
General Fund	33,736,148	35,881,471	2,145,323	6.36 %
State/Other Special Rev. Funds	5,011,263	5,393,075	381,812	7.62 %
<b>Total Funds</b>	<b>\$38,747,411</b>	<b>\$41,274,546</b>	<b>\$2,527,135</b>	<b>6.52 %</b>
<b>Total Ongoing</b>	<b>\$34,907,411</b>	<b>\$39,314,900</b>	<b>\$4,407,489</b>	<b>12.63 %</b>
<b>Total OTO</b>	<b>\$3,840,000</b>	<b>\$1,959,646</b>	<b>(\$1,880,354)</b>	<b>(48.97)%</b>

**Agency Description**

The mission of the legislature is to exercise the legislative power of state government vested by the Constitution of the State of Montana and to fulfill its constitutional duties. The mission of the agencies within the Legislative Branch, i.e., the consolidated legislative agency, is to provide the administration structure to support accomplishment of the powers and duties of the legislature. For additional information, please refer to the agency profile.

**Agency Highlights**

<b>Legislative Branch Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The legislature adopted an increase to the Legislative Branch's 2023 biennium budget of approximately \$2.5 million or 6.5% compared to the 2021 biennium budget. Significant changes include:                             <ul style="list-style-type: none"> <li>◦ Statewide present law adjustments for personal services, fixed costs, and inflation/deflation</li> <li>◦ One-time-only, state special revenue increases including:                                     <ul style="list-style-type: none"> <li>▪ Appropriations to offset impacts of SB 21 which redirected lobbying fees from a state special revenue account to the general fund</li> <li>▪ Funding for the Pacific Northwest Economic Region (PNWER) annual conference to be held in Montana</li> <li>▪ Increased audit services due to HB 632, a bill establishing additional federal revenues due to the American Rescue Plan Act</li> </ul> </li> <li>◦ One-time-only, general fund increases including:                                     <ul style="list-style-type: none"> <li>▪ A new automation system and system upgrades</li> <li>▪ Final phase of the session system replacement/ website integration project</li> <li>▪ Anticipated staff retirement termination payouts</li> <li>▪ The District and Apportionment Commission</li> <li>▪ Implementation of the Judicial Accountability and Transparency Committee and requirements of HB 483</li> </ul> </li> <li>◦ New proposals to address retention and recruitment in all divisions and information technology (IT) training</li> <li>◦ A reduction in general fund for the elimination of the state share contribution</li> </ul> </li> </ul>

**Agency Actuals and Budget Comparison**

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	141.89	141.89	143.39	143.39
Personal Services	12,445,539	12,983,524	13,151,163	14,131,083	14,404,883
Operating Expenses	4,111,116	4,764,596	3,949,091	5,662,836	4,833,548
Equipment & Intangible Assets	2,469,472	2,603,200	997,000	1,059,696	594,500
Transfers	142,042	149,419	149,418	444,000	144,000
<b>Total Expenditures</b>	<b>\$19,168,169</b>	<b>\$20,500,739</b>	<b>\$18,246,672</b>	<b>\$21,297,615</b>	<b>\$19,976,931</b>
General Fund	16,659,486	17,672,574	16,063,574	18,340,137	17,541,334
State/Other Special Rev. Funds	2,508,683	2,828,165	2,183,098	2,957,478	2,435,597
<b>Total Funds</b>	<b>\$19,168,169</b>	<b>\$20,500,739</b>	<b>\$18,246,672</b>	<b>\$21,297,615</b>	<b>\$19,976,931</b>
<b>Total Ongoing</b>	<b>\$16,684,966</b>	<b>\$17,580,739</b>	<b>\$17,326,672</b>	<b>\$19,595,273</b>	<b>\$19,719,627</b>
<b>Total OTO</b>	<b>\$2,483,203</b>	<b>\$2,920,000</b>	<b>\$920,000</b>	<b>\$1,702,342</b>	<b>\$257,304</b>

### Summary of Legislative Action

The legislature approved an appropriation increase of approximately \$2.5 million or 6.5% compared to the FY 2021 biennium budget. This increase is in part due to adjustments for the statewide present law adjustments for personal services, fixed costs, and inflation/deflation. Other significant changes include:

- One-time-only, state special revenue increases:
  - \$41,125 in FY 2022 to offset impacts of SB 21 which revised the deposit of lobbying fees
  - \$125,000 in FY 2022 for the Pacific Northwest Economic Region (PNWER) annual conference to be held in Montana
  - \$100,450 for the 2023 biennium for increased audit services due to HB 632, which implements the American Rescue Plan Act and requires the Legislative Audit Division complete audit work on the additional funding of approximately \$2.1 billion
- One-time-only, general fund increases:
  - \$1.1 million over the 2023 biennium for a new automation system and system upgrades in the Legislative Services Division
  - \$200,000 over the 2023 biennium for completion of the session system project replacement and website integration project
  - \$300,000 in FY 2022 for anticipated staff retirement termination payouts
  - \$101,000 in FY 2022 for the District and Apportionment Commission which meets every 10 years following the decennial census
  - \$285,000 in FY 2022 for the Committee on Judicial Accountability and Transparency and to implement the requirements of HB 483
- New proposals to address retention and recruitment:
  - 1.00 FTE and approximately \$576,000 general fund appropriations to support an additional research analyst and to bring existing staffs wages closer to the target market ratio in the Legislative Services Division. The legislature approved the additional research analyst due to the anticipated impacts of HB 73 which assigned the staffing responsibilities of the Criminal Justice Oversight Council to the Legislative Services Division
  - A biennial appropriation of approximately \$185,000 in the Legislative Fiscal Division to bring existing staff salaries closer to the target market ratio
  - 0.50 FTE and associated personal service and operating expense appropriations of approximately \$191,000 for the 2023 biennium to support implementation of HB 497, which establishes a process for the Joint Appropriation Subcommittees to meet and examine HB 2 expenditures during the interim in the Legislative Fiscal Division
  - Approximately \$74,000 in the Legislative Audit Division to bring existing staff salaries closer to the target market ratio
- Information technology (IT):
  - An increase of approximately \$1.0 million general fund and state special revenue due to the adoption of increased rates for state information technology services
  - A \$200,000 increase in state special revenue for the 2023 biennium to allow the Legislative Services Division to collect fees for IT support of remote and hybrid meetings conducted in the Capitol
  - \$43,000 in FY 2022 for remote meeting coordinators
- A reduction of approximately \$234,000 in general fund for the elimination of the state share contribution for two months

