

**Agency Budget Comparison**

The following table summarizes the total legislative budget for the agency by year, type of expenditure, and source of funding.

Agency Budget Comparison								
Budget Item	Base Fiscal 2012	Approp. Fiscal 2013	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 12-13	Biennium Fiscal 14-15	Biennium Change	Biennium % Change
FTE	754.85	754.85	772.85	772.85	754.85	772.85	18.00	2.38%
Estimated Impact of HB 2*			(16.43)	(16.43)		(16.43)	(16.43)	
<b>Net Estimated FTE*</b>			<b>756.42</b>	<b>756.42</b>		<b>756.42</b>	<b>(1.57)</b>	
Personal Services	46,742,854	50,296,036	52,092,948	52,157,256	97,038,890	104,250,204	7,211,314	7.43%
Operating Expenses	26,076,259	24,686,726	30,064,434	30,347,510	50,762,985	60,411,944	9,648,959	19.01%
Equipment & Intangible Assets	2,284,825	1,995,547	2,541,150	2,405,325	4,280,372	4,946,475	666,103	15.56%
Grants	0	0	0	0	0	0	0	n/a
Benefits & Claims	824,712	1,011,704	824,712	824,712	1,836,416	1,649,424	(186,992)	(10.18%)
Transfers	11,295	11,295	11,295	11,295	22,590	22,590	0	0.00%
Debt Service	331,089	4,021,659	726,796	726,796	4,352,748	1,453,592	(2,899,156)	(66.61%)
<b>Total Costs</b>	<b>\$76,271,034</b>	<b>\$82,022,967</b>	<b>\$86,261,335</b>	<b>\$86,472,894</b>	<b>\$158,294,001</b>	<b>\$172,734,229</b>	<b>\$14,440,228</b>	<b>9.12%</b>
General Fund	26,416,233	26,315,728	29,918,271	29,924,611	52,731,961	59,842,882	7,110,921	13.49%
State Special	46,978,839	52,273,582	53,469,674	53,668,593	99,252,421	107,138,267	7,885,846	7.95%
Federal Special	1,119,209	1,493,495	1,102,415	1,102,408	2,612,704	2,204,823	(407,881)	(15.61%)
Other	1,756,753	1,940,162	1,770,975	1,777,282	3,696,915	3,548,257	(148,658)	(4.02%)
<b>Total Funds</b>	<b>\$76,271,034</b>	<b>\$82,022,967</b>	<b>\$86,261,335</b>	<b>\$86,472,894</b>	<b>\$158,294,001</b>	<b>\$172,734,229</b>	<b>\$14,440,228</b>	<b>9.12%</b>

\*Estimated impact of HB 2 boilerplate language showing net FTE with reductions. See boilerplate language on the following pages.

**Agency Description**

The Department of Justice, under the direction of the Attorney General, is responsible for statewide legal services and counsel, law enforcement, and public safety. The department:

- Provides legal representation for the state and its political subdivisions in criminal appeals
- Provides legal services and counsel for the state, county, and municipal agencies and their officials
- Enforces Montana traffic laws and registers all motor vehicles
- Enforces state fire safety codes and regulations
- Assists local law enforcement agencies in bringing offenders to justice
- Provides criminal justice officers and other qualified individuals with basic and specialized training in the field of law enforcement
- Manages a statewide system of death investigations
- Provides scientific analyses of specimens submitted by law enforcement officials, coroners, and state agencies
- Maintains and disseminates criminal justice information to authorized state, local, and other entities
- Provides uniform regulation of all gambling activities in the state of Montana
- Enforces consumer protection laws and regulations relating to unfair and deceptive business practices
- Assists Montana consumers in making sound decisions by providing public outreach
- Provides statewide leadership on issues related to victims of crime and administers the Crime Victims Compensation program

