

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	135,025,243	140,190,412	5,165,169	3.83 %
Operating Expenses	73,604,437	76,032,818	2,428,381	3.30 %
Equipment & Intangible Assets	10,320,760	9,130,650	(1,190,110)	(11.53)%
Capital Outlay	154,716	0	(154,716)	(100.00)%
Local Assistance	50,000	50,000	0	0.00 %
Grants	260,000	240,000	(20,000)	(7.69)%
Benefits & Claims	1,793,382	2,242,382	449,000	25.04 %
Transfers	645,358	642,638	(2,720)	(0.42)%
Debt Service	3,685,487	632,574	(3,052,913)	(82.84)%
Total Expenditures	\$225,539,383	\$229,161,474	\$3,622,091	1.61 %
General Fund	72,243,997	78,194,747	5,950,750	8.24 %
State/Other Special Rev. Funds	146,410,298	144,074,479	(2,335,819)	(1.60)%
Federal Spec. Rev. Funds	2,873,082	2,883,214	10,132	0.35 %
Proprietary Funds	4,012,006	4,009,034	(2,972)	(0.07)%
Total Funds	\$225,539,383	\$229,161,474	\$3,622,091	1.61 %
Total Ongoing	\$224,139,720	\$229,161,474	\$5,021,754	2.24 %
Total OTO	\$1,399,663	\$0	(\$1,399,663)	(100.00)%

Mission Statement

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

Agency Highlights

Department of Justice Major Budget Highlights
<p>The Department of Justice's 2023 biennium budget request is \$3.6 million or 1.6% higher than the 2021 biennium budget. Significant changes include:</p> <ul style="list-style-type: none"> • A 4.6% salary increase in eight Montana county sheriff's offices as a result of a salary survey in the Montana Highway Patrol, an increase of \$2.0 million over the biennium • Approximately \$460,000 over the biennium for the Criminal Records Identification Services Section (CRISS) in the Division of Criminal Investigation • A proposal for \$516,000 general fund over the biennium and 1.00 FTE for a medical examiner • Approximately \$125,000 over the biennium to outsource sexual assault kit testing in the Forensic Science Division
Legislative Action Items
<p>Request for Medical Examiner could utilize existing funds in the Medical Examiner state special revenue account instead of general fund.</p>

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	792.16	792.16	793.16	793.16
Personal Services	65,414,959	66,409,610	68,615,633	69,985,888	70,204,524
Operating Expenses	33,300,352	36,029,520	37,574,917	38,080,529	37,952,289
Equipment & Intangible Assets	5,775,089	5,865,435	4,455,325	4,555,325	4,575,325
Capital Outlay	140,977	154,716	0	0	0
Local Assistance	0	25,000	25,000	25,000	25,000
Grants	153,000	140,000	120,000	120,000	120,000
Benefits & Claims	490,347	672,191	1,121,191	1,121,191	1,121,191
Transfers	217,823	324,039	321,319	321,319	321,319
Debt Service	3,305,496	3,369,200	316,287	316,287	316,287
Total Expenditures	\$108,798,043	\$112,989,711	\$112,549,672	\$114,525,539	\$114,635,935
General Fund	35,150,418	35,971,142	36,272,855	39,115,416	39,079,331
State/Other Special Rev. Funds	70,654,009	73,588,990	72,821,308	71,966,938	72,107,541
Federal Spec. Rev. Funds	1,005,513	1,431,475	1,441,607	1,441,607	1,441,607
Proprietary Funds	1,988,103	1,998,104	2,013,902	2,001,578	2,007,456
Total Funds	\$108,798,043	\$112,989,711	\$112,549,672	\$114,525,539	\$114,635,935
Total Ongoing	\$107,722,785	\$111,913,757	\$112,225,963	\$114,525,539	\$114,635,935
Total OTO	\$1,075,258	\$1,075,954	\$323,709	\$0	\$0

Agency Discussion*FY 2020 Appropriation Compared to FY 2020 Actual Expenditures*

The Department of Justice's \$113.0 million HB 2 modified budget was 96.3% expended, leaving \$4.2 million in unspent authority. In the Department of Justice, personal services were 98.5% expended at \$65.4 million. Operating expenses of \$36.0 million were expended at 92.4% at and equipment and intangible assets of \$5.9 million were expended at 98.5%.

Grants were expended at 109.3%. Department of Justice expended \$153,000 of \$140,000 appropriated in grants. Additional funding was appropriated to the Montana Child Sexual Abuse Response Team (MCSART) funding for the National Children's Alliance (NCA). Benefits and claims were expended at 72.9%, leaving approximately \$182,000 in unspent authority.

FY 2020 Appropriations Compared to FY 2021 Appropriations

The percentage change from FY 2020 appropriations to FY 2021 appropriations is a decrease of 0.4%.

Comparison of 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 executive 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 - Department of Justice				
	Legislative Action	Executive Modifications per Statutory Authority	Executive Base	% Change from Legislative Action
01 LEGAL SERVICES DIVISION				
61000 Personal Services	6,259,405	140,313	6,399,718	2.2%
62000 Operating Expenses	2,535,429	(140,313)	2,395,116	-5.5%
67000 Benefits & Claims	1,121,191	-	1,121,191	0.0%
01 LEGAL SERVICES DIVISION Total	9,916,025	-	9,916,025	0.0%
03 MONTANA HIGHWAY PATROL				
61000 Personal Services	28,644,482	-	28,644,482	0.0%
62000 Operating Expenses	11,062,091	(75,000)	10,987,091	-0.7%
63000 Equipment & Intangible Assets	4,042,165	-	4,042,165	0.0%
68000 Transfers-out	-	75,000	75,000	0.0%
03 MONTANA HIGHWAY PATROL Total	43,748,738	-	43,748,738	0.0%
04 INFORMATION TECHNOLOGY SYSTEM				
61000 Personal Services	3,640,721	-	3,640,721	0.0%
62000 Operating Expenses	1,954,743	(5,507)	1,949,236	-0.3%
63000 Equipment & Intangible Assets	36,820	-	36,820	0.0%
04 INFORMATION TECHNOLOGY SYSTEM Total	5,632,284	(5,507)	5,626,777	-0.1%
05 DIV OF CRIMINAL INVESTIGATION				
61000 Personal Services	9,562,541	-	9,562,541	0.0%
62000 Operating Expenses	4,988,234	(61,045)	4,927,189	-1.2%
63000 Equipment & Intangible Assets	123,452	-	123,452	0.0%
66000 Grants	90,000	30,000	120,000	33.3%
68000 Transfers-out	11,295	30,962	42,257	274.1%
05 DIV OF CRIMINAL INVESTIGATION Total	14,775,522	(83)	14,775,439	0.0%
07 GAMBLING CONTROL DIVISION				
61000 Personal Services	3,817,232	-	3,817,232	0.0%
62000 Operating Expenses	826,364	-	826,364	0.0%
63000 Equipment & Intangible Assets	82,860	-	82,860	0.0%
07 GAMBLING CONTROL DIVISION Total	4,726,456	-	4,726,456	0.0%
08 FORENSIC SERVICES DIVISION				
61000 Personal Services	4,180,228	32	4,180,260	0.0%
62000 Operating Expenses	1,998,758	24,430	2,023,188	1.2%
63000 Equipment & Intangible Assets	6,000	-	6,000	0.0%
69000 Debt Service	334,797	(18,510)	316,287	-5.5%
08 FORENSIC SERVICES DIVISION Total	6,519,783	5,952	6,525,735	0.1%
09 MOTOR VEHICLE DIVISION				
61000 Personal Services	8,860,416	1,465,327	10,325,743	16.5%
62000 Operating Expenses	15,682,431	(2,169,719)	13,512,712	-13.8%
63000 Equipment & Intangible Assets	164,028	-	164,028	0.0%
65000 Local Assistance	25,000	-	25,000	0.0%
68000 Transfers-out	-	204,062	204,062	0.0%
09 MOTOR VEHICLE DIVISION Total	24,731,875	(500,330)	24,231,545	-2.0%

10 CENTRAL SERVICES DIVISION				
61000 Personal Services	1,786,259	(32)	1,786,227	0.0%
62000 Operating Expenses	389,021	500,000	889,021	128.5%
10 CENTRAL SERVICES DIVISION Total	2,175,280	499,968	2,675,248	23.0%
41100 DEPARTMENT OF JUSTICE Total	112,225,963	-	112,225,963	0.0%

Legal Services Division transferred \$140,000 from operating expenses to personal services, with approximately \$116,000 for 1.00 modified FTE for the Child Protection Unit within Legal Services Division.

In the Montana Highway Patrol, the department moved \$75,000 from operating expenses to transfers-out to fulfill memorandum of understanding (MOU) obligations with the Department of Administration’s Architecture and Engineering Division for the Butte Evidence Building. The Division of Criminal Investigation transferred approximately \$61,000 from operating expenses to grants and transfers out. Of this amount, \$30,000 was transferred from operating expenses to fulfill needed expenditures in grants for the Children's Advocacy Center in order to coordinate investigative services and resources for child victims of crime. The remaining \$31,000 was transferred out of state special revenue funds for the criminal records information system.

The majority of budget modifications are found within the Motor Vehicle Division, where \$901,000 in state special revenue was moved from operating expenses to personal services to support the continuation of 15.00 modified FTE for the driver’s modernization project, and \$558,000 in state special revenue was moved from operating expenses to personal services for the continuation of 12.00 modified FTE to support the processing of REAL ID. Approximately \$204,000 was transferred out of the Motor Vehicle Division's operating expenses to the Justice Information Technology Services Division for the FTE necessary to support the Montana enhanced registration licensing network (MERLIN).

The Department of Justice transferred \$500,000 in general fund from the Motor Vehicle Division to the Central Services Division for operating expenses to pay for 24/7 DUI program contract costs.

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.

Executive Request

The executive proposes the following:

- A 4.6% salary increase in eight Montana county sheriff’s offices as a result of a salary survey in the Montana Highway Patrol, an increase of \$2.0 million over the biennium
- Approximately \$460,000 over the biennium for the Criminal Records Identification Services Section (CRISS) in the Division of Criminal Investigation
- A proposal for \$516,000 over the biennium in general fund and 1.00 FTE to provide funding for a medical examiner
- Approximately \$125,000 over the biennium to outsource sexual assault kit testing in the Forensic Science Division

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 can be found on the [Section D subcommittee page](#) under Tab D “Materials”.

The Department of Justice included annual reductions of \$1.7 million in general fund and \$3.4 million in state special revenue. The proposal to reduce expenditures in the general fund includes:

- Reduction in major litigation and other expenditures in the Legal Services Division
- Renegotiation of hardware/software maintenance contract costs as well as consolidating applications to reduce infrastructure needs in Justice Information Technology Services Division

- Reduction in operating and equipment within Division of Criminal Investigation
- Elimination of new instrumentation needed for testing, decrease training, and defer supply costs in Forensic Science Division
- Elimination of the call center in Motor Vehicle Division
- Reduction in FTE or postpone hiring position vacancies and reducing operating costs in Central Services Division

The proposal to reduce expenditures in state special revenue include:

- Reduction in benefits and claims in Legal Services Division
- Reduction for Executive Protection and reduction in uniformed trooper coverage on the highways
- Reduction in Montana Law Enforcement Academy (MLEA) state special revenue by the elimination of one professional programs trainer, and the elimination of professional leadership courses
- Reduction in funding for information technology costs in the Motor Vehicle Division

Reductions would impact the services provided by the Department of Justice including litigation, security, highway patrol services, forensic testing, and motor vehicle customer support.

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 on the next page 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 LEGAL SERVICES DIVISION	24,905	299,378	(93,581)	230,702
03 MONTANA HIGHWAY PATROL	(157,619)	871,158	-	713,539
04 INFORMATION TECHNOLOGY SYSTEM	7,007	(58,069)	-	(51,062)
05 DIVISION OF CRIMINAL INVESTIGATION	33,644	280,814	-	314,458
06 AGENCY LEGAL SERVICES	-	-	-	-
07 GAMBLING CONTROL DIVISION	5,383	(38,009)	-	(32,626)
08 FORENSIC SERVICES DIVISION	17,594	123,742	-	141,336
09 MOTOR VEHICLE DIVISION	53,666	592,442	(1,686,327)	(1,040,219)
10 CENTRAL SERVICES DIVISION	10,652	68,390	-	79,042
19 POST COUNCIL	0	(0)	-	-
Agency Total	\$ (4,769)	\$ 2,139,847	\$ (1,779,908)	\$ 355,170

Personal services were \$68.6 million or 61.0% of the agency's fiscal year 2021 appropriation. The agency made approximately \$1.8 million in budget modifications, the majority of which, or \$1.7 million, occurred in the Motor Vehicle Division. This modification was made to support the driver's modernization project and the processing of REAL ID. Budget modifications within Legal Services Division include a request for the establishment of 1.00 modified FTE for the Child Protection Unit.

Management decisions include \$2.1 million in changes. Of this amount, \$0.6 million occurred in Motor Vehicle Division, and the majority of changes were a result of wage changes and benefits increases.