### Funding

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

Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	34,105,750	1,775,721	0	0	35,881,471	86.93 %
State Special Total	5,209,150	183,925	0	0	5,393,075	13.07 %
Federal Special Total	0	0	0	0	0	0.00 %
Proprietary Total	0	0	0	0	0	0.00 %
Other Total	0	0	0	0	0	0.00 %
<b>Total All Funds</b>	<b>\$39,314,900</b>	<b>\$1,959,646</b>	<b>\$0</b>	<b>\$0</b>	<b>\$41,274,546</b>	
<b>Percent - Total All Sources</b>	<b>95.25 %</b>	<b>4.75 %</b>	<b>0.00 %</b>	<b>0.00 %</b>		

The Legislative Branch is primarily funded with general fund. State special revenues support the costs associated with the preparation, publication, and distribution of the Montana Code Annotated; and a portion of the activities of the Legislative Audit Division.

The Legislative Branch has statutory appropriation authority for three accounts:

- Legislative Branch reserve account
- Legislative audit specialist services reserve account
- Legislative Branch retirement termination reserve account

The Legislative Branch reserve account receives unexpended and unencumbered money including funding remaining at the end of the biennium from the “feed bill” (HB 1, the bill that funds the legislative session each biennium) and remaining carryforward appropriations from the various divisions within the branch. The legislative audit specialist services reserve account receives remaining carryforward appropriations from the Legislative Audit Division. The Legislative Branch retirement reserve account has been funded with general fund transfers provided by the legislature or through deposit of carryforward appropriations.

The funds in the Legislative Branch reserve account may be used for major Legislative Branch information technology projects including hardware, software, consulting services for new initiatives, and replacement and upgrading of existing systems. All projects and funding from the Legislative Branch reserve account must be approved by the Legislative Council.

The funds in the legislative audit specialist services reserve account may be used for contracted services necessary to provide specialist expertise in support of audit activities. All allocations of funds must be approved by the Legislative Audit Committee.

The funds in the Legislative Branch retirement termination reserve account may be used for staff retirement termination pay in the Legislative Branch. The funds may only be expended with the approval of the appropriate branch division director.

**Budget Summary by Category**

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

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	15,150,597	15,150,597	30,301,194	84.45 %	17,326,672	17,326,672	34,653,344	83.96 %
SWPL Adjustments	485,451	882,203	1,367,654	3.81 %	813,580	1,027,866	1,841,446	4.46 %
PL Adjustments	1,711,254	713,852	2,425,106	6.76 %	1,838,778	669,086	2,507,864	6.08 %
New Proposals	992,835	794,682	1,787,517	4.98 %	1,318,585	953,307	2,271,892	5.50 %
<b>Total Budget</b>	<b>\$18,340,137</b>	<b>\$17,541,334</b>	<b>\$35,881,471</b>		<b>\$21,297,615</b>	<b>\$19,976,931</b>	<b>\$41,274,546</b>	

**Other Legislation**

**HB 1** – This legislation includes total appropriations of \$13.0 million for the operations of the 67th Legislature and the costs of preparing for the 68th Legislature. The appropriations fund the salaries and per-diem of the members for the 67th Legislature, the costs of temporary staff, and operational costs related to the session.

**HB 73** – This legislation reassigns the Criminal Justice Oversight Council's administrative and clerical responsibilities to the Legislative Services Division. Funding to address the fiscal impacts of HB 73 is included in HB 2.

**HB 497** – The legislature established six interim budget committees to be assigned to the Legislative Fiscal Division, which will meet for six one-day meetings over the 2023 biennium. Funding to address the fiscal impacts of HB 497 is included in HB 2 and HB 330.

**HB 330** – This legislation provides an additional \$50,000 in general fund to the Legislative Fiscal Division for additional Legislative Finance Committee members and other interim activities, including the interim budget committees established in HB 497.

**HB 651** – This legislation will require legislative interim committees to review proposed ballot initiative language and vote on whether to support the placement of a measure on the ballot. This bill will require the Legislative Services Division to perform additional duties including contracting with a web developer to update the ballot initiatives as they go through the interim committee review process.

**HB 701** – This legislation revises the regulation of both adult-use and medical marijuana, combines both program's administration under the DOR, and establishes revenue distribution and administration guidelines for the adult-use marijuana program. Section 27 of this bill assigns legislative monitoring and oversight for medical marijuana to the Economic Affairs Interim Committee to identify issues that require future legislative attention and develop legislation. It is assumed that three additional one-day meetings will be required to meet the requirements of this bill and that the Legislative Services Division will absorb these additional meetings with its adopted budget.

**SB 21** – This legislation revised lobbyist licensing fees and repealed the associated special revenue account for state broadcasting services. Pursuant to 5-11-1111, MCA, the Legislative Services Division is required to broadcast legislative and administrative proceedings. Funding to address the fiscal impacts of SB 21 is included in HB 2.

### Executive Budget Comparison

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2021	Executive Budget Fiscal 2022	Legislative Budget Fiscal 2022	Leg — Exec. Difference Fiscal 2022	Executive Budget Fiscal 2023	Legislative Budget Fiscal 2023	Leg — Exec. Difference Fiscal 2023	Biennium Difference Fiscal 22-23
FTE	141.89	141.89	143.39	1.50	141.89	143.39	1.50	1.50
Personal Services	13,151,163	13,604,956	14,131,083	526,127	13,904,826	14,404,883	500,057	1,026,184
Operating Expenses	3,949,091	5,085,130	5,662,836	577,706	4,612,601	4,833,548	220,947	798,653
Equipment & Intangible Assets	997,000	1,059,696	1,059,696	0	594,500	594,500	0	0
Transfers	149,418	144,000	444,000	300,000	144,000	144,000	0	300,000
<b>Total Costs</b>	<b>\$18,246,672</b>	<b>\$19,893,782</b>	<b>\$21,297,615</b>	<b>\$1,403,833</b>	<b>\$19,255,927</b>	<b>\$19,976,931</b>	<b>\$721,004</b>	<b>\$2,124,837</b>
General Fund	16,063,574	17,253,554	18,340,137	1,086,583	16,970,516	17,541,334	570,818	1,657,401
State/other Special Rev. Funds	2,183,098	2,640,228	2,957,478	317,250	2,285,411	2,435,597	150,186	467,436
Federal Spec. Rev. Funds	0	0	0	0	0	0	0	0
<b>Total Funds</b>	<b>\$18,246,672</b>	<b>\$19,893,782</b>	<b>\$21,297,615</b>	<b>\$1,403,833</b>	<b>\$19,255,927</b>	<b>\$19,976,931</b>	<b>\$721,004</b>	<b>\$2,124,837</b>
<b>Total Ongoing</b>	<b>\$17,326,672</b>	<b>\$20,107,757</b>	<b>\$19,595,273</b>	<b>(\$512,484)</b>	<b>\$19,235,927</b>	<b>\$19,719,627</b>	<b>\$483,700</b>	<b>(\$28,784)</b>
<b>Total OTO</b>	<b>\$920,000</b>	<b>(\$213,975)</b>	<b>\$1,702,342</b>	<b>\$1,916,317</b>	<b>\$20,000</b>	<b>\$257,304</b>	<b>\$237,304</b>	<b>\$2,153,621</b>

