

Agency Biennium Comparison

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

Agency Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	1,069,551	1,113,787	44,236	4.14 %
Operating Expenses	686,564	519,421	(167,143)	(24.34)%
Total Expenditures	\$1,756,115	\$1,633,208	(\$122,907)	(7.00)%
General Fund	1,756,115	1,633,208	(122,907)	(7.00)%
Total Funds	\$1,756,115	\$1,633,208	(\$122,907)	(7.00)%
Total Ongoing	\$1,531,620	\$1,633,208	\$101,588	6.63 %
Total OTO	\$224,495	\$0	(\$224,495)	(100.00)%

Mission Statement

To monitor and to enforce in a fair and impartial manner: campaign practices and campaign finance disclosure; lobbying disclosure; business interest disclosure of statewide and state district candidates, elected state officials, and state department directors; ethical standards of conduct for legislators, public officers, and state employees; and to investigate legitimate complaints that arise concerning any of the above.

Agency Highlights

Commissioner of Political Practices Major Budget Highlights
<ul style="list-style-type: none"> • The Commissioner of Political Practices' (COPP) 2023 biennium budget request is about \$102,000 or 6.6% higher than the 2021 biennium ongoing budget. Proposed changes include: <ul style="list-style-type: none"> ◦ Decrease in general fund for statewide present law adjustments for personal services, fixed costs, and inflation/deflation ◦ Increases in general fund for the reauthorization of FTE for legal counsel that was included as one-time-only in the 2021 biennium

Agency Actuals and Budget Comparison

The following table compares the last full fiscal year actuals, previous biennium appropriations by year, and current annual biennium budget request by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	6.00	6.00	7.00	7.00
Personal Services	495,626	518,041	551,510	555,712	558,075
Operating Expenses	270,904	349,154	337,410	268,055	251,366
Total Expenditures	\$766,530	\$867,195	\$888,920	\$823,767	\$809,441
General Fund	766,530	867,195	888,920	823,767	809,441
Total Funds	\$766,530	\$867,195	\$888,920	\$823,767	\$809,441
Total Ongoing	\$667,103	\$767,410	\$764,210	\$823,767	\$809,441
Total OTO	\$99,427	\$99,785	\$124,710	\$0	\$0

Agency Discussion

FY 2020 Appropriation Compared to FY 2020 Actual Expenditures

The Commissioner of Political Practices expended 88.4% of its \$867,195 FY 2020 modified HB 2 budget. Personal services were 95.7% expended and operating expenses were 77.6% expended. Personal services are below budgeted levels due to turn over. Operating expenses for other services are lower than anticipated in the budget.

FY 2020 Appropriations Compared to FY 2021 Appropriations

FY 2021 expenditures are slightly higher than FY 2020 expenditures due to the pay plan approved by the 2019 Legislature.

Comparison of the FY 2021 Legislative Budget to FY 2021 Base

Figure 1 illustrates the beginning FY 2021 budget as adopted by the 2019 Legislature compared to the finalized FY 2021 base budget, which included modifications as approved by the approving authority (as authorized in statute) during the interim. The FY 2021 base budget was agreed upon by the executive and legislative branches to be the point from which any changes would be recorded for the 2023 biennium budgeting process.

Figure 1

FY 2021 Legislative Appropriations - Commissioner of Political Practices				
	Legislative Action	Executive Modifications per Statutory Authority	Executive Base	% Change from Legislative Action
01 ADMINISTRATION				
61000 Personal Services	426,800	-	426,800	0.0%
62000 Operating Expenses	337,410	-	337,410	0.0%
01 ADMINISTRATION Total	764,210	-	764,210	0.0%
32020 POLITICAL PRACTICES Total	764,210	-	764,210	0.0%

The Commissioner of Political Practices did not have any modifications to the budget adopted by the 2019 Legislature.

Executive Request

The Commissioner of Political Practices is requesting an increase of about \$102,000 or 6.6% in its 2023 biennium budget when compared to the 2021 ongoing biennium budget.

Personal services were \$551,510 or 62.0% of total FY 2021 appropriations. The executive proposes an increase in general fund of about \$129,000 in FY 2022 and \$131,000 in FY 2023 when compared to the FY 2021 base budget. The Agency Actuals and Budget Comparison shows the appropriations for FY 2021 which includes two one-time-only appropriations:

- \$99,526 for a legal counsel
- \$25,184 for the implementation of Legislative Referendum 129, an act to establish the Montana Ballot Interference Prevention Act

The one-time-only funding was removed from the FY 2021 base budget. An appropriation for 1.00 FTE for a legal counsel is being requested in the 2023 biennium and makes up the majority of the increase in personal services measured from the FY 2021 base budget. This change is discussed in detail in the Program Personal Services and New Proposal sections that follow.