## Agency Highlights

<b>Department of Justice Major Budget Highlights</b>	
<ul style="list-style-type: none"> <li>◆ The 2015 biennium budget is \$14.4 million or 9.1% higher than the 2013 biennium</li> <li>◆ Significant items contributing to the budget growth are:               <ul style="list-style-type: none"> <li>• Statewide present law adjustments, \$9.4 million</li> <li>• Purchase of license plates for the statutory rolling reissue, \$2.6 million</li> <li>• Major litigation of the water rights claim between Montana and Wyoming, \$2.0 million</li> <li>• Highway patrol officers to assignment in the Bakken energy development area of eastern Montana, \$1.4 million</li> </ul> </li> <li>◆ Funding for 18.0 FTE was added for:               <ul style="list-style-type: none"> <li>• One trainer at the Montana Law Enforcement Academy</li> <li>• Two attorneys to support the Child Sexual Predator and Drug Diversion Program</li> <li>• Five highway patrol officers for the Bakken area</li> <li>• One paralegal to make legal case information available on the department's internet site</li> <li>• One child and family ombudsman</li> <li>• Four commercial driver license technicians</li> <li>• One business process analyst to support MERLIN</li> <li>• One investigator to monitor compliance of the Sexual and Violent Offender Registry Program</li> <li>• One investigator to investigate claims of abuse at residential facilities</li> <li>• One forensic scientist to test for synthetic drugs at the state crime lab</li> </ul> </li> </ul>	

### Summary of Legislative Action

Except for new programs requested by the newly elected attorney general the legislative budget primarily funds present law. The legislative budget provides funding for increased public safety presence in the energy development area of the state by adding highway patrol officers to be placed in that region. The budget also funds initiatives to increase transparency of the department's legal decisions and cases and to improve Motor Vehicle Division transparency and business interactions with the public. A forensic scientist was added to the state crime laboratory to address increased workloads resulting from growth in synthetic drug presence.

The legislative budget is \$7.1 million or 13.5% general fund and \$14.4 million or 9.1% total funds higher than current biennium. Funding increases are for:

- Statewide present law adjustments
- Continuation of the child sexual predator and drug diversion program that the previous legislature funded in FY 2013
- Salary increases for highway patrol officer

### Boilerplate

The boilerplate section in HB 2 includes the following language:

“It is the intent of the legislature that the appropriations for personal services contained in this bill for fiscal year 2014 and fiscal year 2015, except for the reductions contained in decision packages that remove an additional vacancy savings

amount, are supported by only the number of FTE that are funded. It is the intent of the legislature that this net level of FTE is the level that will be used to calculate personal services funding in the next biennium.”

The LFD has calculated that this intent language would reduce the current biennium base FTE by 440 statewide and by 16.43 FTE for this agency. The lower level of FTE will be the starting point or base the legislature will use for personal services budget deliberations in the 2017 biennium.

**Funding**

The following table shows agency funding by source of authority. Funding for each program is discussed in detail in the individual program narratives that follow.

Total Department Of Justice Funding by Source of Authority 2015 Biennium Budget					
Funds	HB 2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	\$59,842,882	\$0	\$9,136,482	\$68,979,364	36.2%
State Special Total	107,138,267	-	5,092,280	112,230,547	58.9%
Federal Special Total	2,204,823	-	328,400	2,533,223	1.3%
Proprietary Total	3,548,257	3,140,358	-	6,688,615	3.5%
Current Unrestricted	-	-	-	-	0.0%
Other Total	-	-	-	-	0.0%
<b>Total All Funds</b>	<b>\$172,734,229</b>	<b>\$3,140,358</b>	<b>\$14,557,162</b>	<b>\$190,431,749</b>	
<b>Percent - Total All Sources</b>	<b>90.7%</b>	<b>1.6%</b>	<b>7.6%</b>		