LFD COMMENT	A funding switch in statewide present law adjustments was identified. The agency has worked with the Office of Budget and Program Planning (OBPP) to address this funding switch. This will be updated in the December 15th budget.
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Funding

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

Total Department of Justice Funding by Source of Authority 2023 Biennium Budget Request - Department of Justice						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	78,194,747	0	0	10,899,448	89,094,195	36.44 %
State Special Total	144,074,479	0	0	735,742	144,810,221	59.23 %
Federal Special Total	2,883,214	0	0	250,000	3,133,214	1.28 %
Proprietary Total	4,009,034	0	3,440,121	0	7,449,155	3.05 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$229,161,474	\$0	\$3,440,121	\$11,885,190	\$244,486,785	
Percent - Total All Sources	93.73 %	0.00 %	1.41 %	4.86 %		

Funding for the Department of Justice varies by division and function. General fund supports the Legal Services Division, Justice Information Technology Services Division, Division of Criminal Investigation, Motor Vehicle Division, Forensic Science Division, and Central Services Division. General fund also supports statutory appropriations of \$3.5 million for highway patrol retirement and \$7.4 million for the state’s contribution to county attorney salaries. In the 2023 biennium general fund is proposed to provide 36.4% of DOJ's total funding.

State special revenue is proposed to support 59.2% of the DOJ's total budget in the 2023 biennium. 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. State special revenue supports \$0.4 million for crime victims’ compensation, \$1.3 million for Medicaid Fraud investigation, \$1.8 million for autopsy and service fees, \$6.4 million for gambling license fees, and \$4.3 million for Montana Enhanced Licensing Information Network (MERLIN) and vehicle insurance verification. In the 2023 biennium federal special revenue comprises 1.3% of DOJ's requested total funding. Federal special revenues support \$2.9 million of the agency’s HB 2 budget.

Proprietary funds support liquor licensing functions and legal service provided under contract to other state agencies and totals \$4.0 million in HB 2.

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	36,272,855	36,272,855	72,545,710	92.78 %	112,225,963	112,225,963	224,451,926	97.94 %
SWPL Adjustments	2,553,542	2,515,354	5,068,896	6.48 %	757,693	845,986	1,603,679	0.70 %
PL Adjustments	269,119	271,222	540,341	0.69 %	1,421,496	1,423,599	2,845,095	1.24 %
New Proposals	19,900	19,900	39,800	0.05 %	120,387	140,387	260,774	0.11 %
Total Budget	\$39,115,416	\$39,079,331	\$78,194,747		\$114,525,539	\$114,635,935	\$229,161,474	

HB 2 Language

The executive is not proposing HB 2 language for the Department of Justice.

Program Biennium 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.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	12,712,941	13,283,952	571,011	4.49 %
Operating Expenses	3,866,926	4,832,970	966,044	24.98 %
Equipment & Intangible Assets	97,000	0	(97,000)	(100.00)%
Capital Outlay	26,000	0	(26,000)	(100.00)%
Benefits & Claims	1,793,382	2,242,382	449,000	25.04 %
Transfers	5,000	0	(5,000)	(100.00)%
Debt Service	1,657	0	(1,657)	(100.00)%
Total Expenditures	\$18,502,906	\$20,359,304	\$1,856,398	10.03 %
General Fund	14,097,952	15,925,156	1,827,204	12.96 %
State/Other Special Rev. Funds	2,872,736	2,899,054	26,318	0.92 %
Federal Spec. Rev. Funds	1,532,218	1,535,094	2,876	0.19 %
Total Funds	\$18,502,906	\$20,359,304	\$1,856,398	10.03 %
Total Ongoing	\$18,502,906	\$20,359,304	\$1,856,398	10.03 %
Total OTO	\$0	\$0	\$0	0.00 %

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 (OCP) responds to consumer complaints and enforces Montana’s consumer protection laws and regulations relating to unfair and deceptive business practices.

Program Highlights

Legal Services Division Major Budget Highlights
<p>The proposed Legal Services Division's 2023 biennium budget is \$1.9 million or 10.0% higher than the 2021 biennium. Significant changes include:</p> <ul style="list-style-type: none"> • An additional \$1.0 million in operating expenses, a 25.0% increase from the 2021 biennium • An increase in benefits and claims by \$0.5 million for crime victim’s compensation • Approximately \$485,000 in personal services increases in statewide present law adjustments

Program Actuals and Budget Comparison

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

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	63.50	63.50	63.50	63.50
Personal Services	6,236,533	6,313,223	6,399,718	6,630,420	6,653,532
Operating Expenses	1,352,296	1,471,810	2,395,116	2,416,245	2,416,725
Equipment & Intangible Assets	96,776	97,000	0	0	0
Capital Outlay	25,194	26,000	0	0	0
Benefits & Claims	490,347	672,191	1,121,191	1,121,191	1,121,191
Transfers	4,746	5,000	0	0	0
Debt Service	0	1,657	0	0	0
Total Expenditures	\$8,205,892	\$8,586,881	\$9,916,025	\$10,167,856	\$10,191,448
General Fund	6,351,631	6,397,997	7,699,955	7,950,782	7,974,374
State/Other Special Rev. Funds	1,236,771	1,424,213	1,448,523	1,449,527	1,449,527
Federal Spec. Rev. Funds	617,490	764,671	767,547	767,547	767,547
Total Funds	\$8,205,892	\$8,586,881	\$9,916,025	\$10,167,856	\$10,191,448
Total Ongoing	\$8,205,892	\$8,586,881	\$9,916,025	\$10,167,856	\$10,191,448
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Discussion -

FY 2020 Appropriations Compared to FY 2020 Actual Expenditures

Legal Service Division's \$8.6 million HB 2 modified budget was 95.6% spent, leaving \$381,000 in unspent authority. Personal services make up 73.5% of the program's budget. Personal services were 98.8% expended in FY 2020. Operating expenses were 91.9% expended as of fiscal year end, leaving a balance of approximately \$120,000.

Equipment and intangible assets were nearly 100.0% expended while benefits and claims were expended at 72.9%. This was the result of approximately \$92,000 remaining in federal funds in grants and \$90,000 in general fund. The remaining

authority in federal grants is tied directly to federally authorized awards which is based on prior year payment amounts. The remaining authority in general fund is for victim compensation administration. The general fund for victim compensation varies annually based on claims.

FY 2020 Appropriations Compared to FY 2021 Appropriations

The percentage change from FY 2020 appropriations to FY 2021 appropriations is an increase of 15.5% or \$1.9 million. The increase is a result in changes in personal services due to statewide present law adjustments approved by the 2019 Legislature, \$923,000 increase in operating expenses, and a \$449,000 increase in benefits and claims in the victim's compensation administrative account.

Comparison of FY 2021 Legislative Budget to FY 2021 Base

Legal Services Division transferred \$140,000 from operating expenses to personal services, with approximately \$116,000 of this for 1.00 modified FTE for the Child Protection Unit within Legal Services Division.

Executive Request

The Legal Services Division is requesting an additional \$1.0 million in operating expenses, a 25.0% increase from the 2021 biennium and approximately \$485,000 in personal services increases in statewide present law adjustment.

Program Personal Services

Personal services in the Legal Services Division increase by \$0.6 million or 4.5% when compared to the 2021 biennium. LSD had \$0.3 million in management decisions, the majority a result of wage changes and benefit increases. Budget modifications include a request for the establishment of 1.0 modified FTE for the Child Protection Unit within Legal Services Division.

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	15,925,156	0	0	0	15,925,156	76.56 %
02106 Crime Victims Compensation-St	0	0	0	441,028	441,028	13.20 %
02140 Consumer Education Settlement	2,309,328	0	0	0	2,309,328	69.14 %
02937 DOJ Misc SSR MOUs	589,726	0	0	0	589,726	17.66 %
02309 NRDP State Special Revenue	0	0	0	0	0	0.00 %
State Special Total	\$2,899,054	\$0	\$0	\$441,028	\$3,340,082	16.06 %
03169 Federal Crime Victims Benefits	1,095,352	0	0	0	1,095,352	71.35 %
03187 BCC Grants To Dept. Of Justice	2	0	0	0	2	0.00 %
03801 Dept Of Justice-Misc Grants	439,740	0	0	0	439,740	28.65 %
03383 LSD Federal Grants	0	0	0	0	0	0.00 %
Federal Special Total	\$1,535,094	\$0	\$0	\$0	\$1,535,094	7.38 %
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$20,359,304	\$0	\$0	\$441,028	\$20,800,332	

Each of the various functions within LSD has a unique funding source. Attorneys are supported by general fund, 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, state special revenue funds, and federal grants. Statutory authority for crime victims' compensation is established in 53-9-113, MCA.

State special revenue from the settlement of consumer protection litigation funds the portion of the division that supports consumer protection functions. Figure 3 provides revenues, expenditures, and fund balance for the consumer education settlement account.

Figure 3

Department of Justice Consumer Education Settlement Account - 02140						
	Actuals FY 2018	Actuals FY 2019	Actuals FY 2020	Appropriated FY 2021	Proposed FY 2022	Proposed FY 2023
Beginning Fund Balance	\$16,808,604	\$6,333,883	\$6,431,935	\$7,814,162	\$8,402,960	\$9,345,472
Revenues	1,622,934	5,741,852	2,609,864	2,380,581	2,380,581	2,380,581
Expenditures						
Personal Services	820,768	854,468	839,999	1,048,107	1,048,101	1,048,101
Operating expenses	614,128	436,332	382,892	741,903	389,968	389,968
Equipment & Intangible Assets	62,759	0	0	1,773	0	0
Benefits & Claims	0	0	0	0	0	0
Transfers Out	<u>10,600,000</u>	<u>4,353,000</u>	<u>4,746</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	12,097,655	5,643,800	1,227,637	1,791,783	1,438,069	1,438,069
Ending Fund Balance	\$6,333,883	\$6,431,935	\$7,814,162	\$8,402,960	\$9,345,472	\$10,287,984

In FY 2018, HB 650 transferred \$6.6 million 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. The 2019 Legislature transferred \$4.4 million out, appropriating \$2.0 million to the treatment court support account, \$1.6 million to the pretrial diversion program state special revenue account, \$0.3 million to the legislative committees and activities state special revenue account, and \$0.3 million to the state library.

As reflected in Figure 3, the consumer education settlement account will have a projected fund balance of \$10.3 million by the end of FY 2023. 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.

Program Budget Summary by Category

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

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 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	7,699,955	7,699,955	15,399,910	96.70 %	9,916,025	9,916,025	19,832,050	97.41 %
SWPL Adjustments	250,827	274,419	525,246	3.30 %	251,831	275,423	527,254	2.59 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$7,950,782	\$7,974,374	\$15,925,156		\$10,167,856	\$10,191,448	\$20,359,304	

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	230,702	0	0	230,702	0.00	253,814	0	0	253,814
DP 2 - Fixed Costs	0.00	27,067	1,004	0	28,071	0.00	24,959	1,004	0	25,963
DP 3 - Inflation Deflation	0.00	(6,942)	0	0	(6,942)	0.00	(4,354)	0	0	(4,354)
Grand Total All Present Law Adjustments	0.00	\$250,827	\$1,004	\$0	\$251,831	0.00	\$274,419	\$1,004	\$0	\$275,423

**"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.

Program Biennium 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.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	56,120,332	60,837,971	4,717,639	8.41 %
Operating Expenses	20,101,432	22,107,990	2,006,558	9.98 %
Equipment & Intangible Assets	7,323,805	8,084,330	760,525	10.38 %
Transfers	150,000	150,000	0	0.00 %
Debt Service	3,036,785	0	(3,036,785)	(100.00)%
Total Expenditures	\$86,732,354	\$91,180,291	\$4,447,937	5.13 %
State/Other Special Rev. Funds	86,732,354	91,180,291	4,447,937	5.13 %
Total Funds	\$86,732,354	\$91,180,291	\$4,447,937	5.13 %
Total Ongoing	\$86,732,354	\$91,180,291	\$4,447,937	5.13 %
Total OTO	\$0	\$0	\$0	0.00 %

Program Description

The 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

Montana Highway Patrol Major Budget Highlights
<ul style="list-style-type: none"> • The proposed Montana Highway Patrol's 2023 biennium budget is \$4.4 million or 5.1% higher than the 2021 biennium • Significant changes include a request for a 4.6% salary increase as a result of the salary survey conducted by Department of Administration

Program Actuals and Budget Comparison

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

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	314.09	314.09	314.09	314.09
Personal Services	27,302,147	27,475,850	28,644,482	30,374,736	30,463,235
Operating Expenses	9,162,127	9,114,341	10,987,091	11,055,735	11,052,255
Equipment & Intangible Assets	3,439,856	3,281,640	4,042,165	4,042,165	4,042,165
Transfers	0	75,000	75,000	75,000	75,000
Debt Service	3,036,784	3,036,785	0	0	0
Total Expenditures	\$42,940,914	\$42,983,616	\$43,748,738	\$45,547,636	\$45,632,655
State/Other Special Rev. Funds	42,940,914	42,983,616	43,748,738	45,547,636	45,632,655
Total Funds	\$42,940,914	\$42,983,616	\$43,748,738	\$45,547,636	\$45,632,655
Total Ongoing	\$42,940,914	\$42,983,616	\$43,748,738	\$45,547,636	\$45,632,655
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Discussion -

FY 2020 Appropriations Compared to FY 2020 Actual Expenditures

Montana Highway Patrol's \$43.0 million HB 2 modified budget was 99.9% expended in FY 2020. Personal services were 99.4% expended and operating expenses were 100.5% expended. Equipment and intangible assets were 104.8% expended due to increased vehicle maintenance costs and the replacement cycle of law enforcement officer radios.