The legislature adopted appropriations that are approximately \$2.1 million higher than the proposed appropriations for the 2023 biennium, with the additional appropriations being predominantly for one-time-only expenditures. The legislature adopted:

- Ongoing adjustments:
  - Additional personal services and 1.00 FTE in the Legislative Services Division for the impacts of increased workload due to legislation
  - Additional personal services in the Legislative Services and Legislative Audit Divisions to bring staff closer to their target market ratios
  - Additional personal services in the Legislative Committees and Activities Program to provide for remote meeting coordinators assistance with interim committees
- One-time-only adjustments:
  - Appropriations for information technology projects and the ongoing Districting and Apportionment Commission appropriations
  - State special revenue appropriations for the annual conference of PNWER that is being held in Montana and to provide for the impacts of the passage and approval of SB 21
  - General fund for session system replacement/website integration, new automation systems and system upgrades, and to provide for anticipated termination payouts due to staff retirements in the 2023 biennium in the Legislative Services Division
  - State special revenue to address increased audit services due to HB 632
- Changes to fixed costs for information technology services and charges for warehouses and storage that reduced the Legislative Branch budget

### **Language and Statutory Authority**

The legislature included the following language in HB 2:

"All appropriations for the Legislative Branch are biennial."

"It is the intent of the Legislature that the Legislative Services Division may collect fees for deposit in a state special revenue account for the development, coordination, and support of remote and hybrid meetings conducted in the Capitol. Legislative meetings would not be subject to the fees."

**Program Budget Comparison**

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	12,856,026	13,816,311	960,285	7.47 %
Operating Expenses	6,378,690	7,656,696	1,278,006	20.04 %
Equipment & Intangible Assets	3,600,200	1,654,196	(1,946,004)	(54.05)%
Transfers	298,837	588,000	289,163	96.76 %
<b>Total Expenditures</b>	<b>\$23,133,753</b>	<b>\$23,715,203</b>	<b>\$581,450</b>	<b>2.51 %</b>
General Fund	22,409,965	22,810,000	400,035	1.79 %
State/Other Special Rev. Funds	723,788	905,203	181,415	25.06 %
<b>Total Funds</b>	<b>\$23,133,753</b>	<b>\$23,715,203</b>	<b>\$581,450</b>	<b>2.51 %</b>
<b>Total Ongoing</b>	<b>\$19,633,753</b>	<b>\$22,210,436</b>	<b>\$2,576,683</b>	<b>13.12 %</b>
<b>Total OTO</b>	<b>\$3,500,000</b>	<b>\$1,504,767</b>	<b>(\$1,995,233)</b>	<b>(57.01)%</b>

**Program Description**

The Legislative Services Division provides objective research, reference, legal, technical, information technology, and business services to the House, Senate, and other divisions of the Legislative Branch.

Division services include:

1. Bill and amendment drafting, preparation of bills for introduction, and engrossing and enrolling bills
2. Publication and records management of legislative documents of record
3. Preparation, publication, and distribution of the Montana Code Annotated text and annotations
4. Provision of legislative research and reference services
5. Support for session and interim committees
6. Legal services and counseling on legislative matters and agency legal support
7. Review of the text of proposed ballot measures
8. Personnel and business services
9. Planning, installation, and maintenance of branch information technology
10. Broadcasting of state government and public policy events
11. Provision of legislative information to the public

The Legislative Council provides policy guidance to the Legislative Services Division.

**Program Highlights**

<b>Legislative Services Division Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The legislature adopted an increase to the Legislative Services Division's 2023 biennium ongoing budget of approximately \$2.6 million or 13.1% compared to the 2021 biennium ongoing budget. Significant changes include:                             <ul style="list-style-type: none"> <li>◦ Increases in general fund and state special revenue for statewide present law adjustments for personal services and fixed costs</li> <li>◦ Increases in general fund and state special revenue for information technology service costs</li> <li>◦ A one-time-only increase in general fund for a new automation system and system updates</li> <li>◦ A one-time-only increase in state special revenue to offset the impacts of SB 21</li> <li>◦ An increase in general fund for 1.00 FTE and associated personal service funding for additional responsibilities resulting from legislation</li> <li>◦ One-time-only increases in general fund appropriations for session system replacements/website integration and anticipated retirement termination payouts</li> <li>◦ Authority to establish technical support fees for remote and hybrid meetings conducted in the Capitol</li> <li>◦ A decrease in general fund due to the elimination of the state share contribution to the state employee group benefit plan for two months</li> </ul> </li> </ul>

**Program Actuals and Budget Comparison**

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	67.67	67.67	68.67	68.67
Personal Services	6,332,061	6,354,746	6,501,280	6,733,690	7,082,621
Operating Expenses	3,108,113	3,391,445	2,987,245	3,999,938	3,656,758
Equipment & Intangible Assets	2,469,472	2,603,200	997,000	1,059,696	594,500
Transfers	142,042	149,419	149,418	444,000	144,000
<b>Total Expenditures</b>	<b>\$12,051,688</b>	<b>\$12,498,810</b>	<b>\$10,634,943</b>	<b>\$12,237,324</b>	<b>\$11,477,879</b>
General Fund	11,542,649	11,972,417	10,437,548	11,586,113	11,223,887
State/Other Special Rev. Funds	509,039	526,393	197,395	651,211	253,992
<b>Total Funds</b>	<b>\$12,051,688</b>	<b>\$12,498,810</b>	<b>\$10,634,943</b>	<b>\$12,237,324</b>	<b>\$11,477,879</b>
<b>Total Ongoing</b>	<b>\$9,711,336</b>	<b>\$9,898,810</b>	<b>\$9,734,943</b>	<b>\$10,969,861</b>	<b>\$11,240,575</b>
<b>Total OTO</b>	<b>\$2,340,352</b>	<b>\$2,600,000</b>	<b>\$900,000</b>	<b>\$1,267,463</b>	<b>\$237,304</b>

