

### Agency Budget Comparison

The following table compares 2014 actuals expenditures without one-time appropriations plus 2015 estimated appropriations including one-time appropriations, but excluding certain base appropriations to the 2017 biennial total legislative budget. The comparison is listed by year, type of expenditure, and source of funding. The biennial percent change column has been eliminated to allow for the transition to a comparison of biennial appropriations consistent with SB 140 in the future. The biennial appropriation growth/decline is listed in the agency highlight tables and the expenditure section of Volume 1 of this Fiscal Report.

Agency Budget Comparison							
Budget Item	Base Fiscal 2014	Approp. Fiscal 2015	Legislative Budget 2016	Legislative Budget 2017	Biennium Fiscal 14-15	Biennium Fiscal 16-17	Biennium Change
FTE	422.58	422.58	439.08	439.08	422.58	439.08	16.50
Personal Services	30,426,015	33,828,396	36,048,288	36,903,877	64,254,411	72,952,165	8,697,754
Operating Expenses	7,667,678	8,100,821	9,177,824	9,159,838	15,768,499	18,337,662	2,569,163
Equipment & Intangible Assets	179,822	125,605	125,605	125,605	305,427	251,210	(54,217)
Grants	71,248	0	0	0	71,248	0	(71,248)
Benefits & Claims	530,639	457,800	1,997,329	1,997,329	988,439	3,994,658	3,006,219
Transfers	24,350	0	3,065,954	3,065,954	24,350	6,131,908	6,107,558
Debt Service	9,158	8,875	8,875	8,875	18,033	17,750	(283)
<b>Total Costs</b>	<b>\$38,908,910</b>	<b>\$42,521,497</b>	<b>\$50,423,875</b>	<b>\$51,261,478</b>	<b>\$81,430,407</b>	<b>\$101,685,353</b>	<b>\$20,254,946</b>
General Fund	36,436,807	39,746,252	48,531,678	49,313,409	76,183,059	97,845,087	21,662,028
State/Other Special Rev. Funds	2,352,154	2,649,004	1,765,099	1,819,756	5,001,158	3,584,855	(1,416,303)
Federal Spec. Rev. Funds	119,949	126,241	127,098	128,313	246,190	255,411	9,221
<b>Total Funds</b>	<b>\$38,908,910</b>	<b>\$42,521,497</b>	<b>\$50,423,875</b>	<b>\$51,261,478</b>	<b>\$81,430,407</b>	<b>\$101,685,353</b>	<b>\$20,254,946</b>

### Agency Description

Mission Statement: The Judicial Branch's mission is to provide an independent, accessible, responsive, impartial, and timely forum to resolve disputes; to preserve the rule of law; and to protect the rights and liberties guaranteed by the Constitutions of the United States and Montana.

Article III, Section I, and Article VII of the Montana Constitution authorize the Judicial Branch. There are five programs within the branch: 1) Supreme Court Operations; 2) Law Library; 3) District Court Operations; 4) Water Court Supervision; and 5) Clerk of the Supreme Court.

### Agency Highlights

<b>Judicial Branch Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• In total funds, biennial appropriations increased by 21.6%, or \$18.1 million due primarily to approval of funding for: <ul style="list-style-type: none"> <li>◦ Moving juvenile delinquency intervention and prevention (JDIP) funds and their administration, along with 4.00 FTE, from the Department of Corrections to implement HB 233</li> <li>◦ 3.00 FTE information technology positions to support court automation systems that were funded with one-time-only funds in the 2015 biennium</li> <li>◦ 5.00 FTE to support the Court Help Program that were funded with one-time-only funds in the 2015 biennium</li> <li>◦ 3.50 FTE to provide minimum staffing for district courts</li> <li>◦ Elected official pay increases per the statutory salary survey</li> <li>◦ Increases in fixed costs to address office space provided by the public sector and to purchase services from other state agencies</li> <li>◦ The 2017 biennium pay plan</li> </ul> </li> <li>• Biennial appropriations of general fund increased by 25.2%, or \$19.7 million due primarily to: <ul style="list-style-type: none"> <li>◦ A funding switch from state special revenue to general fund in the Water Court Supervision Program due to lack of state special revenue cash balance in the natural resources operations state special revenue account</li> <li>◦ Movement of JDIP funds from the Department of Corrections</li> </ul> </li> </ul>