FY 2020 Appropriations Compared to FY 2021 Appropriations

The percentage change from FY 2020 appropriations to FY 2021 appropriations is an increase of 1.8%, a result of increases in personal services and operating expenses.

Comparison of FY 2021 Legislative Budget to FY 2021 Base

In the Montana Highway Patrol, the department moved \$75,000 from operating expenses to transfers-out to fulfill memorandum of understanding (MOU) obligations with the Department of Administration's Architecture and Engineering Division for the Butte Evidence Building.

Executive Request

The Montana Highway Patrol is requesting \$2.0 million over the biennium for a 4.6% salary increase as a result of the salary survey conducted by Department of Administration.

Program Personal Services

Personal services in the Montana Highway Patrol increase by \$4.7 million or 8.4% when compared to the 2021 biennium. Management decisions make up \$0.8 million in changes, the majority of which is a result of the MHP salary survey approved in the 2021 biennium.

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	3,505,230	3,505,230	3.86 %	
02014 Highway Patrol Pay & Retention	17,545,359	0	0	(1,921,188)	15,624,171	17.89 %	
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 Highway State Special	66,134,932	0	0	(1,921,186)	64,213,746	73.52 %	
02372 MHP MISC	0	0	0	0	0	0.00 %	
02690 Public Service Radio	7,500,000	0	0	0	7,500,000	8.59 %	
State Special Total	\$91,180,291	\$0	\$0	(\$3,842,374)	\$87,337,917	96.14 %	
03549 MHP Grants	0	0	0	0	0	0.00 %	
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %	
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$91,180,291	\$0	\$0	(\$337,144)	\$90,843,147		

Functions of the Montana Highway Patrol are supported by state special revenue in HB 2, 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 4 shows the revenues, expenditures, and fund balance for the MHP administrative account. This funding replaced restricted highways state special revenue funding. 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.

Figure 4

Department of Justice Montana Highway Patrol State Special Revenue Account - 02464						
	Actuals FY 2018	Actuals FY 2019	Actuals FY 2020	Appropriated FY 2021	Proposed FY 2022	Proposed FY 2023
Beginning Fund Balance	\$875,965	\$8,489,350	\$9,030,546	\$6,782,561	\$6,871,192	\$6,892,357
Revenues						
Taxes	30,872,506	31,344,046	30,793,792	32,331,000	32,331,000	32,331,000
Charges for Services	430	789	1,352	0	0	0
Federal	0	0	105	0	0	0
Grants, Transfers, Misc.	5,761,180	163,413	154,242	169,000	169,000	169,000
Sale of Documents/Mdse/Prop	0	0	31,103	0	0	0
Total Revenue	36,634,116	31,508,248	30,952,594	32,500,000	32,500,000	32,500,000
Expenditures						
Personal Services	19,141,416	20,238,646	20,326,079	21,003,413	21,151,959	21,196,208
Operating expenses	8,182,257	8,839,444	8,918,916	9,329,901	9,248,821	9,247,038
Equipment & Intangible Assets	1,609,247	1,873,110	2,667,603	1,998,795	1,998,795	1,998,795
Transfers-out				75,000	75,000	75,000
Debt Service	0	0	1,287,981	4,260	4,260	4,260
Total Expenditures	28,932,920	30,951,200	33,200,579	32,411,369	32,478,835	32,521,301
Adjustments	(87,811)	(15,852)	0	0	0	0
Ending Fund Balance	\$8,489,350	\$9,030,546	\$6,782,561	\$6,871,192	\$6,892,357	\$6,871,056

The highway patrol recruitment and retention account is 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 5 shows the revenues, expenditures, and fund balance for this state special revenue fund account. The money in the account is for the department of justice to fund, pursuant to 2-18-303(5): (a) the base salary and associated operating costs for highway patrol officer positions; and (b) biennial salary increases for highway patrol officers (MCA 44-1-504).

Figure 5

Department of Justice Highway Patrol Pay and Retention - 02014						
	Actuals FY 2018	Actuals FY 2019	Actuals FY 2020	Appropriated FY 2021	Proposed FY 2022	Proposed FY 2023
Beginning Fund Balance	\$3,118,959	\$4,608,200	\$7,686,447	\$10,175,936	\$11,997,599	\$14,169,380
Revenues						
Licenses and Permits	10,201,831	10,158,721	10,061,206	10,198,841	10,198,841	10,198,841
Charges for Services		3	3	1	1	1
Grants, Transfers, Misc	1,136	3,789	0	0	0	0
Total Revenue	10,202,967	10,162,513	10,061,209	10,198,842	10,198,842	10,198,842
Expenditures						
Personal Services	6,908,092	6,634,193	7,152,445	7,882,345	7,542,866	7,587,116
Operating Expenses	0	214,564	136,259	394,834	384,195	382,498
Equipment & Intangible Assets	1,844,240	235,509	99,737	100,000	100,000	100,000
Transfers Out	0	0	183,279	0	0	0
Total Expenditures	8,752,332	7,084,266	7,571,720	8,377,179	8,027,061	8,069,614
Adjustments	38,606					
Ending Fund Balance	\$4,608,200	\$7,686,447	\$10,175,936	\$11,997,599	\$14,169,380	\$16,298,608

Program Budget Summary by Category

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

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 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	0	0	0	0.00 %	43,748,738	43,748,738	87,497,476	95.96 %
SWPL Adjustments	0	0	0	0.00 %	782,183	867,202	1,649,385	1.81 %
PL Adjustments	0	0	0	0.00 %	1,016,715	1,016,715	2,033,430	2.23 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$45,547,636	\$45,632,655	\$91,180,291	

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	0	713,539	0	713,539	0.00	0	802,038	0	802,038
DP 2 - Fixed Costs	0.00	0	68,868	0	68,868	0.00	0	65,304	0	65,304
DP 3 - Inflation Deflation	0.00	0	(224)	0	(224)	0.00	0	(140)	0	(140)
DP 301 - MHP Salary Survey	0.00	0	1,016,715	0	1,016,715	0.00	0	1,016,715	0	1,016,715
Grand Total All Present Law Adjustments	0.00	\$0	\$1,798,898	\$0	\$1,798,898	0.00	\$0	\$1,883,917	\$0	\$1,883,917

**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.

DP 301 - MHP Salary Survey -

The executive request for the Montana Highway Patrol includes a 4.6% salary increase, as a result of the salary survey conducted by Department of Administration per 2-18-303, MCA. The survey averaged the starting wage in eight Montana county sheriff's offices. The amount of this change package is \$1,016,715 each year of the biennium in state special revenue, \$752,369 from the Montana highway state special account and \$264,346 from the highway patrol pay & retention fund. The amount requested ensures that MHP would be able to sufficiently fund the salary increase in July of 2021.

Program Biennium 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.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	6,830,027	7,191,201	361,174	5.29 %
Operating Expenses	3,906,267	3,949,243	42,976	1.10 %
Equipment & Intangible Assets	621,140	73,640	(547,500)	(88.14)%
Total Expenditures	\$11,357,434	\$11,214,084	(\$143,350)	(1.26)%
General Fund	9,846,115	9,944,257	98,142	1.00 %
State/Other Special Rev. Funds	1,476,513	1,235,021	(241,492)	(16.36)%
Federal Spec. Rev. Funds	5,270	5,270	0	0.00 %
Proprietary Funds	29,536	29,536	0	0.00 %
Total Funds	\$11,357,434	\$11,214,084	(\$143,350)	(1.26)%
Total Ongoing	\$11,357,434	\$11,214,084	(\$143,350)	(1.26)%
Total OTO	\$0	\$0	\$0	0.00 %

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 System (IJIS) broker, SmartCop, criminal justice information network (CJIN), computerized criminal history, automated biometric identification system, sexual or violent offender (SVOR) 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

Justice Information Technology Services Division Major Budget Highlights
<ul style="list-style-type: none"> • The proposed Justice Information Technology Services Division 2023 biennium budget \$143,000 or 1.3% less than the 2021 biennium. • Significant changes include increases in fixed costs of \$53,000 over the biennium as a result of present law adjustments.

Program Actuals and Budget Comparison

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

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	39.50	39.50	39.50	39.50
Personal Services	3,198,472	3,189,306	3,640,721	3,589,659	3,601,542
Operating Expenses	1,902,813	1,957,031	1,949,236	1,975,578	1,973,665
Equipment & Intangible Assets	568,588	584,320	36,820	36,820	36,820
Total Expenditures	\$5,669,873	\$5,730,657	\$5,626,777	\$5,602,057	\$5,612,027
General Fund	4,838,393	4,899,177	4,946,938	4,973,085	4,971,172
State/Other Special Rev. Funds	814,077	814,077	662,436	611,569	623,452
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
Total Funds	\$5,669,873	\$5,730,657	\$5,626,777	\$5,602,057	\$5,612,027
Total Ongoing	\$5,669,873	\$5,730,657	\$5,626,777	\$5,602,057	\$5,612,027
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Discussion -

FY 2020 Appropriations Compared to FY 2020 Actual Expenditures

Justice Information Technology Services Division’s \$5.7 million HB 2 modified budget was 98.9% expended in FY 2020. Personal services were 100% expended, operating expenses were 97.2% expended, and equipment and intangible assets were 97.3% expended. The majority of unspent authority in operating expenses were a result of unspent authority in the SITSD restricted fund, a restricted appropriation for use with SITSD billing.

FY 2020 Appropriations Compared to FY 2021 Appropriations

The percentage change from FY 2020 appropriations to FY 2021 appropriations is a decrease of 1.8%, mainly as a result of a decrease in appropriations in equipment and intangible assets from FY 2020 to FY 2021.

Executive Request

Justice Information Technology Services Division is requesting increases in fixed costs of \$53,000 over the biennium as a result of present law adjustments.

Program Personal Services

Personal services in the Justice Information Technology Services Division increase by \$361,000 or 5.3% when compared to the 2021 biennium. Part of this increase or \$168,000 was due to the pay plan and additional funding from HB 715. Additional changes in personal services were a result of management decisions including hiring new staff at a lower rate.

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	9,944,257	0	0	0	9,944,257	88.68 %	
02016 Criminal Justice Info Network	(82,315)	0	0	0	(82,315)	(6.67)%	
02074 Gambling License Fee Account	34,926	0	0	0	34,926	2.83 %	
02140 Consumer Education Settlement	245,284	0	0	0	245,284	19.86 %	
02797 Criminal Records Info Sys	95,496	0	0	0	95,496	7.73 %	
02798 61-3-550 MVD MERLIN HB261	614,082	0	0	0	614,082	49.72 %	
02937 DOJ Misc SSR MOUs	7,188	0	0	0	7,188	0.58 %	
02799 Motor Vehicle Administration	211,740	0	0	0	211,740	17.14 %	
02464 MHP Highway State Special	108,620	0	0	0	108,620	8.79 %	
State Special Total	\$1,235,021	\$0	\$0	\$0	\$1,235,021	11.01 %	
03800 Medicaid Fraud	5,270	0	0	0	5,270	100.00 %	
Federal Special Total	\$5,270	\$0	\$0	\$0	\$5,270	0.05 %	
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 %	
Proprietary Total	\$29,536	\$0	\$0	\$0	\$29,536	0.26 %	
Total All Funds	\$11,214,084	\$0	\$0	\$0	\$11,214,084		

JITSD is funded mainly with general fund. State special revenue, which makes up 11.0% of the requested funding in the 2023 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 JISTD’s funding comes from a small amount of federal special revenues (Medicaid) and proprietary funds including liquor licensing fees and agency legal service fees.

LFD COMMENT The criminal justice information network (CJIN) fund appears in the table above having a negative appropriation. The executive will fix this in the December 15th budget.