Funding for the department varies by division and function. General fund supports the Legal Services Division, 92%; Motor Vehicle Division, 42%; Division of Criminal Investigation, 62%; Central Services Division, 33%; Information Technology Division, 96%; and Forensic Science Division, 92%. The highways state special revenue account supports a number of programs where highway safety is impacted. Highways state special revenue provides significant portions of the funding for the Motor Vehicle Division, Highway Patrol Division, and Central Services Division. State special revenue from consumer settlement proceeds supports the Office of Consumer Protection, gambling license fees support Gambling Control, and motor vehicle fees support the debt payment for the development and implementation of a computer system. Federal funds combined with general fund support Medicaid fraud investigation and the Child Protection Unit within the Legal Division. Proprietary funds support liquor licensing functions and legal services provided under contract to other agencies.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget
Base Budget	26,416,233	26,416,233	52,832,466	88.29%	76,271,034	76,271,034	152,542,068	88.31%
Statewide PL Adjustments	1,895,897	1,910,904	3,806,801	6.36%	4,080,248	4,163,235	8,243,483	4.77%
Other PL Adjustments	542,091	558,968	1,101,059	1.84%	4,350,821	4,794,968	9,145,789	5.29%
New Proposals	1,064,050	1,038,506	2,102,556	3.51%	1,559,232	1,243,657	2,802,889	1.62%
<b>Total Budget</b>	<b>\$29,918,271</b>	<b>\$29,924,611</b>	<b>\$59,842,882</b>		<b>\$86,261,335</b>	<b>\$86,472,894</b>	<b>\$172,734,229</b>	

**Other Legislation**

HB 5 - This bill appropriates funds for capital construction projects. It included funding for construction of the Butte Justice Center. When constructed, the center will house operations of the department and the Butte-Silver Bow local government. Other than funding for construction of the center no other operating and maintenance costs are expected in the 2015 biennium, but are for the 2017 biennium.

HB 13 – The legislature approved funding for a pay plan for state employees. The bill includes a lump sum appropriation for pay raises that will be determined for their respective employees by the executive, legislative, and judicial branches and the Montana University System. The bill also includes funding for a 10% insurance increase for all employees each year. The legislature did not specify a particular percentage salary increase a state employee should receive, but stipulated that the appropriated funds must be used to increase the base pay of each employee, with particular attention to the lower pay bands and employees who did not receive an increase in the 2013 biennium.

HB 168 – This bill provided a legal limit for a person's blood level of delta-9-tetrahydrocannabinol in order to be charged with driving under the influence. The fiscal note for HB 168 assumes a one-time \$4,400 cost would be incurred in FY 2014 to reconfigure computer code in the statewide database to generate license suspension letters and reports. No funding was provided in HB 2 for these costs.

HB 297 – This bill makes it unlawful to employ unauthorized aliens. The fiscal note for HB 297 assumes a biennium cost for the department of nearly \$358,000 to investigate complaints and hold hearings. No funding was provided in HB 2 for these costs.

HB 498 – This bill revised expiration dates for state identification cards. The fiscal note for HB 498 assumes a one-time \$2,200 cost would be incurred in FY 2014 to reconfigure computer code in the driver's license system. No funding was provided in HB 2 for these costs.

HB 566 – This bill created a next-of-kin special license plate for certain family members of deceased military personnel. The fiscal note for HB 566 assumes a one-time \$1,100 cost would be incurred in FY 2014 to reconfigure computer code in the statewide database. No funding was provided in HB 2 for these costs.

HB 607 – This bill adds an optional service to expedite electronic vehicle title, lien filings, and registrations for a fee. The fiscal note for HB 607 assumes a one-time \$1,320 cost would be incurred in FY 2014 to reconfigure computer code in MERLIN to add a new fee type. No funding was provided in HB 2 for these costs.

SB 213 – This bill requires certain sex offenders to provide a DNA sample for entry into the Montana DNA database. The fiscal note for SB 213 assumes a biennium cost for the department of \$5,000 to process additional DNA samples expected under the bill. No funding was provided in HB 2 for these costs.

SB 275 – This bill provides a veteran designation on state driver's licenses and identification cards. The fiscal note for SB 275 assumes a one-time \$65,500 cost would be incurred in FY 2014 to modify driver licenses and identification cards and reconfigure computer code in the statewide database. No funding was provided in HB 2 for these costs.