**Funding**



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

Legislative Branch, 20-Legislative Services Division Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	22,810,000	0	0	22,810,000	96.18 %	
02042 Legislative Audit	0	0	0	0	0.00 %	
02800 Reimbursable Activities	603,726	0	0	603,726	66.70 %	
02985 State Government Broadcasting	59,352	0	0	59,352	6.56 %	
02573 Leg Interim Comm Activities	242,125	0	0	242,125	26.75 %	
<b>State Special Total</b>	<b>\$905,203</b>	<b>\$0</b>	<b>\$0</b>	<b>\$905,203</b>	<b>3.82 %</b>	
03615 LEG COVID19 EXP	0	0	0	0	0.00 %	
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Total All Funds</b>	<b>\$23,715,203</b>	<b>\$0</b>	<b>\$0</b>	<b>\$23,715,203</b>		

The Legislative Services Division is mainly funded with general fund. State special revenue supports the costs associated with the state broadcasting services and the preparation, publication, and distribution of the Montana Code Annotated. State special revenue collections from the sale of the Montana Code Annotated and ancillary publications have decreased because fewer copies are printed and sold due to the availability of the publications digitally. While revenues are decreasing, costs to produce the MCA have not been declining.

**Budget Summary by Category**

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

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	9,537,548	9,537,548	19,075,096	83.63 %	9,734,943	9,734,943	19,469,886	82.10 %
SWPL Adjustments	138,003	592,081	730,084	3.20 %	340,703	604,781	945,484	3.99 %
PL Adjustments	1,444,055	610,665	2,054,720	9.01 %	1,553,046	554,562	2,107,608	8.89 %
New Proposals	466,507	483,593	950,100	4.17 %	608,632	583,593	1,192,225	5.03 %
<b>Total Budget</b>	<b>\$11,586,113</b>	<b>\$11,223,887</b>	<b>\$22,810,000</b>		<b>\$12,237,324</b>	<b>\$11,477,879</b>	<b>\$23,715,203</b>	

**Present Law Adjustments**

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

Present Law Adjustments										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(28,208)	200,000	0	171,792	0.00	193,637	10,000	0	203,637
DP 2 - Fixed Costs	0.00	166,237	2,700	0	168,937	0.00	398,460	2,700	0	401,160
DP 3 - Inflation Deflation	0.00	(26)	0	0	(26)	0.00	(16)	0	0	(16)
DP 4 - Present Law Adjustment	0.00	487,522	109,091	0	596,613	0.00	479,115	(56,064)	0	423,051
DP 5 - New Automation Systems & System Upgrades (OTO)	0.00	962,696	0	0	962,696	0.00	137,304	0	0	137,304
DP 50 - SWPLA Fixed Cost Reductions	0.00	(6,163)	(100)	0	(6,263)	0.00	(5,754)	(39)	0	(5,793)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$1,582,058</b>	<b>\$311,691</b>	<b>\$0</b>	<b>\$1,893,749</b>	<b>0.00</b>	<b>\$1,202,746</b>	<b>(\$43,403)</b>	<b>\$0</b>	<b>\$1,159,343</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 legislature made adjustments to the present law personal services budget for expected changes, management decisions, and budget modifications.

DP 2 - Fixed Costs -

The legislature made adjustments to 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 legislature made 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.

DP 4 - Present Law Adjustment -

The legislature adopted increases in state information technology services division rates for network connectivity, remote services, device authentication, and enterprise rates as well as contingency services for programming and web development.

DP 5 - New Automation Systems & System Upgrades (OTO) -

The legislature approved new automation systems and system upgrades for the laws system, legislative audit work paper automation, the legislator portal, codification application upgrade, and broadcasting upgrades. The appropriation is provided as one-time-only.

DP 50 - SWPLA Fixed Cost Reductions -

The legislature reduced fixed costs for warehouses, storage rooms, and information technology.

**New Proposals**

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 7 - Additional Committee Activities (OTO)	0.00	0	42,125	0	42,125	0.00	0	0	0	0
DP 2001 - Additional Personal Services	1.00	197,976	0	0	197,976	1.00	377,704	0	0	377,704
DP 2002 - Session System Replacement and Website Integration (OTO)	0.00	100,000	0	0	100,000	0.00	100,000	0	0	100,000
DP 2003 - Retirement Termination Payouts (OTO)	0.00	300,000	0	0	300,000	0.00	0	0	0	0
DP 2005 - NRIS/GIS Fixed Costs	0.00	5,889	0	0	5,889	0.00	5,889	0	0	5,889
DP 2007 - Capitol Technical Support	0.00	0	100,000	0	100,000	0.00	0	100,000	0	100,000
DP 5555 - Reduce GF Budget for State Share Holiday (OTO)	0.00	(137,358)	0	0	(137,358)	0.00	0	0	0	0
<b>Total</b>	<b>1.00</b>	<b>\$466,507</b>	<b>\$142,125</b>	<b>\$0</b>	<b>\$608,632</b>	<b>1.00</b>	<b>\$483,593</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$583,593</b>

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

DP 7 - Additional Committee Activities (OTO) -

The legislature provided \$42,125 in state special revenue to offset the impacts of SB 21. SB 21 revised the deposit of lobbying fees, repealed the broadcasting special revenue account, and required that the lobbying fees be deposited directly into the general fund. This reduced funding for broadcasting of the legislature and interim activities. State special revenues are provided one-time-only in this biennium. Another funding source will need to be determined in future biennia.

DP 2001 - Additional Personal Services -

The legislature provided 1.00 FTE and associated personal services funding for an additional research analyst for the implementation of legislation increasing the legislative services workload. Additional personal services funding was appropriated to bring existing staff wages closer to their target market ratio.