Program Budget Summary by Category

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

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 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	4,946,938	4,946,938	9,893,876	99.49 %	5,626,777	5,626,777	11,253,554	100.35 %
SWPL Adjustments	26,147	24,234	50,381	0.51 %	(24,720)	(14,750)	(39,470)	(0.35)%
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$4,973,085	\$4,971,172	\$9,944,257		\$5,602,057	\$5,612,027	\$11,214,084	

Present Law Adjustments

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

	-----Fiscal 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	0	(51,062)	0	(51,062)	0.00	0	(39,179)	0	(39,179)
DP 2 - Fixed Costs	0.00	27,603	195	0	27,798	0.00	25,147	195	0	25,342
DP 3 - Inflation Deflation	0.00	(1,456)	0	0	(1,456)	0.00	(913)	0	0	(913)
Grand Total All Present Law Adjustments	0.00	\$26,147	(\$50,867)	\$0	(\$24,720)	0.00	\$24,234	(\$38,984)	\$0	(\$14,750)

**"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.

Program Biennium 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.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	18,819,090	19,780,809	961,719	5.11 %
Operating Expenses	11,111,975	10,371,956	(740,019)	(6.66)%
Equipment & Intangible Assets	1,211,039	246,904	(964,135)	(79.61)%
Capital Outlay	41,532	0	(41,532)	(100.00)%
Grants	260,000	240,000	(20,000)	(7.69)%
Transfers	84,514	84,514	0	0.00 %
Debt Service	10,339	0	(10,339)	(100.00)%
Total Expenditures	\$31,538,489	\$30,724,183	(\$814,306)	(2.58)%
General Fund	16,157,434	16,160,561	3,127	0.02 %
State/Other Special Rev. Funds	14,045,461	13,220,772	(824,689)	(5.87)%
Federal Spec. Rev. Funds	1,335,594	1,342,850	7,256	0.54 %
Total Funds	\$31,538,489	\$30,724,183	(\$814,306)	(2.58)%
Total Ongoing	\$30,658,489	\$30,724,183	\$65,694	0.21 %
Total OTO	\$880,000	\$0	(\$880,000)	(100.00)%

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 section also investigates elder exploitation, elder abuse, and fraud by providers within the Medicaid system. The Montana Analysis and Technical Information Center (MATIC) is 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 all Montana criminal records, maintains and operates the criminal justice information network (CJIN) 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 (SVOR).

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

Division of Criminal Investigation Major Budget Highlights
<p>The proposed Division of Criminal Investigation 2023 biennium budget shows a decrease of \$0.8 million or 2.6% compared to the 2021 biennium. Significant changes include:</p> <ul style="list-style-type: none"> • Additional personal services of \$0.7 million included in the statewide present law adjustment • \$0.5 million in increases for the Criminal Records Identification Services Section (CRISS) to align authority with needs for existing livescan, criminal justice information network (CJIN) Switch, national law enforcement telecommunications system (NLETS), and learning management system (LMS) fees within the program

Program Actuals and Budget Comparison

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

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	115.24	115.24	115.24	115.24
Personal Services	8,913,494	9,256,549	9,562,541	9,876,999	9,903,810
Operating Expenses	5,133,170	6,119,786	4,992,189	5,187,288	5,184,668
Equipment & Intangible Assets	1,010,530	1,087,587	123,452	123,452	123,452
Capital Outlay	41,113	41,532	0	0	0
Grants	153,000	140,000	120,000	120,000	120,000
Transfers	11,295	42,257	42,257	42,257	42,257
Debt Service	8,750	10,339	0	0	0
Total Expenditures	\$15,271,352	\$16,698,050	\$14,840,439	\$15,349,996	\$15,374,187
General Fund	8,300,005	8,430,195	7,727,239	8,068,351	8,092,210
State/Other Special Rev. Funds	6,585,959	7,603,686	6,441,775	6,610,220	6,610,552
Federal Spec. Rev. Funds	385,388	664,169	671,425	671,425	671,425
Total Funds	\$15,271,352	\$16,698,050	\$14,840,439	\$15,349,996	\$15,374,187
Total Ongoing	\$14,456,352	\$15,883,050	\$14,775,439	\$15,349,996	\$15,374,187
Total OTO	\$815,000	\$815,000	\$65,000	\$0	\$0

Program Discussion -

FY 2020 Appropriations Compared to FY 2020 Actual Expenditures

The Division of Criminal Investigation's \$16.7 million HB 2 modified budget was 91.5% expended in FY 2020 with a \$1.4 million balance remaining. Personal services were 96.3% expended. Operating expenses were 83.9% expended. The majority of the program's fund balance is within operating expenses including balances in state special revenue funds pertaining to fire investigation, the CJIN system, and the criminal records information system. Grants were 109.3% expended with an additional \$13,000 appropriated to the Montana Child Sexual Abuse Response Team (MCSART) funding for the National Children's Alliance (NCA).

FY 2020 Appropriations Compared to FY 2021 Appropriations

The percentage change from FY 2020 appropriations to FY 2021 is a decrease of 11.1%. This is a result of decreases in operating expenses and a \$1.0 million decrease from FY 2020 to FY 2021 in equipment and intangible assets. The majority of FY 2020 appropriations in equipment and intangible assets are a result of accruals in FY 2020. There is also a \$145,000 decrease in CJIN funding from FY 2020 to FY 2021.

Comparison of FY 2021 Legislative Budget to FY 2021 Base

The Division of Criminal Investigation transferred approximately \$61,000 from operating expenses to grants and transfers out. Approximately \$30,000 was transferred for operating expenses to fulfill needed expenditures in grants for the Children's Advocacy Center in order to coordinate investigative services and resources for child victims of crime. Additionally, \$31,000 was transferred out of the state special revenue account for the criminal records information system.

Executive Request

The Division of Criminal Investigation is requesting additional personal services of \$0.7 million included in the statewide present law adjustment. DCI is also requesting \$0.5 million in increases for the Criminal Records Identification Services Section (CRISS) to align authority with needs for existing livescan, criminal justice information network (CJIN) Switch, national law enforcement telecommunications system (NLETS), and learning management system (LMS) fees within the program.

Program Personal Services

Personal services in DCI increase by \$1.0 million or 5.1% when compared to the 2021 biennium. Statewide present law adjustments were \$0.3 million in FY 2021, a result of management decisions including wage changes and benefits increases.

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	16,160,561	0	0	0	16,160,561	52.50 %
02006 Cigarette Fire Safety Standard	355,580	0	0	0	355,580	2.68 %
02014 Highway Patrol Pay & Retention	313,726	0	0	0	313,726	2.36 %
02016 Criminal Justice Info Network	1,272,070	0	0	0	1,272,070	9.58 %
02106 Crime Victims Compensation-St	4,410	0	0	0	4,410	0.03 %
02143 Drug Forfeitures-State	0	0	0	60,000	60,000	0.45 %
02546 MT Law Enforcement Academy	5,061,178	0	0	0	5,061,178	38.11 %
02797 Criminal Records Info Sys	5,322,938	0	0	0	5,322,938	40.08 %
02937 DOJ Misc SSR MOUs	430,584	0	0	0	430,584	3.24 %
02464 MHP Highway State Special	460,286	0	0	0	460,286	3.47 %
State Special Total	\$13,220,772	\$0	\$0	\$60,000	\$13,280,772	43.14 %
03051 Homeland Security	0	0	0	0	0	0.00 %
03187 BCC Grants To Dept. Of Justice	14,780	0	0	0	14,780	1.10 %
03542 DCI Overtime Agreements	0	0	0	0	0	0.00 %
03549 MHP Grants	0	0	0	0	0	0.00 %
03800 Medicaid Fraud	1,328,070	0	0	0	1,328,070	98.90 %
03811 NCHIP	0	0	0	0	0	0.00 %
03476 DCI ICAC Grant	0	0	0	0	0	0.00 %
03454 DCI Federal Grants	0	0	0	0	0	0.00 %
Federal Special Total	\$1,342,850	\$0	\$0	\$0	\$1,342,850	4.36 %
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$30,724,183	\$0	\$0	\$60,000	\$30,784,183	

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 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 investigations of Medicaid fraud. Statutory appropriations include funding for state drug forfeitures.

Program Budget Summary by Category

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

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 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	7,727,239	7,727,239	15,454,478	95.63 %	14,775,439	14,775,439	29,550,878	96.18 %
SWPL Adjustments	341,112	364,971	706,083	4.37 %	344,422	368,613	713,035	2.32 %
PL Adjustments	0	0	0	0.00 %	230,135	230,135	460,270	1.50 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$8,068,351	\$8,092,210	\$16,160,561		\$15,349,996	\$15,374,187	\$30,724,183	

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	314,458	0	0	314,458	0.00	341,269	0	0	341,269
DP 2 - Fixed Costs	0.00	35,448	3,310	0	38,758	0.00	29,218	3,642	0	32,860
DP 3 - Inflation Deflation	0.00	(8,794)	0	0	(8,794)	0.00	(5,516)	0	0	(5,516)
DP 503 - CRISS fees	0.00	0	230,135	0	230,135	0.00	0	230,135	0	230,135
Grand Total All Present Law Adjustments	0.00	\$341,112	\$233,445	\$0	\$574,557	0.00	\$364,971	\$233,777	\$0	\$598,748

**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.

DP 503 - CRISS fees -

This request increases authority \$230,135 per year for the Criminal Records Identification Services Section in the Division of Criminal Investigations. The increase aligns authority with needs for existing livescan, CJIN Switch, NLETS, and LMS fees within the program.

Program Biennium 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.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	3,416,005	3,075,870	(340,135)	(9.96)%
Operating Expenses	359,401	364,251	4,850	1.35 %
Total Expenditures	\$3,775,406	\$3,440,121	(\$335,285)	(8.88)%
Proprietary Funds	3,775,406	3,440,121	(335,285)	(8.88)%
Total Funds	\$3,775,406	\$3,440,121	(\$335,285)	(8.88)%

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. Section 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

Agency Legal Services Major Budget Highlights
<ul style="list-style-type: none"> • The Agency Legal Services Bureau is entirely funded with non-budgeted proprietary funds and the 2023 biennium budget decreases by \$335,000 or 8.9% when compared to the 2021 biennium budget. • Reductions included in statewide present law adjustments for personal services make up the majority of the reduction.

Program Actuals and Budget Comparison

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

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	14.00	14.00	14.00	14.00
Personal Services	1,516,202	1,665,925	1,750,080	1,534,635	1,541,235
Operating Expenses	197,986	179,646	179,755	182,143	182,108
Total Expenditures	\$1,714,188	\$1,845,571	\$1,929,835	\$1,716,778	\$1,723,343
Proprietary Funds	1,714,188	1,845,571	1,929,835	1,716,778	1,723,343
Total Funds	\$1,714,188	\$1,845,571	\$1,929,835	\$1,716,778	\$1,723,343

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 %
State Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
06500 Agency Legal Services	0	0	3,440,121	0	3,440,121	100.00 %
Proprietary Total	\$0	\$0	\$3,440,121	\$0	\$3,440,121	100.00 %
Total All Funds	\$0	\$0	\$3,440,121	\$0	\$3,440,121	

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](#).

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	0	0	0	0.00 %	1,929,835	1,929,835	3,859,670	112.20 %
SWPL Adjustments	0	0	0	0.00 %	(213,057)	(206,492)	(419,549)	(12.20)%
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$1,716,778	\$1,723,343	\$3,440,121	

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	0	0	0	(215,445)	0.00	0	0	0	(208,845)
DP 2 - Fixed Costs	0.00	0	0	0	2,548	0.00	0	0	0	2,453
DP 3 - Inflation Deflation	0.00	0	0	0	(160)	0.00	0	0	0	(100)
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	(\$213,057)	0.00	\$0	\$0	\$0	(\$206,492)

*"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 annualize personal services costs including FY 2021 statewide pay plan adjustments, benefit rate adjustments, vacancy savings adjustments and longevity adjustments related to incumbents in each position at the time of the personal services snapshot.

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 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 costs, 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 2023 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 2023. The report is provided as submitted by the executive, but the LFD has edited and reconfigured the figure for clarity.

2023 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 18	Actual FY 19	Actual FY 20	Estimated FY 21	Proposed FY 22	Proposed FY 23
Operating Revenues							
Fees and Charges							
	Charges for Services	\$1,650,052	\$1,679,663	\$1,536,378	\$1,775,760	\$2,028,264	\$2,028,264
Total Operating Revenues		1,650,052	1,679,663	1,536,378	1,775,760	2,028,264	2,028,264
Expenses							
	Personal Services	1,470,045	1,474,131	1,516,203	1,523,784	1,523,784	1,523,784
	Other Operating Expenses	286,616	253,524	207,938	187,391	187,391	187,391
Total Operating Expense		1,756,661	1,727,655	1,724,141	1,711,175	1,711,175	1,711,175
Operating Income (Loss)		(106,609)	(47,992)	(187,763)	64,585	317,089	317,089
Income (Loss) Before Contributions							
Transfers		(106,609)	(47,992)	(187,763)	64,585	317,089	317,089
Change in Net Position		(106,609)	(47,992)	(187,763)	64,585	317,089	317,089
Beginning Net Position - July 1							
	Prior Period Adjustments	32,847	(73,762)	(121,754)	(309,517)	(244,932)	72,157
	Change in Net Position	(106,609)	(47,992)	(187,763)	64,585	317,089	317,089
Ending Net Position - June 30		\$ (73,762)	\$ (121,754)	\$ (309,517)	\$ (244,932)	\$72,157	\$389,246

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 \$213,000 and \$206,000 when compared to the FY 2021 base year. The decreases are included as part of the statewide present law adjustment for the ALS and are 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 2023 biennium the following rates are proposed by the executive. The rates charged in the base year and those by paid state agencies in FY 2020 are shown for comparison purposes.