Operating expenses were about \$337,400 or 38.0% of total FY 2021 appropriations. The executive proposes a decrease of about \$69,000 in FY 2022 and \$86,000 in FY 2023. The decrease is included in the statewide present law adjustments for fixed costs associated with lower costs for State Information Technology Services Division services of about \$73,000 a year. The decrease includes the completion of a software/database upgrade project. The reduction is offset by the inclusion of a biennial appropriation for legislative audit costs included in FY 2022.

5.0% Plan

Statute requires that agencies submit plan to reduce general fund and certain state special revenue funds by 5.0%. However, due to its small number of FTE, the Commissioner of Political Practices is exempt from the requirement.

Agency Personal Services

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

1. Expected Changes - This category includes those adjustments explicitly approved by the legislature, such as expected changes to annualize personal services costs including FY 2021 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.
2. Personal Services Management Decisions - Any agency management decisions that adjusted employee pay. 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 between programs.
3. Modifications to the Personal Services Base Budget - Other modifications to the FY 2021 personal services base like operating plan transfers that occurred during the interim may impact the overall size of the personal services present law adjustment (DP 1)

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

Figure 2

Personal Services Present Law DP 1 - FY 2022				
Program	Expected Changes	Management Decisions	Budget Modifications	DP1 SWPL
01 ADMINISTRATION	2,798	7,365	-	10,163
Agency Total	\$ 2,798	\$ 7,365	\$ -	\$ 10,163

Personal services were about \$551,510 or 62.0% of total FY 2021 appropriations, of this amount \$124,710 was provided to support 1.0 FTE legal counsel as one-time-only. The one-time-only position was eliminated from the personal services FY 2021 base budget. Changes included in the statewide present law adjustment are mostly due to management decisions.

Funding

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

Total Commissioner of Political Practices Funding by Source of Authority 2023 Biennium Budget Request - Commissioner of Political Practices						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	1,633,208	0	0	0	1,633,208	100.00 %
State Special Total	0	0	0	0	0	0.00 %
Federal Special Total	0	0	0	0	0	0.00 %
Proprietary Total	0	0	0	0	0	0.00 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$1,633,208	\$0	\$0	\$0	\$1,633,208	
Percent - Total All Sources	100.00 %	0.00 %	0.00 %	0.00 %		

The Commissioner of Political Practices 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 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	764,210	764,210	1,528,420	93.58 %	764,210	764,210	1,528,420	93.58 %
SWPL Adjustments	(59,192)	(73,609)	(132,801)	(8.13)%	(59,192)	(73,609)	(132,801)	(8.13)%
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	118,749	118,840	237,589	14.55 %	118,749	118,840	237,589	14.55 %
Total Budget	\$823,767	\$809,441	\$1,633,208		\$823,767	\$809,441	\$1,633,208	

HB 2 Language

The executive has not proposed any HB 2 language for the Commissioner of Political Practices.

Present Law Adjustments

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

Present Law Adjustments	-----Fiscal 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	10,163	0	0	10,163	0.00	12,435	0	0	12,435
DP 2 - Fixed Costs	0.00	(69,291)	0	0	(69,291)	0.00	(86,004)	0	0	(86,004)
DP 3 - Inflation Deflation	0.00	(64)	0	0	(64)	0.00	(40)	0	0	(40)
Grand Total All Present Law Adjustments	0.00	(\$59,192)	\$0	\$0	(\$59,192)	0.00	(\$73,609)	\$0	\$0	(\$73,609)

**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:

- Expected changes
- Personal services management decisions
- Modifications made to the personal services budget in the 2021 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 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 3201 - Lawyer	1.00	118,749	0	0	118,749	1.00	118,840	0	0	118,840
Total	1.00	\$118,749	\$0	\$0	\$118,749	1.00	\$118,840	\$0	\$0	\$118,840

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

DP 3201 - Lawyer -

This request reestablishes 1.00 FTE legal counsel for the Commissioner of Political Practices. The legislature established the 1.00 FTE for legal counsel as one-time-only in the 2017 and 2019 biennia. COPP is requesting the position as ongoing in its 2023 budget request.