DP 2002 - Session System Replacement and Website Integration (OTO) -

The legislature provided one-time-only general fund in operating expenses for completion of the session system replacement project.

DP 2003 - Retirement Termination Payouts (OTO) -

The legislature provided one-time-only funding in transfers for anticipated retirement termination payouts anticipated in the 2023 biennium.

DP 2005 - NRIS/GIS Fixed Costs -

The 2019 Legislature enacted HB 633 requiring the Legislative Finance Committee (LFC) to conduct a study of the funding of digital library services. The LFC recommended that the Office of Budget and Program Planning include an assessment for the natural resource information system (NRIS) and the geographic information system (GIS) as a fixed cost to state agencies beginning in the 2023 biennium. The assessment is made to those agencies that utilize the NRIS/GIS.

DP 2007 - Capitol Technical Support -

The legislature approved the Legislative Services Division collecting fees for the development, coordination, and support of remote and hybrid meetings conducted in the Capitol. Legislative meetings would not be subject to the fees.

DP 5555 - Reduce GF Budget for State Share Holiday (OTO) -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, if applicable, remain in agency personal services budgets.

**Program Budget Comparison**

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	297,484	501,599	204,115	68.61 %
Operating Expenses	1,664,232	2,044,372	380,140	22.84 %
<b>Total Expenditures</b>	<b>\$1,961,716</b>	<b>\$2,545,971</b>	<b>\$584,255</b>	<b>29.78 %</b>
General Fund	1,661,716	2,420,971	759,255	45.69 %
State/Other Special Rev. Funds	300,000	125,000	(175,000)	(58.33)%
<b>Total Funds</b>	<b>\$1,961,716</b>	<b>\$2,545,971</b>	<b>\$584,255</b>	<b>29.78 %</b>
<b>Total Ongoing</b>	<b>\$1,661,716</b>	<b>\$2,035,821</b>	<b>\$374,105</b>	<b>22.51 %</b>
<b>Total OTO</b>	<b>\$300,000</b>	<b>\$510,150</b>	<b>\$210,150</b>	<b>70.05 %</b>

**Program Description**

The Legislative Committees and Activities program supports the activities of legislators and legislative committees that are conducted during the interim between legislative sessions.

Program expenditures support :

1. The Legislative Council
2. Interim study activities, as defined in 5-5-202 through 5-5-217, MCA
3. Cooperative interstate, international, and intergovernmental activities, as outlined in 5-11-303 through 5-11-305, MCA
4. Other legislative activities for which appropriations are made

**Program Highlights**

<b>Legislative Committees &amp; Activities Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The legislature adopted an increase to the Legislative Committee and Activities' 2023 biennium budget of approximately \$584,000 or 29.8% compared to the 2021 biennium budget. Significant changes include:                             <ul style="list-style-type: none"> <li>◦ An increase due to a statewide present law adjustment for personal services associated with legislator salaries</li> <li>◦ An increase in general fund for national organizational dues, increased committee membership, and the addition of two interim committees</li> <li>◦ A one-time-only general fund appropriation for the District and Apportionment Commission which meets every 10 years</li> <li>◦ A one-time-only state special revenue appropriation for the Pacific Northwest Economic Region annual conference</li> <li>◦ A biennial general fund appropriation for participation in the Education Commission of the States</li> <li>◦ A restricted, biennial, one-time-only general fund appropriation for an interim committee on judicial accountability and transparency and for implementation of HB 483</li> </ul> </li> </ul>

**Program Actuals and Budget Comparison**

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	0.97	0.97	0.97	0.97
Personal Services	153,274	180,925	116,559	369,750	131,849
Operating Expenses	730,155	1,027,455	636,777	1,254,098	790,274
<b>Total Expenditures</b>	<b>\$883,429</b>	<b>\$1,208,380</b>	<b>\$753,336</b>	<b>\$1,623,848</b>	<b>\$922,123</b>
General Fund	750,958	908,380	753,336	1,498,848	922,123
State/Other Special Rev. Funds	132,471	300,000	0	125,000	0
<b>Total Funds</b>	<b>\$883,429</b>	<b>\$1,208,380</b>	<b>\$753,336</b>	<b>\$1,623,848</b>	<b>\$922,123</b>
<b>Total Ongoing</b>	<b>\$750,958</b>	<b>\$908,380</b>	<b>\$753,336</b>	<b>\$1,113,698</b>	<b>\$922,123</b>
<b>Total OTO</b>	<b>\$132,471</b>	<b>\$300,000</b>	<b>\$0</b>	<b>\$510,150</b>	<b>\$0</b>

**Funding**

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

Legislative Branch, 21-Legis. Committees & Activities Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	2,420,971	0	0	2,420,971	95.09 %	
02573 Leg Interim Comm Activities	125,000	0	0	125,000	100.00 %	
<b>State Special Total</b>	<b>\$125,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$125,000</b>	<b>4.91 %</b>	
<b>Federal Special Total</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>0.00 %</b>	
<b>Total All Funds</b>	<b>\$2,545,971</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,545,971</b>		

Legislative Committees and Activities is almost entirely funded with general fund. The remaining funding for state special revenue is due to the 2021 Legislature approving funding for the 2021 Pacific Northwest Economic Region (PNWER) annual conference, which will be held in Montana.

**Budget Summary by Category**

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

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	753,336	753,336	1,506,672	62.23 %	753,336	753,336	1,506,672	59.18 %
SWPL Adjustments	88,537	15,290	103,827	4.29 %	88,537	15,290	103,827	4.08 %
PL Adjustments	263,925	87,597	351,522	14.52 %	263,925	87,597	351,522	13.81 %
New Proposals	393,050	65,900	458,950	18.96 %	518,050	65,900	583,950	22.94 %
<b>Total Budget</b>	<b>\$1,498,848</b>	<b>\$922,123</b>	<b>\$2,420,971</b>		<b>\$1,623,848</b>	<b>\$922,123</b>	<b>\$2,545,971</b>	

**Present Law Adjustments**

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

Present Law Adjustments	-----Fiscal 2022-----				-----Fiscal 2023-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	88,537	0	0	88,537	0.00	15,290	0	0	15,290
DP 4 - Present Law Adjustment	0.00	162,925	0	0	162,925	0.00	87,597	0	0	87,597
DP 6 - District and Apportionment Commission (OTO)	0.00	101,000	0	0	101,000	0.00	0	0	0	0
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$352,462</b>	<b>\$0</b>	<b>\$0</b>	<b>\$352,462</b>	<b>0.00</b>	<b>\$102,887</b>	<b>\$0</b>	<b>\$0</b>	<b>\$102,887</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 legislature made adjustments to the present law personal services budget for expected changes, management

decisions, and budget modifications.