Request Rates for Internal Service or Enterprise Funds				
Fee/Rate Information				
	Estimated FY 20	Estimated FY 21	Proposed FY 22	Proposed FY 23
Fee Description:				
Attorney (per hour)	\$ 106	\$ 106	\$ 121	\$ 121
Investigator (per hour)	\$ 62	\$ 62	\$ 71	\$ 71

Program Biennium 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.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	7,582,136	7,588,361	6,225	0.08 %
Operating Expenses	1,648,261	1,674,269	26,008	1.58 %
Equipment & Intangible Assets	165,720	165,720	0	0.00 %
Debt Service	4,132	0	(4,132)	(100.00)%
Total Expenditures	\$9,400,249	\$9,428,350	\$28,101	0.30 %
State/Other Special Rev. Funds	6,674,211	6,697,524	23,313	0.35 %
Proprietary Funds	2,726,038	2,730,826	4,788	0.18 %
Total Funds	\$9,400,249	\$9,428,350	\$28,101	0.30 %
Total Ongoing	\$9,400,249	\$9,428,350	\$28,101	0.30 %
Total OTO	\$0	\$0	\$0	0.00 %

Program Description

The Gambling Control Division (GCD) was established by the 1989 Legislature to regulate the gambling industry in Montana. The division 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, the division collects the gambling tax assessed on the net proceeds of gambling activities. It conducts investigations related to alcoholic beverage licensing and tobacco enforcement. An appointed Gaming Advisory Council of nine members advises the Attorney General to ensure uniform statewide regulation of gambling activities. The Gambling Control Division is mandated by state law.

Program Highlights

Gambling Control Division Major Budget Highlights
<ul style="list-style-type: none"> • The proposed Gambling Control Division's 2023 biennium budget is \$28,000 or 0.3% higher than the 2021 biennium • Significant changes include an additional \$22,000 in fixed costs included in statewide present law adjustment

Program Actuals and Budget Comparison

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

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	45.99	45.99	45.99	45.99
Personal Services	3,455,232	3,764,904	3,817,232	3,784,606	3,803,755
Operating Expenses	592,464	821,897	826,364	837,522	836,747
Equipment & Intangible Assets	34,625	82,860	82,860	82,860	82,860
Debt Service	2,475	4,132	0	0	0
Total Expenditures	\$4,084,796	\$4,673,793	\$4,726,456	\$4,704,988	\$4,723,362
State/Other Special Rev. Funds	2,729,527	3,318,410	3,355,801	3,342,514	3,355,010
Proprietary Funds	1,355,269	1,355,383	1,370,655	1,362,474	1,368,352
Total Funds	\$4,084,796	\$4,673,793	\$4,726,456	\$4,704,988	\$4,723,362
Total Ongoing	\$4,084,796	\$4,673,793	\$4,726,456	\$4,704,988	\$4,723,362
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Discussion -

FY 2020 Appropriations Compared to FY 2020 Actual Expenditures

The Gambling Control Division's \$4.7 million HB 2 modified budget was 87.4% expended in FY 2020. Unspent authority of \$589,000 is a result of fund balances in personal services and operating expenses. Personal services were 91.8% expended. Operating expenses were 72.1% expended. The Gambling Control Division had a reduction of normal operating expenses including trainings, investigations of gambling establishments, and investigations of liquor violations due to COVID-19 restrictions.

FY 2020 Appropriations Compared to FY 2021 Appropriations

The percentage change from FY 2020 appropriations to FY 2021 is 1.1%. This is the result of increases in personal services.

Executive Request

The Gambling Control Division is requesting \$22,000 in fixed costs included in statewide present law adjustments.

Program Personal Services

Personal services in the Gambling Control increase by \$6,000 or 0.1% when compared to the 2021 biennium. Increases personal services that can be seen in the 2021 biennium were a result of the pay plan. Statewide present law adjustments decreased by \$33,000 in FY 2021, the majority of change result of management decisions including hiring new employees at a lower rate.

Funding

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

Department of Justice, 07-Gambling Control Division 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	6,421,263	0	0	3,700,088	10,121,351	97.16 %	
02120 Live Game Tax	0	0	0	20,000	20,000	0.19 %	
02790 6901-Statewide Tobacco Sttlmnt	276,261	0	0	0	276,261	2.65 %	
State Special Total	\$6,697,524	\$0	\$0	\$3,720,088	\$10,417,612	79.23 %	
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %	
06005 Liquor Division	2,730,826	0	0	0	2,730,826	100.00 %	
Proprietary Total	\$2,730,826	\$0	\$0	\$0	\$2,730,826	20.77 %	
Total All Funds	\$9,428,350	\$0	\$0	\$3,720,088	\$13,148,438		

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 6 shows the revenues, expenditures, and fund balance for the gambling license fee account.

Figure 6

Department of Justice Gambling License Fee Account - 02074						
	Actuals FY 2018	Actuals FY 2019	Actuals FY 2020	Appropriated FY 2021	Proposed FY 2022	Proposed FY 2023
Beginning Fund Balance	\$1,160,921	\$1,271,153	\$1,217,329	\$1,504,805	\$1,027,515	\$923,474
Revenues						
Licenses and Permits	4,688,744	4,580,136	4,609,178	4,690,000	4,992,500	5,000,000
Charges for Services	51,393	46,848	36,905	37,150	37,150	37,150
Grants, Transfers, Misc	<u>12</u>	<u>47</u>	<u>19,652</u>	<u>21</u>	<u>21</u>	<u>21</u>
Total Revenue	4,740,149	4,627,031	4,665,735	4,727,171	5,029,671	5,037,171
Expenditures						
Personal Services	2,305,879	2,442,035	2,249,418	2,660,692	2,639,485	2,651,932
Operating Expenses	463,080	442,349	338,327	633,512	583,970	583,468
Local Assistance	1,805,200	1,764,003	1,767,863	1,850,044	1,850,044	1,850,044
Equipment & Intangible Assets	55,758	32,468	20,176	58,834	58,834	58,834
Debt Service	<u>0</u>	<u>0</u>	<u>2,475</u>	<u>1,379</u>	<u>1,379</u>	<u>1,379</u>
Total Expenditures	4,629,917	4,680,855	4,378,259	5,204,461	5,133,712	5,145,657
Ending Fund Balance	\$1,271,153	\$1,217,329	\$1,504,805	\$1,027,515	\$923,474	\$814,988

Current estimates of the revenues in the account are below the projected expenditures. The agency is 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](#).

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	0	0	0	0.00 %	4,726,456	4,726,456	9,452,912	100.26 %
SWPL Adjustments	0	0	0	0.00 %	(21,468)	(3,094)	(24,562)	(0.26)%
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$4,704,988	\$4,723,362	\$9,428,350	

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	0	(22,186)	0	(32,626)	0.00	0	(9,164)	0	(13,477)
DP 2 - Fixed Costs	0.00	0	8,907	0	11,166	0.00	0	8,378	0	10,388
DP 3 - Inflation Deflation	0.00	0	(8)	0	(8)	0.00	0	(5)	0	(5)
Grand Total All Present Law Adjustments	0.00	\$0	(\$13,287)	\$0	(\$21,468)	0.00	\$0	(\$791)	\$0	(\$3,094)

**"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.

Program Biennium 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.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	8,822,537	9,174,397	351,860	3.99 %
Operating Expenses	3,880,780	4,187,453	306,673	7.90 %
Equipment & Intangible Assets	574,000	232,000	(342,000)	(59.58)%
Debt Service	632,574	632,574	0	0.00 %
Total Expenditures	\$13,909,891	\$14,226,424	\$316,533	2.28 %
General Fund	10,463,189	11,058,712	595,523	5.69 %
State/Other Special Rev. Funds	3,446,702	3,167,712	(278,990)	(8.09)%
Total Funds	\$13,909,891	\$14,226,424	\$316,533	2.28 %
Total Ongoing	\$13,390,228	\$14,226,424	\$836,196	6.24 %
Total OTO	\$519,663	\$0	(\$519,663)	(100.00)%

Program Description

The Forensic Science Division (FSD), better known as the state crime lab, is one of eight divisions within the Department of Justice. It was established in Montana Code in 1977. The division 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 sections. The Billings facility contains medical examiner, chemical analysis, and evidence sections.

Program Highlights

Forensic Science Division Major Budget Highlights
<p>The proposed Forensic Science Division's 2023 biennium budget is \$317,000 or 2.3% higher than the 2021 biennium. Significant changes include:</p> <ul style="list-style-type: none"> • A proposal for \$0.5 million over the biennium in general fund to provide funding for a medical examiner • Approximately \$125,000 over the biennium to outsource sexual assault kit testing • Instrument replacement at the cost of \$220,000 over the biennium
Legislative Action Items
<ul style="list-style-type: none"> • Request for medical examiner could utilize existing funds in the Medical Examiner state special revenue account instead of general fund

Program Actuals and Budget Comparison

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

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	41.30	41.30	42.30	42.30
Personal Services	4,467,403	4,383,568	4,438,969	4,578,675	4,595,722
Operating Expenses	1,604,876	1,857,592	2,023,188	2,094,226	2,093,227
Equipment & Intangible Assets	477,946	568,000	6,000	106,000	126,000
Debt Service	257,487	316,287	316,287	316,287	316,287
Total Expenditures	\$6,807,712	\$7,125,447	\$6,784,444	\$7,095,188	\$7,131,236
General Fund	5,395,389	5,410,361	5,052,828	5,521,332	5,537,380
State/Other Special Rev. Funds	1,412,323	1,715,086	1,731,616	1,573,856	1,593,856
Total Funds	\$6,807,712	\$7,125,447	\$6,784,444	\$7,095,188	\$7,131,236
Total Ongoing	\$6,547,454	\$6,864,493	\$6,525,735	\$7,095,188	\$7,131,236
Total OTO	\$260,258	\$260,954	\$258,709	\$0	\$0

Program Discussion -

FY 2020 Appropriations Compared to FY 2020 Actual Expenditures

The Forensic Science Division’s \$7.1 million HB 2 modified budget was 95.5% expended in FY 2020. Personal services were 101.9% expended. Operating expenses were 86.4% expended with approximately \$253,000 in unspent authority. Equipment and intangible assets were 84.1% expended. The Forensic Science Division prioritized hiring DNA techs and incorporated career ladder adjustments using the remaining unspent authority in the operating and equipment budget.

FY 2020 Appropriations Compared to FY 2021 Appropriations

Appropriations from FY 2020 to FY 2021 decreased by 4.8%. The majority is a result of a \$562,000 decrease in equipment and intangible assets from FY 2020 to FY 2021.

Comparison of FY 2021 Legislative Budget to FY 2021 Base

Operating expenses increased by 1.2% while debt service decreased by 5.5% due to a decrease of \$19,000 for operational expenses related to leased assets.

Executive Request

The Forensic Science Division is requesting \$0.5 million over the biennium in general fund to provide funding for a medical examiner at the Eastern Montana Crime Lab, approximately \$125,000 over the biennium to outsource sexual assault kit testing in the Forensic Science Division, and \$220,000 over the biennium for instrument replacement.

Program Personal Services

Personal services in FSD increase by \$352,000 or 4.0% when compared to the 2021 biennium. Statewide present law adjustments include an increase by approximately \$141,000 in FY 2021, the majority of which are management decisions.

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	11,058,712	0	0	0	11,058,712	77.73 %	
02349 Highway Non-Restricted Account	801,294	0	0	0	801,294	25.30 %	
02945 DOJ Blood draw MCA 61-8-402	519,602	0	0	0	519,602	16.40 %	
02450 FSD Autopsy and Service Fees	1,846,816	0	0	0	1,846,816	58.30 %	
State Special Total	\$3,167,712	\$0	\$0	\$0	\$3,167,712	22.27 %	
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 %	
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %	
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$14,226,424	\$0	\$0	\$0	\$14,226,424		

FSD is funded primarily with general fund. The 2017 Legislature established the medical examiner state special revenue account for the operation and administration of the medical examiner’s office. The legislature approved a reduction of \$900,000 to general fund and a like increase to state special revenue (SSR) that will be used to support this function. The fund’s use is not available to other areas of FSD. Figure 7 shows the revenues, expenditures, and fund balance for the medical examiner state special revenue account.