SB 351 – This bill provides requirements for conducting criminal background checks for residents in homes where a potential emergency placement may be made. The fiscal note for SB 351 assumes a one-time \$8,250 cost would be incurred in FY 2014 to reconfigure computer code in the statewide database. No funding was provided in HB 2 for these costs.

**Executive Budget Comparison**

The following table compares the legislative budget in the 2015 biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Base Budget Fiscal 2012	Executive Budget Fiscal 2014	Legislative Budget Fiscal 2014	Leg – Exec. Difference Fiscal 2014	Executive Budget Fiscal 2015	Legislative Budget Fiscal 2015	Leg – Exec. Difference Fiscal 2015	Biennium Difference Fiscal 14-15
FTE	754.85	763.85	772.85	9.00	763.85	772.85	9.00	
Estimated Impact of HB 2*			(16.43)	(16.43)		(16.43)	(16.43)	
<b>Net Estimated FTE*</b>			<b>756.42</b>	<b>(7.43)</b>		<b>756.42</b>	<b>(7.43)</b>	
Personal Services	46,742,854	52,020,186	52,092,948	72,762	52,085,689	52,157,256	71,567	144,329
Operating Expenses	26,076,259	29,579,856	30,064,434	484,578	30,016,226	30,347,510	331,284	815,862
Equipment & Intangible Assets	2,284,825	2,460,325	2,541,150	80,825	2,460,325	2,405,325	(55,000)	25,825
Grants	0	0	0	0	0	0	0	0
Benefits & Claims	824,712	824,712	824,712	0	824,712	824,712	0	0
Transfers	11,295	11,295	11,295	0	11,295	11,295	0	0
Debt Service	331,089	726,796	726,796	0	726,796	726,796	0	0
<b>Total Costs</b>	<b>\$76,271,034</b>	<b>\$85,623,170</b>	<b>\$86,261,335</b>	<b>\$638,165</b>	<b>\$86,125,043</b>	<b>\$86,472,894</b>	<b>\$347,851</b>	<b>\$986,016</b>
General Fund	26,416,233	29,810,309	29,918,271	107,962	29,822,290	29,924,611	102,321	210,283
State/Other Special	46,978,839	52,934,978	53,469,674	534,696	53,423,364	53,668,593	245,229	779,925
Federal Special	1,119,209	1,102,415	1,102,415	0	1,102,408	1,102,408	0	0
Proprietary	1,756,753	1,775,468	1,770,975	(4,493)	1,776,981	1,777,282	301	(4,192)
<b>Total Funds</b>	<b>\$76,271,034</b>	<b>\$85,623,170</b>	<b>\$86,261,335</b>	<b>\$638,165</b>	<b>\$86,125,043</b>	<b>\$86,472,894</b>	<b>\$347,851</b>	<b>\$986,016</b>

\*Estimated impact of HB 2 boilerplate language showing net FTE with reductions. See boilerplate language on the previous pages.

The legislative budget is \$348,000 higher than the executive budget. The difference is due to the net effect of reductions to the executive request and offsetting increases to approved requests of the newly elected attorney general. The effect of the legislative actions was to increase general fund by \$102,000 and increase state special by \$245,000.

The following executive requests were not funded or were reduced from the requested amount:

- Base supplies for the Montana Highway was reduced by nearly \$1.4 million
- Base funding for major litigation contracts was reduced by \$1.0 million
- A funding request for the Motor Vehicle Division for commercial drivers' license medical certification programs was not funded

The following requests of the newly elected attorney general that were not included in the executive budget were funded:

- Restricted funding for the water rights litigation between Montana and Wyoming, \$2.0 million
- Five highway patrol officers for the energy development impacted areas of the state, \$1.4 million
- One business development specialist to improve transparency and business interactions in the Motor Vehicle Division, \$0.6 million
- One forensic scientist for synthetic drug testing at the state crime laboratory, \$0.2 million
- One paralegal to provide legal case information and make the department more transparent to the public, \$0.1 million