DP 4 - Present Law Adjustment -

The legislature adopted the following changes from the 2021 base budget:

- Transportation Interim Committee was established last biennium (5-5-223, MCA) with a limited budget provided - \$32,000
- Committee membership was increased for some committees - \$53,000
- Legislator activities dues increased 3.0% - \$22,000

DP 6 - District and Apportionment Commission (OTO) -

The legislature approved a one-time-only appropriation for the District and Apportionment Commission (commission). The commission meets every 10 years following the decennial census to prepare plans for redistricting and reapportioning the state into legislative and congressional districts.

**New Proposals**

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 7 - Additional Committee Activities (OTO)	0.00	0	125,000	0	125,000	0.00	0	0	0	0
DP 2101 - Remote meeting coordinator	0.00	43,000	0	0	43,000	0.00	0	0	0	0
DP 2105 - Education Commission of the States (BIEN)	0.00	65,900	0	0	65,900	0.00	65,900	0	0	65,900
DP 2106 - Judicial Accountability Committee (Restricted/Biennial/OTO)	0.00	285,496	0	0	285,496	0.00	0	0	0	0
DP 5555 - Reduce GF Budget for State Share Holiday (OTO)	0.00	(1,346)	0	0	(1,346)	0.00	0	0	0	0
<b>Total</b>	<b>0.00</b>	<b>\$393,050</b>	<b>\$125,000</b>	<b>\$0</b>	<b>\$518,050</b>	<b>0.00</b>	<b>\$65,900</b>	<b>\$0</b>	<b>\$0</b>	<b>\$65,900</b>

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

DP 7 - Additional Committee Activities (OTO) -

The legislature provided additional funding for an annual conference of the Pacific Northwest Economic Region (PNWER), which is a public/private nonprofit created by Alaska, Idaho, Oregon, Montana, and Washington and the Canadian provinces of British Columbia, Alberta, Saskatchewan, Yukon, and the Northwest Territories. The annual conference for PNWER is scheduled for summer 2021.

DP 2101 - Remote meeting coordinator -

The legislature provided funding for remote meeting coordinators to assist with interim committee meetings.

DP 2105 - Education Commission of the States (BIEN) -

The legislature provided general fund appropriations for participation in the Education Commission of the States, pursuant to 20-2-501 through 505, MCA. Funds for dues to the Education Commission of the States and travel for two legislative members of the Education Compact to attend annual meetings of the Commission are included.



DP 2106 - Judicial Accountability Committee (Restricted/Biennial/OTO) -

The legislature approved general fund for an interim committee on judicial accountability and transparency and to implement the requirements of HB 483. Personal services are increased by \$123,000 in FY 2022 and operating expenses are increased by \$162,496.

DP 5555 - Reduce GF Budget for State Share Holiday (OTO) -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, if applicable, remain in agency personal services budgets.

**Program Budget Comparison**

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	4,058,377	4,550,555	492,178	12.13 %
Operating Expenses	196,367	262,272	65,905	33.56 %
<b>Total Expenditures</b>	<b>\$4,254,744</b>	<b>\$4,812,827</b>	<b>\$558,083</b>	<b>13.12 %</b>
General Fund	4,254,744	4,812,827	558,083	13.12 %
<b>Total Funds</b>	<b>\$4,254,744</b>	<b>\$4,812,827</b>	<b>\$558,083</b>	<b>13.12 %</b>
<b>Total Ongoing</b>	<b>\$4,254,744</b>	<b>\$4,852,339</b>	<b>\$597,595</b>	<b>14.05 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>(\$39,512)</b>	<b>(\$39,512)</b>	<b>100.00 %</b>

**Program Description**

The Legislative Fiscal Division provides the legislature with nonpartisan, independent, and objective fiscal information and analysis relevant to Montana public policy and budget determination.

Division services include:

1. Fiscal analysis of state government and the furnishing of information bearing upon the financial matters of the state
2. Identification of ways to effect economy and efficiency in state government
3. Estimation of revenue and analysis of tax policy
4. Analysis of the Executive budget
5. Compiling and analyzing fiscal information for legislators and legislative committees
6. Staffing and support for legislative committees, including the preparation and processing of the appropriation bills for the legislative, judicial, and executive agencies

The Legislative Finance Committee provides guidance to the Legislative Fiscal Division.

**Program Highlights**

<b>Legislative Fiscal Division Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The legislature adopted an increase to the Legislative Fiscal Division's 2023 biennium budget of approximately \$558,000 or 13.1% compared to the 2021 biennium budget. Significant changes include:                             <ul style="list-style-type: none"> <li>◦ Increases due to statewide present law adjustments for personal services</li> <li>◦ General fund decreases due to present law adjustments for costs associated with the legislative session that are not needed when the legislature is not in session</li> <li>◦ General fund appropriations for 0.50 FTE for the implementation of HB 497</li> <li>◦ A new proposal to address retention issues within the division</li> <li>◦ A decrease in general fund due to the elimination of the state share contribution to the state employee group benefit</li> </ul> </li> </ul>

**Program Actuals and Budget Comparison**

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	20.50	20.50	21.00	21.00
Personal Services	1,932,771	2,015,704	2,042,673	2,220,867	2,329,688
Operating Expenses	36,266	86,169	110,198	132,787	129,485
<b>Total Expenditures</b>	<b>\$1,969,037</b>	<b>\$2,101,873</b>	<b>\$2,152,871</b>	<b>\$2,353,654</b>	<b>\$2,459,173</b>
General Fund	1,969,037	2,101,873	2,152,871	2,353,654	2,459,173
<b>Total Funds</b>	<b>\$1,969,037</b>	<b>\$2,101,873</b>	<b>\$2,152,871</b>	<b>\$2,353,654</b>	<b>\$2,459,173</b>
<b>Total Ongoing</b>	<b>\$1,969,037</b>	<b>\$2,101,873</b>	<b>\$2,152,871</b>	<b>\$2,393,166</b>	<b>\$2,459,173</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$39,512)</b>	<b>\$0</b>

**Funding**

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

Legislative Branch, 27-Fiscal Analysis & Review Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	4,812,827	0	0	4,812,827	100.00 %	
<b>State Special Total</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>0.00 %</b>	
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Total All Funds</b>	<b>\$4,812,827</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,812,827</b>		

The Legislative Fiscal Division is entirely funded with general fund.