Figure 7

Department of Justice FSD Autopsy and Service Fees - 02450						
	Actuals FY 2018	Actuals FY 2019	Actuals FY 2020	Appropriated FY 2021	Proposed FY 2022	Proposed FY 2023
Beginning Fund Balance	\$0	\$821,073	\$788,287	\$817,692	\$836,524	\$1,113,318
Revenues						
Charges for Services	821,072	881,764	873,005	1,200,000	1,200,000	1,200,000
Federal	0	0	135	0	0	0
Grants, Transfers, Misc	<u>1</u>	<u>530</u>	<u>26,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenue	821,073	882,294	899,140	1,200,000	1,200,000	1,200,000
Expenditures						
Personal Services	0	865,118	868,859	872,459	872,459	872,459
Operating Expenses	<u>0</u>	<u>49,962</u>	<u>876</u>	<u>50,000</u>	<u>50,747</u>	<u>50,747</u>
Total Expenditures	0	915,080	869,735	1,181,168	923,206	923,206
Ending Fund Balance	\$821,073	\$788,287	\$817,692	\$836,524	\$1,113,318	\$1,390,112

Program Budget Summary by Category

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

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 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	5,052,828	5,052,828	10,105,656	91.38 %	6,525,735	6,525,735	13,051,470	91.74 %
SWPL Adjustments	148,925	162,870	311,795	2.82 %	149,874	163,819	313,693	2.21 %
PL Adjustments	319,579	321,682	641,261	5.80 %	319,579	321,682	641,261	4.51 %
New Proposals	0	0	0	0.00 %	100,000	120,000	220,000	1.55 %
Total Budget	\$5,521,332	\$5,537,380	\$11,058,712		\$7,095,188	\$7,131,236	\$14,226,424	

Present Law Adjustments

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

	-----Fiscal 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	141,336	0	0	141,336	0.00	156,280	0	0	156,280
DP 2 - Fixed Costs	0.00	7,908	949	0	8,857	0.00	6,790	949	0	7,739
DP 3 - Inflation Deflation	0.00	(319)	0	0	(319)	0.00	(200)	0	0	(200)
DP 802 - FSD Sexual Assault Kit outsourcing	0.00	62,500	0	0	62,500	0.00	62,500	0	0	62,500
DP 803 - Medical Examiner	1.00	257,079	0	0	257,079	1.00	259,182	0	0	259,182
Grand Total All Present Law Adjustments	1.00	\$468,504	\$949	\$0	\$469,453	1.00	\$484,552	\$949	\$0	\$485,501

*"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.

DP 802 - FSD Sexual Assault Kit outsourcing -

The executive requests \$62,500 each year in the Forensic Science Division to outsource sexual assault kit testing. The request will allow the department to increase the amount of tests processed each year in response to legislative requirements.

DP 803 - Medical Examiner -

The executive requests funding general fund of \$257,079 in FY 2022 and \$259,182 in FY 2023 for a medical examiner.

LFD ISSUE	<p><u>Forensic Science Division Funding for Medical Examiner</u></p> <p>The 2017 Legislature established the medical examiner state special revenue account for the operation and administration of the medical examiner's office. The legislature approved a reduction of \$900,000 to general fund and a like increase to state special revenue that will be used to support this function. In the 2019 Legislative Session, the legislature approved a one-time-only appropriation in state special revenue of \$260,954 in FY 2020 and \$258,709 in FY 2021 and 1.00 FTE a for full-time medical examiner in Billings. Additionally, the Forensic Science Division autopsy and service fees state special revenue account has a projected fund balance of \$0.8 million in FY 2021. Proposed revenues in FY 2022 and FY 2023 are projected to cover expenditures in this account.</p> <p>Legislative Options:</p> <ul style="list-style-type: none"> • Appropriate general fund and the request for 1.00 FTE Medical Examiner as proposed by the agency • Appropriate state special revenue and the request for 1.00 FTE Medical Examiner • Utilize the existing fund balance in the autopsy and service fees state special revenue account to fund the request for 1.00 FTE Medical Examiner as one-time-only.
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New Proposals

The New Proposals table shows new changes to spending

	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 801 - FSD Instrument Replacement Plan	0.00	0	100,000	0	100,000	0.00	0	120,000	0	120,000
Total	0.00	\$0	\$100,000	\$0	\$100,000	0.00	\$0	\$120,000	\$0	\$120,000

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

DP 801 - FSD Instrument Replacement Plan -

This request for \$100,000 in FY 2022 and \$120,000 in FY 2023 is for support of the long-term instrument replacement plan replacing aging gas chromatography–mass spectrometry (GC-MS) instruments and allowing the division to continue existing lease agreements. It is funded with state special revenue.

Program Biennium 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.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	20,455,844	18,597,291	(1,858,553)	(9.09)%
Operating Expenses	26,937,811	27,272,520	334,709	1.24 %
Equipment & Intangible Assets	328,056	328,056	0	0.00 %
Capital Outlay	87,184	0	(87,184)	(100.00)%
Local Assistance	50,000	50,000	0	0.00 %
Transfers	405,844	408,124	2,280	0.56 %
Total Expenditures	\$48,264,739	\$46,655,991	(\$1,608,748)	(3.33)%
General Fund	17,846,301	21,204,448	3,358,147	18.82 %
State/Other Special Rev. Funds	29,235,128	24,268,233	(4,966,895)	(16.99)%
Proprietary Funds	1,183,310	1,183,310	0	0.00 %
Total Funds	\$48,264,739	\$46,655,991	(\$1,608,748)	(3.33)%
Total Ongoing	\$48,264,739	\$46,655,991	(\$1,608,748)	(3.33)%
Total OTO	\$0	\$0	\$0	0.00 %

Program Description

The Motor Vehicle Division (MVD), under provision of Title 61 and Title 23, MCA and federal statutes (such as the Commercial Motor Vehicle Safety Act of 1986, child support regulations, Anti Car Theft Act of 1992, and Odometer Disclosure Act)) 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

Motor Vehicle Division Major Budget Highlights
<p>The proposed Motor Vehicle Division 2023 biennium budget is \$1.6 million or 3.3% less than the 2021 biennium. Significant changes include:</p> <ul style="list-style-type: none"> • Decreases in personal services of \$2.1 million included in statewide present law adjustments • Requests to increase fixed costs by \$258,000 in general fund and state special revenue

Program Actuals and Budget Comparison

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

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	152.05	152.05	152.05	152.05
Personal Services	10,096,117	10,130,101	10,325,743	9,285,524	9,311,767
Operating Expenses	12,693,099	13,425,099	13,512,712	13,646,030	13,626,490
Equipment & Intangible Assets	146,768	164,028	164,028	164,028	164,028
Capital Outlay	74,670	87,184	0	0	0
Local Assistance	0	25,000	25,000	25,000	25,000
Transfers	201,782	201,782	204,062	204,062	204,062
Total Expenditures	\$23,212,436	\$24,033,194	\$24,231,545	\$23,324,644	\$23,331,347
General Fund	8,442,994	8,847,142	8,999,159	10,604,309	10,600,139
State/Other Special Rev. Funds	14,187,658	14,594,397	14,640,731	12,128,680	12,139,553
Proprietary Funds	581,784	591,655	591,655	591,655	591,655
Total Funds	\$23,212,436	\$24,033,194	\$24,231,545	\$23,324,644	\$23,331,347
Total Ongoing	\$23,212,436	\$24,033,194	\$24,231,545	\$23,324,644	\$23,331,347
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Discussion -

FY 2020 Appropriations Compared to FY 2020 Actual Expenditures

Motor Vehicle Division's \$24.0 million HB 2 modified budget was 96.6% expended in FY 2020. Personal services were 99.7% expended. Operating expenses were 94.5% expended; the majority of unspent authority is a result of a restricted appropriation for use with SITSD billing for main frame application hosting service fees.

Equipment and intangible assets were 89.5% expended with unspent authority in motor vehicle equipment. Capital outlay was 85.6% expended with a balance of \$12,500.

FY 2020 Appropriations Compared to FY 2021 Appropriations

Appropriations from FY 2020 to FY 2021 increased by 0.8% resulting in little change between FY 2020 and FY 2021.

Comparison of FY 2021 Legislative Budget to FY 2021 Base

The majority of budget modifications are found within the Motor Vehicle Division, where \$901,000 in state special revenue was moved from operating expenses to personal services to support the continuation of 15.00 modified FTE for the driver's modernization project. State special revenue of \$558,000 was moved from operating expenses to personal services for the continuation of 12.00 modified FTE to support the processing of REAL ID. Approximately \$204,000 was transferred out of the Motor Vehicle Division's operating expenses to the Justice Information Technology Services Division for the FTE necessary to support MERLIN.

The Department of Justice transferred \$500,000 in general fund from the Motor Vehicle Division to the Central Services Division for operating expenses to pay for 24/7 DUI program contract costs.

Executive Request

The Motor Vehicle Division is requesting increases to fixed costs by \$258,000 in general fund and state special revenue.

Program Personal Services

Personal services in Motor Vehicle Division decrease by \$1.9 million or 9.1% when compared to the 2021 biennium. Budget modifications totaled \$1.7 million in FY 2021, including a request to move \$0.9 million in operating expenses to personal services and 15.00 modified FTE for the ongoing driver’s modernization project. The budget modifications also included moving \$0.6 million and 12.00 modified FTE from operating expenses to personal services to assist with REAL ID processing. Management decisions included wage changes and benefits increases.

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	21,204,448	0	0	0	21,204,448	45.34 %	
02390 Spec Motorcycle Lic Plates	0	0	0	107,000	107,000	0.44 %	
02456 61-6-158 MTIVS & MCE	9,353,524	0	0	0	9,353,524	38.37 %	
02798 61-3-550 MVD MERLIN HB261	4,261,576	0	0	0	4,261,576	17.48 %	
02799 Motor Vehicle Administration	10,652,741	0	0	0	10,652,741	43.70 %	
02464 MHP Highway State Special	392	0	0	0	392	0.00 %	
02796 MVD Real ID	0	0	0	0	0	0.00 %	
State Special Total	\$24,268,233	\$0	\$0	\$107,000	\$24,375,233	52.13 %	
03560 MVD Federal Grants	0	0	0	0	0	0.00 %	
03801 Dept Of Justice-Misc Grants	0	0	0	0	0	0.00 %	
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %	
06083 61-3-118 MVD E-Commerce	1,183,310	0	0	0	1,183,310	100.00 %	
Proprietary Total	\$1,183,310	\$0	\$0	\$0	\$1,183,310	2.53 %	
Total All Funds	\$46,655,991	\$0	\$0	\$107,000	\$46,762,991		

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 8 shows the revenues, expenditures, and fund balance for the Montana insurance verification system (MTIVS) and Montana correctional enterprises (MCE) state special revenue fund.

Figure 8

Department of Justice MTIVS & MCE - 02456						
	Actuals FY 2018	Actuals FY 2019	Actuals FY 2020	Appropriated FY 2021	Proposed FY 2022	Proposed FY 2023
Beginning Fund Balance	\$6,093,293	\$4,792,126	\$3,832,231	\$2,324,140	\$892,378	\$939,247
Revenues						
Charges for Services	6,267	7,255	24,105	5,000	5,000	5,000
Licenses & Permits	<u>3,761,752</u>	<u>3,867,543</u>	<u>3,901,418</u>	<u>3,240,000</u>	<u>4,700,000</u>	<u>4,700,000</u>
Total Revenue	3,768,019	3,874,798	3,925,523	3,245,000	4,705,000	4,705,000
Expenditures						
Personal Services	1,942,297	1,595,895	7,649	4,611,906	4,611,906	4,611,906
Operating Expenses	3,078,205	3,238,798	4,129,466	64,856	46,225	46,225
Equipment & Intangible Assets	<u>48,684</u>	<u>0</u>	<u>1,296,499</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	5,069,186	4,834,693	5,433,614	4,676,762	4,658,131	4,658,131
Adjustments						
Ending Fund Balance	\$4,792,126	\$3,832,231	\$2,324,140	\$892,378	\$939,247	\$986,116

Program Budget Summary by Category

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

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 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	8,999,159	8,999,159	17,998,318	84.88 %	24,231,545	24,231,545	48,463,090	103.87 %
SWPL Adjustments	1,605,150	1,600,980	3,206,130	15.12 %	(906,901)	(900,198)	(1,807,099)	(3.87)%
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$10,604,309	\$10,600,139	\$21,204,448		\$23,324,644	\$23,331,347	\$46,655,991	

Present Law Adjustments

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

	-----Fiscal 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	1,482,577	(2,522,796)	0	(1,040,219)	0.00	1,497,947	(2,511,923)	0	(1,013,976)
DP 2 - Fixed Costs	0.00	129,426	10,745	0	140,171	0.00	107,330	10,745	0	118,075
DP 3 - Inflation Deflation	0.00	(6,853)	0	0	(6,853)	0.00	(4,297)	0	0	(4,297)
Grand Total All Present Law Adjustments	0.00	\$1,605,150	(\$2,512,051)	\$0	(\$906,901)	0.00	\$1,600,980	(\$2,501,178)	\$0	(\$900,198)

*"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.

Program Biennium 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.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	3,682,336	3,736,430	54,094	1.47 %
Operating Expenses	2,150,985	1,636,417	(514,568)	(23.92)%
Total Expenditures	\$5,833,321	\$5,372,847	(\$460,474)	(7.89)%
General Fund	3,833,006	3,901,613	68,607	1.79 %
State/Other Special Rev. Funds	1,927,193	1,405,872	(521,321)	(27.05)%
Proprietary Funds	73,122	65,362	(7,760)	(10.61)%
Total Funds	\$5,833,321	\$5,372,847	(\$460,474)	(7.89)%
Total Ongoing	\$5,833,321	\$5,372,847	(\$460,474)	(7.89)%
Total OTO	\$0	\$0	\$0	0.00 %

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 county attorney payroll costs.

Program Highlights

Central Services Division Major Budget Highlights
<p>The proposed Central Services Division's 2023 biennium budget is \$460,000 or 7.9% less than the 2021 biennium. Significant changes include:</p> <ul style="list-style-type: none"> • A increase in operating expenses of \$108,000 for fixed costs • Additional personal services of \$164,000 included in the statewide present law adjustments • NRIS/GIS usage fixed cost to be paid to the Montana State Library of \$41,000 over the biennium

Program Actuals and Budget Comparison

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

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	20.49	20.49	20.49	20.49
Personal Services	1,745,561	1,896,109	1,786,227	1,865,269	1,871,161
Operating Expenses	859,507	1,261,964	889,021	867,905	768,512
Total Expenditures	\$2,605,068	\$3,158,073	\$2,675,248	\$2,733,174	\$2,639,673
General Fund	1,822,006	1,986,270	1,846,736	1,997,557	1,904,056
State/Other Special Rev. Funds	746,780	1,135,505	791,688	702,936	702,936
Proprietary Funds	36,282	36,298	36,824	32,681	32,681
Total Funds	\$2,605,068	\$3,158,073	\$2,675,248	\$2,733,174	\$2,639,673
Total Ongoing	\$2,605,068	\$3,158,073	\$2,675,248	\$2,733,174	\$2,639,673
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Discussion -

FY 2020 Appropriations Compared to FY 2020 Actual Expenditures

Central Services Division’s \$3.2 million HB 2 modified budget was 82.5% expended in FY 2020. Personal services were 92.1% expended. Operating expenses were 68.1% expended. Unspent authority totals \$553,000. A portion of the unspent authority, approximately \$61,000, was a result of remaining funds in the legislative audit restricted account. Additional unspent authority of \$165,000 is due to Central Services Division receiving HB 715 appropriations to accomplish program priorities.

FY 2020 Appropriations Compared to FY 2021 Appropriations

Appropriations from FY 2020 to FY 2021 decreased by 15.3%. This is mainly due to decrease in operating expenses of 29.6% from FY 2020 to FY 2021.

Executive Request

Central Services Division is requesting an increase in operating expenses of \$108,000 for fixed costs, statewide present law adjustments \$164,000 for personal services, and \$41,000 over the biennium for NRIS/GIS usage fixed costs to be paid to the Montana State Library.

Program Personal Services

Personal services in Central Services Division increase by \$54,000 or 1.5% when compared to the 2021 biennium. The majority of statewide present law adjustments is made up of management decisions including wage changes and benefits increase.

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	3,901,613	0	0	7,394,218	11,295,831	85.14 %	
02006 Cigarette Fire Safety Standard	(796)	0	0	0	(796)	(0.05)%	
02014 Highway Patrol Pay & Retention	158,778	0	0	0	158,778	9.59 %	
02016 Criminal Justice Info Network	(3,718)	0	0	0	(3,718)	(0.22)%	
02074 Gambling License Fee Account	125,284	0	0	0	125,284	7.57 %	
02140 Consumer Education Settlement	321,526	0	0	0	321,526	19.42 %	
02143 Drug Forfeitures-State	0	0	0	250,000	250,000	15.10 %	
02349 Highway Non-Restricted Account	0	0	0	0	0	0.00 %	
02456 61-6-158 MTIVS & MCE	(37,262)	0	0	0	(37,262)	(2.25)%	
02546 MT Law Enforcement Academy	(8,502)	0	0	0	(8,502)	(0.51)%	
02797 Criminal Records Info Sys	153,694	0	0	0	153,694	9.28 %	
02798 61-3-550 MVD MERLIN HB261	(8,710)	0	0	0	(8,710)	(0.53)%	
02937 DOJ Misc SSR MOUs	(790)	0	0	0	(790)	(0.05)%	
02799 Motor Vehicle Administration	489,680	0	0	0	489,680	29.57 %	
02450 FSD Autopsy and Service Fees	(404)	0	0	0	(404)	(0.02)%	
02464 MHP Highway State Special	217,092	0	0	0	217,092	13.11 %	
State Special Total	\$1,405,872	\$0	\$0	\$250,000	\$1,655,872	12.48 %	
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 DCI Federal Forfeitures	0	0	0	250,000	250,000	100.00 %	
03800 Medicaid Fraud	0	0	0	0	0	0.00 %	
Federal Special Total	\$0	\$0	\$0	\$250,000	\$250,000	1.88 %	
06005 Liquor Division	71,654	0	0	0	71,654	109.63 %	
06083 61-3-118 MVD E-Commerce	(4,780)	0	0	0	(4,780)	(7.31)%	
06500 Agency Legal Services	(1,512)	0	0	0	(1,512)	(2.31)%	
Proprietary Total	\$65,362	\$0	\$0	\$0	\$65,362	0.49 %	
Total All Funds	\$5,372,847	\$0	\$0	\$7,894,218	\$13,267,065		

CSD is funded by allocation of costs among the various funding sources supporting the department. General fund would provide roughly 72.6% of the division’s HB 2 funding. State special revenue, the largest source being the MVD administrative fee, provides 26.2% 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 \$7.4 million in funding under a statutory appropriation that funds roughly half of county attorney’s salaries and contributions to group benefits.

LFD COMMENT Several funds in the table above have a negative appropriation. The executive will fix this in the December 15th budget.

Program Budget Summary by Category

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

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 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	1,846,736	1,846,736	3,693,472	94.67 %	2,675,248	2,675,248	5,350,496	99.58 %
SWPL Adjustments	181,381	87,880	269,261	6.90 %	182,472	88,971	271,443	5.05 %
PL Adjustments	(50,460)	(50,460)	(100,920)	(2.59)%	(144,933)	(144,933)	(289,866)	(5.39)%
New Proposals	19,900	19,900	39,800	1.02 %	20,387	20,387	40,774	0.76 %
Total Budget	\$1,997,557	\$1,904,056	\$3,901,613		\$2,733,174	\$2,639,673	\$5,372,847	

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	79,042	0	0	79,042	0.00	84,934	0	0	84,934
DP 2 - Fixed Costs	0.00	102,488	1,091	0	103,579	0.00	3,039	1,091	0	4,130
DP 3 - Inflation Deflation	0.00	(149)	0	0	(149)	0.00	(93)	0	0	(93)
DP 4 - Service Now Reduction	0.00	(50,460)	(90,330)	0	(144,933)	0.00	(50,460)	(90,330)	0	(144,933)
Grand Total All Present Law Adjustments	0.00	\$130,921	(\$89,239)	\$0	\$37,539	0.00	\$37,420	(\$89,239)	\$0	(\$55,962)

*"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.

DP 4 - Service Now Reduction -

The executive requests a decrease in funding because of the purchase of ServiceNow licenses and programs for the 2023 biennium. The executive is anticipating operating efficiencies and other savings by using ServiceNow.

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 1002 - NRIS/GIS Fixed Costs	0.00	19,900	487	0	20,387	0.00	19,900	487	0	20,387
Total	0.00	\$19,900	\$487	\$0	\$20,387	0.00	\$19,900	\$487	\$0	\$20,387

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

DP 1002 - 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.

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	3,416,005	3,075,870	(340,135)	(9.96)%
Operating Expenses	359,401	364,251	4,850	1.35%
Total Expenditures	\$3,775,406	\$3,440,121	(\$335,285)	(8.88)%
Proprietary Funds	3,775,406	3,440,121	(335,285)	(8.88)%
Total Funds	\$3,775,406	\$3,440,121	(\$335,285)	(8.88)%
Total Ongoing	\$3,775,406	\$3,440,121	(\$335,285)	(8.88)%
Total OTO	\$0	\$0	\$0	0.00%

Mission Statement

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

Agency Highlights

Department of Justice Major Budget Highlights
<p>The Department of Justice's 2023 biennium budget request is \$3.6 million or 1.6% higher than the 2021 biennium budget. Significant changes include:</p> <ul style="list-style-type: none"> • A 4.6% salary increase in eight Montana county sheriff's offices as a result of a salary survey in the Montana Highway Patrol, an increase of \$2.0 million over the biennium • Approximately \$460,000 over the biennium for the Criminal Records Identification Services Section (CRISS) in the Division of Criminal Investigation • A proposal for \$516,000 general fund over the biennium and 1.00 FTE for a medical examiner • Approximately \$125,000 over the biennium to outsource sexual assault kit testing in the Forensic Science Division
Legislative Action Items
<p>Request for Medical Examiner could utilize existing funds in the Medical Examiner state special revenue account instead of general fund.</p>

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	14.00	14.00	14.00	14.00
Personal Services	1,516,202	1,665,925	1,750,080	1,534,635	1,541,235
Operating Expenses	197,986	179,646	179,755	182,143	182,108
Total Expenditures	\$1,714,188	\$1,845,571	\$1,929,835	\$1,716,778	\$1,723,343
Proprietary Funds	1,714,188	1,845,571	1,929,835	1,716,778	1,723,343
Total Funds	\$1,714,188	\$1,845,571	\$1,929,835	\$1,716,778	\$1,723,343
Total Ongoing	\$1,714,188	\$1,845,571	\$1,929,835	\$1,716,778	\$1,723,343
Total OTO	\$0	\$0	\$0	\$0	\$0

Agency Discussion

FY 2020 Appropriation Compared to FY 2020 Actual Expenditures

The Department of Justice's \$113.0 million HB 2 modified budget was 96.3% expended, leaving \$4.2 million in unspent authority. In the Department of Justice, personal services were 98.5% expended at \$65.4 million. Operating expenses of \$36.0 million were expended at 92.4% at and equipment and intangible assets of \$5.9 million were expended at 98.5%.

Grants were expended at 109.3%. Department of Justice expended \$153,000 of \$140,000 appropriated in grants. Additional funding was appropriated to the Montana Child Sexual Abuse Response Team (MCSART) funding for the National Children's Alliance (NCA). Benefits and claims were expended at 72.9%, leaving approximately \$182,000 in unspent authority.

FY 2020 Appropriations Compared to FY 2021 Appropriations

The percentage change from FY 2020 appropriations to FY 2021 appropriations is a decrease of 0.4%.

Comparison of 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 executive 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 - Department of Justice				
	Legislative Action	Executive Modifications per Statutory Authority	Executive Base	% Change from Legislative Action
01 LEGAL SERVICES DIVISION				
61000 Personal Services	6,259,405	140,313	6,399,718	2.2%
62000 Operating Expenses	2,535,429	(140,313)	2,395,116	-5.5%
67000 Benefits & Claims	1,121,191	-	1,121,191	0.0%
01 LEGAL SERVICES DIVISION Total	9,916,025	-	9,916,025	0.0%
03 MONTANA HIGHWAY PATROL				
61000 Personal Services	28,644,482	-	28,644,482	0.0%
62000 Operating Expenses	11,062,091	(75,000)	10,987,091	-0.7%
63000 Equipment & Intangible Assets	4,042,165	-	4,042,165	0.0%
68000 Transfers-out	-	75,000	75,000	0.0%
03 MONTANA HIGHWAY PATROL Total	43,748,738	-	43,748,738	0.0%
04 INFORMATION TECHNOLOGY SYSTEM				
61000 Personal Services	3,640,721	-	3,640,721	0.0%
62000 Operating Expenses	1,954,743	(5,507)	1,949,236	-0.3%
63000 Equipment & Intangible Assets	36,820	-	36,820	0.0%
04 INFORMATION TECHNOLOGY SYSTEM Total	5,632,284	(5,507)	5,626,777	-0.1%
05 DIV OF CRIMINAL INVESTIGATION				
61000 Personal Services	9,562,541	-	9,562,541	0.0%
62000 Operating Expenses	4,988,234	(61,045)	4,927,189	-1.2%
63000 Equipment & Intangible Assets	123,452	-	123,452	0.0%
66000 Grants	90,000	30,000	120,000	33.3%
68000 Transfers-out	11,295	30,962	42,257	274.1%
05 DIV OF CRIMINAL INVESTIGATION Total	14,775,522	(83)	14,775,439	0.0%
07 GAMBLING CONTROL DIVISION				
61000 Personal Services	3,817,232	-	3,817,232	0.0%
62000 Operating Expenses	826,364	-	826,364	0.0%
63000 Equipment & Intangible Assets	82,860	-	82,860	0.0%
07 GAMBLING CONTROL DIVISION Total	4,726,456	-	4,726,456	0.0%
08 FORENSIC SERVICES DIVISION				
61000 Personal Services	4,180,228	32	4,180,260	0.0%
62000 Operating Expenses	1,998,758	24,430	2,023,188	1.2%
63000 Equipment & Intangible Assets	6,000	-	6,000	0.0%
69000 Debt Service	334,797	(18,510)	316,287	-5.5%
08 FORENSIC SERVICES DIVISION Total	6,519,783	5,952	6,525,735	0.1%
09 MOTOR VEHICLE DIVISION				
61000 Personal Services	8,860,416	1,465,327	10,325,743	16.5%
62000 Operating Expenses	15,682,431	(2,169,719)	13,512,712	-13.8%
63000 Equipment & Intangible Assets	164,028	-	164,028	0.0%
65000 Local Assistance	25,000	-	25,000	0.0%
68000 Transfers-out	-	204,062	204,062	0.0%
09 MOTOR VEHICLE DIVISION Total	24,731,875	(500,330)	24,231,545	-2.0%

10 CENTRAL SERVICES DIVISION				
61000 Personal Services	1,786,259	(32)	1,786,227	0.0%
62000 Operating Expenses	389,021	500,000	889,021	128.5%
10 CENTRAL SERVICES DIVISION Total	2,175,280	499,968	2,675,248	23.0%
41100 DEPARTMENT OF JUSTICE Total	112,225,963	-	112,225,963	0.0%

Legal Services Division transferred \$140,000 from operating expenses to personal services, with approximately \$116,000 for 1.00 modified FTE for the Child Protection Unit within Legal Services Division.