**Budget Summary by Category**

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

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	2,152,871	2,152,871	4,305,742	89.46 %	2,152,871	2,152,871	4,305,742	89.46 %
SWPL Adjustments	93,367	98,886	192,253	3.99 %	93,367	98,886	192,253	3.99 %
PL Adjustments	(22,143)	(2)	(22,145)	(0.46)%	(22,143)	(2)	(22,145)	(0.46)%
New Proposals	129,559	207,418	336,977	7.00 %	129,559	207,418	336,977	7.00 %
<b>Total Budget</b>	<b>\$2,353,654</b>	<b>\$2,459,173</b>	<b>\$4,812,827</b>		<b>\$2,353,654</b>	<b>\$2,459,173</b>	<b>\$4,812,827</b>	

**Present Law Adjustments**

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

Present Law Adjustments										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	93,353	0	0	93,353	0.00	98,763	0	0	98,763
DP 2 - Fixed Costs	0.00	140	0	0	140	0.00	202	0	0	202
DP 3 - Inflation Deflation	0.00	(126)	0	0	(126)	0.00	(79)	0	0	(79)
DP 4 - Present Law Adjustment	0.00	(22,140)	0	0	(22,140)	0.00	0	0	0	0
DP 50 - SWPLA Fixed Cost Reductions	0.00	(3)	0	0	(3)	0.00	(2)	0	0	(2)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$71,224</b>	<b>\$0</b>	<b>\$0</b>	<b>\$71,224</b>	<b>0.00</b>	<b>\$98,884</b>	<b>\$0</b>	<b>\$0</b>	<b>\$98,884</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 legislature made adjustments to the present law personal services budget for expected changes, management decisions, and budget modifications.

DP 2 - Fixed Costs -

The legislature made adjustments to 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 legislature made 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.

DP 4 - Present Law Adjustment -

The legislature adopted changes from the 2021 budget starting point for cyclical reductions to the FY 2022 general fund appropriations for session related operating expenditures.

DP 50 - SWPLA Fixed Cost Reductions -

The legislature reduced fixed costs for warehouses, storage rooms, and information technology.

**New Proposals**

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2701 - Interim budget committees	0.50	118,576	0	0	118,576	0.50	72,763	0	0	72,763
DP 2705 - LFD Additional Personal Services (BIEN)	0.00	50,495	0	0	50,495	0.00	134,655	0	0	134,655
DP 5555 - Reduce GF Budget for State Share Holiday (OTO)	0.00	(39,512)	0	0	(39,512)	0.00	0	0	0	0
<b>Total</b>	<b>0.50</b>	<b>\$129,559</b>	<b>\$0</b>	<b>\$0</b>	<b>\$129,559</b>	<b>0.50</b>	<b>\$207,418</b>	<b>\$0</b>	<b>\$0</b>	<b>\$207,418</b>

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

DP 2701 - Interim budget committees -

The legislature provided general fund to support 0.50 FTE and operating expenses for the implementation of HB 497. HB 497 establishes a process for the Joint Appropriation Subcommittees to meet during the interim to examine details of the HB 2 state agency budgets.

DP 2705 - LFD Additional Personal Services (BIEN) -

The legislature provided additional personal services funding to address significant recruitment and retention issues relative to pay within the Legislative Fiscal Division. In the last year, five legislative fiscal analysts left the Legislative Fiscal Division for higher paying positions in Executive Branch agencies or private industry.

DP 5555 - Reduce GF Budget for State Share Holiday (OTO) -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, if applicable, remain in agency personal services budgets.

**Program Budget Comparison**

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	8,922,800	9,667,501	744,701	8.35 %
Operating Expenses	474,398	533,044	58,646	12.36 %
<b>Total Expenditures</b>	<b>\$9,397,198</b>	<b>\$10,200,545</b>	<b>\$803,347</b>	<b>8.55 %</b>
General Fund	5,409,723	5,837,673	427,950	7.91 %
State/Other Special Rev. Funds	3,987,475	4,362,872	375,397	9.41 %
<b>Total Funds</b>	<b>\$9,397,198</b>	<b>\$10,200,545</b>	<b>\$803,347</b>	<b>8.55 %</b>
<b>Total Ongoing</b>	<b>\$9,357,198</b>	<b>\$10,216,304</b>	<b>\$859,106</b>	<b>9.18 %</b>
<b>Total OTO</b>	<b>\$40,000</b>	<b>(\$15,759)</b>	<b>(\$55,759)</b>	<b>(139.40)%</b>

**Program Description**

The Legislative Audit Division (LAD) is the state's independent auditor and a key part of the legislature's responsibility for strict accountability of public funds. The division's products and services provide legislative and executive managers of the public trust with factual, objective and unbiased information on how state government works and how to make it work better. These products and services include the following:

- Auditing the state's Comprehensive Annual Financial Report and the biennial Federal Single Audit
- Conducting performance audits to focus on agency or program operations and management, efficiency and effectiveness in delivery of government services, or public policy outcomes and impacts
- Conducting financial-compliance audits of each state agency at least every two years to assess adherence to accounting principles, compliance with material laws, and internal controls
- Conducting information systems audits to address the design, operation and maintenance of technology systems and processes, and providing assurances on the quality and reliability of system data
- Maintaining the state's hotline for reporting fraud, waste and abuse in state government and conducting work to verify allegations and substantiate reported cases
- Reporting violations of penal statutes, instances of misfeasance, malfeasance, or nonfeasance, and any instances of apparent criminal violations of the state code of ethics discovered in an audit
- Auditing records of entities under contract with the state
- Assisting the Legislature, its committees, and its members by providing information related to the fiscal affairs of state government

The Legislative Auditor is responsible for managing the division and appointing and defining the duties of the division's employees. The Legislative Auditor is appointed by the Legislative Audit Committee, a twelve-member, bipartisan, bicameral permanent joint committee of the legislature.