In the Montana Highway Patrol, the department moved \$75,000 from operating expenses to transfers-out to fulfill memorandum of understanding (MOU) obligations with the Department of Administration's Architecture and Engineering Division for the Butte Evidence Building. The Division of Criminal Investigation transferred approximately \$61,000 from operating expenses to grants and transfers out. Of this amount, \$30,000 was transferred from operating expenses to fulfill needed expenditures in grants for the Children's Advocacy Center in order to coordinate investigative services and resources for child victims of crime. The remaining \$31,000 was transferred out of state special revenue funds for the criminal records information system.

The majority of budget modifications are found within the Motor Vehicle Division, where \$901,000 in state special revenue was moved from operating expenses to personal services to support the continuation of 15.00 modified FTE for the driver's modernization project, and \$558,000 in state special revenue was moved from operating expenses to personal services for the continuation of 12.00 modified FTE to support the processing of REAL ID. Approximately \$204,000 was transferred out of the Motor Vehicle Division's operating expenses to the Justice Information Technology Services Division for the FTE necessary to support the Montana enhanced registration licensing network (MERLIN).

The Department of Justice transferred \$500,000 in general fund from the Motor Vehicle Division to the Central Services Division for operating expenses to pay for 24/7 DUI program contract costs.

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.

Executive Request

The executive proposes the following:

- A 4.6% salary increase in eight Montana county sheriff's offices as a result of a salary survey in the Montana Highway Patrol, an increase of \$2.0 million over the biennium
- Approximately \$460,000 over the biennium for the Criminal Records Identification Services Section (CRISS) in the Division of Criminal Investigation
- A proposal for \$516,000 over the biennium in general fund and 1.00 FTE to provide funding for a medical examiner
- Approximately \$125,000 over the biennium to outsource sexual assault kit testing in the Forensic Science Division

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 can be found on the [Section D subcommittee page](#) under Tab D "Materials".

The Department of Justice included annual reductions of \$1.7 million in general fund and \$3.4 million in state special revenue. The proposal to reduce expenditures in the general fund includes:

- Reduction in major litigation and other expenditures in the Legal Services Division
- Renegotiation of hardware/software maintenance contract costs as well as consolidating applications to reduce infrastructure needs in Justice Information Technology Services Division

- Reduction in operating and equipment within Division of Criminal Investigation
- Elimination of new instrumentation needed for testing, decrease training, and defer supply costs in Forensic Science Division
- Elimination of the call center in Motor Vehicle Division
- Reduction in FTE or postpone hiring position vacancies and reducing operating costs in Central Services Division

The proposal to reduce expenditures in state special revenue include:

- Reduction in benefits and claims in Legal Services Division
- Reduction for Executive Protection and reduction in uniformed trooper coverage on the highways
- Reduction in Montana Law Enforcement Academy (MLEA) state special revenue by the elimination of one professional programs trainer, and the elimination of professional leadership courses
- Reduction in funding for information technology costs in the Motor Vehicle Division

Reductions would impact the services provided by the Department of Justice including litigation, security, highway patrol services, forensic testing, and motor vehicle customer support.

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 on the next page 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 LEGAL SERVICES DIVISION	24,892	299,391	(93,581)	230,702
03 MONTANA HIGHWAY PATROL	(157,696)	871,235	-	713,539
04 INFORMATION TECHNOLOGY SYSTEM	7,003	(58,065)	-	(51,062)
05 DIVISION OF CRIMINAL INVESTIGATION	33,640	280,818	-	314,458
06 AGENCY LEGAL SERVICES	-	-	-	-
07 GAMBLING CONTROL DIVISION	5,395	(38,021)	-	(32,626)
08 FORENSIC SERVICES DIVISION	155,920	(14,584)	-	141,336
09 MOTOR VEHICLE DIVISION	53,671	592,437	(1,686,327)	(1,040,219)
10 CENTRAL SERVICES DIVISION	10,645	68,397	-	79,042
19 POST COUNCIL	0	(0)	-	-
Agency Total	\$ 133,470	\$ 2,001,608	\$ (1,779,908)	\$ 355,170

Personal services were \$68.6 million or 61.0% of the agency's fiscal year 2021 appropriation. The agency made approximately \$1.8 million in budget modifications, the majority of which, or \$1.7 million, occurred in the Motor Vehicle Division. This modification was made to support the driver's modernization project and the processing of REAL ID. Budget modifications within Legal Services Division include a request for the establishment of 1.00 modified FTE for the Child Protection Unit.

Expected changes include approximately \$133,000 in increases as a result of the pay plan, decreases in longevity and benefits rates, and new benefits. Management decisions include \$2.0 million in changes. Of this amount, \$0.6 million occurred in Motor Vehicle Division, and the majority of changes were a result of wage changes and benefits increases.

LFD COMMENT	A funding switch in statewide present law adjustments was identified. The agency has worked with the Office of Budget and Program Planning (OBPP) to address this funding switch. This will be updated in the December 15th budget.
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Funding

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

Total Department of Justice Funding by Source of Authority 2023 Biennium Budget Request - Department of Justice						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	0	0	0	10,899,448	10,899,448	71.12 %
State Special Total	0	0	0	735,742	735,742	4.80 %
Federal Special Total	0	0	0	250,000	250,000	1.63 %
Proprietary Total	0	0	3,440,121	0	3,440,121	22.45 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$0	\$0	\$3,440,121	\$11,885,190	\$15,325,311	
Percent - Total All Sources	0.00 %	0.00 %	22.45 %	77.55 %		

Funding for the Department of Justice varies by division and function. General fund supports the Legal Services Division, Justice Information Technology Services Division, Division of Criminal Investigation, Motor Vehicle Division, Forensic Science Division, and Central Services Division. General fund also supports statutory appropriations of \$3.5 million for highway patrol retirement and \$7.4 million for the state’s contribution to county attorney salaries. In the 2023 biennium general fund is proposed to provide 36.4% of DOJ's total funding.

State special revenue is proposed to support 59.2% of the DOJ's total budget in the 2023 biennium. 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. State special revenue supports \$0.4 million for crime victims’ compensation, \$1.3 million for Medicaid Fraud investigation, \$1.8 million for autopsy and service fees, \$6.4 million for gambling license fees, and \$4.3 million for Montana Enhanced Licensing Information Network (MERLIN) and vehicle insurance verification. In the 2023 biennium federal special revenue comprises 1.3% of DOJ's requested total funding. Federal special revenues support \$2.9 million of the agency’s HB 2 budget.

Proprietary funds support liquor licensing functions and legal service provided under contract to other state agencies and totals \$4.0 million in HB 2.

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	0	0	0	0.00 %	1,929,835	1,929,835	3,859,670	112.20 %
SWPL Adjustments	0	0	0	0.00 %	(213,057)	(206,492)	(419,549)	(12.20)%
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$1,716,778	\$1,723,343	\$3,440,121	

HB 2 Language

Program Biennium 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.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	3,416,005	3,075,870	(340,135)	(9.96)%
Operating Expenses	359,401	364,251	4,850	1.35%
Total Expenditures	\$3,775,406	\$3,440,121	(\$335,285)	(8.88)%
Proprietary Funds	3,775,406	3,440,121	(335,285)	(8.88)%
Total Funds	\$3,775,406	\$3,440,121	(\$335,285)	(8.88)%
Total Ongoing	\$3,775,406	\$3,440,121	(\$335,285)	(8.88)%
Total OTO	\$0	\$0	\$0	0.00%

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. Section 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

Agency Legal Services Major Budget Highlights
<ul style="list-style-type: none"> • The Agency Legal Services Bureau is entirely funded with non-budgeted proprietary funds and the 2023 biennium budget decreases by \$335,000 or 8.9% when compared to the 2021 biennium budget. • Reductions included in statewide present law adjustments for personal services make up the majority of the reduction.

Program Actuals and Budget Comparison

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

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	14.00	14.00	14.00	14.00
Personal Services	1,516,202	1,665,925	1,750,080	1,534,635	1,541,235
Operating Expenses	197,986	179,646	179,755	182,143	182,108
Total Expenditures	\$1,714,188	\$1,845,571	\$1,929,835	\$1,716,778	\$1,723,343
Proprietary Funds	1,714,188	1,845,571	1,929,835	1,716,778	1,723,343
Total Funds	\$1,714,188	\$1,845,571	\$1,929,835	\$1,716,778	\$1,723,343
Total Ongoing	\$1,714,188	\$1,845,571	\$1,929,835	\$1,716,778	\$1,723,343
Total OTO	\$0	\$0	\$0	\$0	\$0

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 %
State Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
06500 Agency Legal Services	0	0	3,440,121	0	3,440,121	100.00 %
Proprietary Total	\$0	\$0	\$3,440,121	\$0	\$3,440,121	100.00 %
Total All Funds	\$0	\$0	\$3,440,121	\$0	\$3,440,121	

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](#).

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	0	0	0	0.00 %	1,929,835	1,929,835	3,859,670	112.20 %
SWPL Adjustments	0	0	0	0.00 %	(213,057)	(206,492)	(419,549)	(12.20)%
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$1,716,778	\$1,723,343	\$3,440,121	

Present Law Adjustments

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

	-----Fiscal 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	0	0	0	(215,445)	0.00	0	0	0	(208,845)
DP 2 - Fixed Costs	0.00	0	0	0	2,548	0.00	0	0	0	2,453
DP 3 - Inflation Deflation	0.00	0	0	0	(160)	0.00	0	0	0	(100)
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	(\$213,057)	0.00	\$0	\$0	\$0	(\$206,492)

**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 annualize personal services costs including FY 2021 statewide pay plan adjustments, benefit rate adjustments, vacancy savings adjustments and longevity adjustments related to incumbents in each position at the time of the personal services snapshot.

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 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 costs, 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 2023 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 2023. The report is provided as submitted by the executive, but the LFD has edited and reconfigured the figure for clarity.

2023 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 18	Actual FY 19	Actual FY 20	Estimated FY 21	Proposed FY 22	Proposed FY 23
Operating Revenues							
Fees and Charges							
	Charges for Services	\$1,650,052	\$1,679,663	\$1,536,378	\$1,775,760	\$2,028,264	\$2,028,264
Total Operating Revenues		1,650,052	1,679,663	1,536,378	1,775,760	2,028,264	2,028,264
Expenses							
	Personal Services	1,470,045	1,474,131	1,516,203	1,523,784	1,523,784	1,523,784
	Other Operating Expenses	286,616	253,524	207,938	187,391	187,391	187,391
Total Operating Expense		1,756,661	1,727,655	1,724,141	1,711,175	1,711,175	1,711,175
Operating Income (Loss)		(106,609)	(47,992)	(187,763)	64,585	317,089	317,089
Income (Loss) Before Contributions							
Transfers		(106,609)	(47,992)	(187,763)	64,585	317,089	317,089
Change in Net Position		(106,609)	(47,992)	(187,763)	64,585	317,089	317,089
Beginning Net Position - July 1							
Prior Period Adjustments		32,847	(73,762)	(121,754)	(309,517)	(244,932)	72,157
Change in Net Position		(106,609)	(47,992)	(187,763)	64,585	317,089	317,089
Ending Net Position - June 30		\$ (73,762)	\$ (121,754)	\$ (309,517)	\$ (244,932)	\$72,157	\$389,246

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 \$213,000 and \$206,000 when compared to the FY 2021 base year. The decreases are included as part of the statewide present law adjustment for the ALS and are 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 2023 biennium the following rates are proposed by the executive. The rates charged in the base year and those by paid state agencies in FY 2020 are shown for comparison purposes.

Request Rates for Internal Service or Enterprise Funds				
Fee/Rate Information				
	Estimated FY 20	Estimated FY 21	Proposed FY 22	Proposed FY 23
Fee Description:				
Attorney (per hour)	\$ 106	\$ 106	\$ 121	\$ 121
Investigator (per hour)	\$ 62	\$ 62	\$ 71	\$ 71