**Program Highlights**

<b>Legislative Audit Division Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The legislature adopted an increase to the Legislative Audit Division's 2023 biennium budget of approximately \$803,000 or 8.6% compared to the 2021 biennium budget. Significant changes include:                             <ul style="list-style-type: none"> <li>◦ Changes for statewide present law adjustments for personal services, fixed costs, and inflation/deflation</li> <li>◦ A one-time-only increase for training on information technology for the statewide accounting, budgeting, and human resource system (SABHRS)</li> <li>◦ An additional increase in general fund appropriations for personal services</li> <li>◦ One-time-only state special revenue appropriations for increased audit services due to HB 632</li> <li>◦ A decrease in general fund due to the elimination of the state share contribution to the state employee group benefit plan for two months</li> </ul> </li> </ul>

**Program Actuals and Budget Comparison**

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	52.75	52.75	52.75	52.75
Personal Services	4,027,433	4,432,149	4,490,651	4,806,776	4,860,725
Operating Expenses	236,582	259,527	214,871	276,013	257,031
<b>Total Expenditures</b>	<b>\$4,264,015</b>	<b>\$4,691,676</b>	<b>\$4,705,522</b>	<b>\$5,082,789</b>	<b>\$5,117,756</b>
General Fund	2,396,842	2,689,904	2,719,819	2,901,522	2,936,151
State/Other Special Rev. Funds	1,867,173	2,001,772	1,985,703	2,181,267	2,181,605
<b>Total Funds</b>	<b>\$4,264,015</b>	<b>\$4,691,676</b>	<b>\$4,705,522</b>	<b>\$5,082,789</b>	<b>\$5,117,756</b>
<b>Total Ongoing</b>	<b>\$4,253,635</b>	<b>\$4,671,676</b>	<b>\$4,685,522</b>	<b>\$5,118,548</b>	<b>\$5,097,756</b>
<b>Total OTO</b>	<b>\$10,380</b>	<b>\$20,000</b>	<b>\$20,000</b>	<b>(\$35,759)</b>	<b>\$20,000</b>

**Funding**

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

Legislative Branch, 28-Audit & Examination Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	5,837,673	0	0	5,837,673	57.23 %	
02042 Legislative Audit	4,362,872	0	0	4,362,872	100.00 %	
<b>State Special Total</b>	<b>\$4,362,872</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,362,872</b>	<b>42.77 %</b>	
<b>Federal Special Total</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>0.00 %</b>	
<b>Total All Funds</b>	<b>\$10,200,545</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,200,545</b>		

The Legislative Audit Division is funded with general fund and state special revenue. The state special revenue funds are generated through a charge to state agencies for legislative audit services. The charge is based on a billing rate calculated in accordance with federal regulations for audit services.

**Budget Summary by Category**

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

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	2,706,842	2,706,842	5,413,684	92.74 %	4,685,522	4,685,522	9,371,044	91.87 %
SWPL Adjustments	165,544	175,946	341,490	5.85 %	290,973	308,909	599,882	5.88 %
PL Adjustments	25,417	15,592	41,009	0.70 %	43,950	26,929	70,879	0.69 %
New Proposals	3,719	37,771	41,490	0.71 %	62,344	96,396	158,740	1.56 %
<b>Total Budget</b>	<b>\$2,901,522</b>	<b>\$2,936,151</b>	<b>\$5,837,673</b>		<b>\$5,082,789</b>	<b>\$5,117,756</b>	<b>\$10,200,545</b>	

**Present Law Adjustments**

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

Present Law Adjustments	-----Fiscal 2022-----				-----Fiscal 2023-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	164,483	119,108	0	283,591	0.00	174,764	126,554	0	301,318
DP 2 - Fixed Costs	0.00	1,557	6,681	0	8,238	0.00	1,493	6,635	0	8,128
DP 3 - Inflation Deflation	0.00	(496)	(360)	0	(856)	0.00	(311)	(226)	0	(537)
DP 4 - Present Law Adjustment	0.00	25,594	18,533	0	44,127	0.00	15,656	11,337	0	26,993
DP 50 - SWPLA Fixed Cost Reductions	0.00	(177)	0	0	(177)	0.00	(64)	0	0	(64)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$190,961</b>	<b>\$143,962</b>	<b>\$0</b>	<b>\$334,923</b>	<b>0.00</b>	<b>\$191,538</b>	<b>\$144,300</b>	<b>\$0</b>	<b>\$335,838</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 legislature made adjustments to the present law personal services budget for expected changes, management decisions, and budget modifications.

DP 2 - Fixed Costs -

The legislature made adjustments to 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 legislature made 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.

DP 4 - Present Law Adjustment -

The legislature adopted present law changes from the 2021 base budget for the Legislative Audit Division cyclical contracted services and for the Government Accountability Office required peer review.

DP 50 - SWPLA Fixed Cost Reductions -

The legislature reduced fixed costs for warehouses, storage rooms, and information technology.

**New Proposals**

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2801 - Additional Personal Services	0.00	47,878	0	0	47,878	0.00	26,171	0	0	26,171
DP 2802 - Additional Audit Requirements for HB 632 (OTO)	0.00	0	50,225	0	50,225	0.00	0	50,225	0	50,225
DP 2805 - LAD IT Training (BIEN/OTO)	0.00	11,600	8,400	0	20,000	0.00	11,600	8,400	0	20,000
DP 5555 - Reduce GF Budget for State Share Holiday (OTO)	0.00	(55,759)	0	0	(55,759)	0.00	0	0	0	0
<b>Total</b>	<b>0.00</b>	<b>\$3,719</b>	<b>\$58,625</b>	<b>\$0</b>	<b>\$62,344</b>	<b>0.00</b>	<b>\$37,771</b>	<b>\$58,625</b>	<b>\$0</b>	<b>\$96,396</b>

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

DP 2801 - Additional Personal Services -

The legislature provided personal services funding to bring staff closer to their target market ratio.

DP 2802 - Additional Audit Requirements for HB 632 (OTO) -

The legislature provided one-time-only funding for personal services and operating expenses to address increased audit services due to HB 632.

DP 2805 - LAD IT Training (BIEN/OTO) -

The legislature provided one-time-only general fund and state special revenue fund appropriations for FY 2022 and FY 2023 for the information technology training and Legislative Audit Division SABHRS support.

DP 5555 - Reduce GF Budget for State Share Holiday (OTO) -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, if applicable, remain in agency personal services budgets.