### Summary of Legislative Action

The legislature approved the branch budget with an increase of \$18.1 million, or 21.6%, over the 2015 biennium. The following items were funded and drove the increase:

- General fund to switch the funding in the Water Court Program because of lack of state special revenue cash balance in the natural resources operations state special revenue account
- An increase in state special revenue from fees assessed to treatment court participants
- Funding for court appointed special advocates

The funding for the JDIP program was moved from the Department of Corrections where offsetting reductions were made. The movement of JDIP funds accounted for more than half of the growth from the 2015 biennium.

The legislature included funding for a 2017 biennium pay plan in HB 2 and allocated the funds to each branch of Montana government. Funding is included for the branch to provide pay increases of \$0.50 per hour beginning on the pay period that includes January 15, 2016 and an additional \$0.50 per hour on the pay period that includes January 15, 2017. Additionally, the state share for employee health insurance increases \$89 per month beginning January 1, 2016 and an additional \$78 per month beginning January 1, 2017. The funding for the 2017 biennium pay plan was included in the HB 2 funding for the Supreme Court Operations Program with language that allows the branch to allocate the funding among programs.

### 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 Judicial Branch Funding by Source of Authority 2017 Biennium Budget - Judicial Branch						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
General Fund	97,845,087	0	0	97,845,087	90.86 %	
State Special Total	3,584,855	0	5,628,886	9,213,741	8.56 %	
Federal Special Total	255,411	0	0	255,411	0.24 %	
Proprietary Total	0	368,594	0	368,594	0.34 %	
Other Total	0	0	0	0	0.00 %	
<b>Total All Funds</b>	<b>\$101,685,353</b>	<b>\$368,594</b>	<b>\$5,628,886</b>	<b>\$107,682,833</b>		
<b>Percent - Total All Sources</b>	<b>94.43 %</b>	<b>0.34 %</b>	<b>5.23 %</b>			

The branch receives the majority of its funding from the general fund. The largest sources of state special revenue is the water adjudication fund, which supports the Water Court. Other sources of state special revenue include fines, fees, and assessments for training events. Federal funds received by the branch support the Court Assessment Program.

**Budget Summary by Category**

The following summarizes the total budget utilizing the FY 2015 legislative base, present law adjustments, and new proposals.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Leg. Budget Fiscal 2016	Leg. Budget Fiscal 2017	Leg. Biennium Fiscal 16-17	Percent of Budget	Leg. Budget Fiscal 2016	Leg. Budget Fiscal 2017	Leg. Biennium Fiscal 16-17	Percent of Budget
2015 Budget	39,258,698	39,258,698	78,517,396	80.25 %	42,033,943	42,033,943	84,067,886	82.67 %
PL Adjustments	2,207,316	3,003,176	5,210,492	5.33 %	2,223,974	3,078,242	5,302,216	5.21 %
New Proposals	7,065,664	7,051,535	14,117,199	14.43 %	6,165,958	6,149,293	12,315,251	12.11 %
<b>Total Budget</b>	<b>\$48,531,678</b>	<b>\$49,313,409</b>	<b>\$97,845,087</b>		<b>\$50,423,875</b>	<b>\$51,261,478</b>	<b>\$101,685,353</b>	

**Other Legislation**

HB 233 - HB 233 transferred the administration of juvenile placement funds from the Department of Corrections to the Judicial Branch. HB 2 includes the transfer of the funding for the administration, including 4.00 FTE, and for Judicial Branch juvenile placement funds. Refer to new proposal DP 100233 in the Supreme Court Operations program of the Judicial Branch and new proposal DP 500233 in the Youth Services program of the Department of Corrections for the transfer of these functions to implement HB 233.

HB 612 - The legislature established a child abuse court diversion pilot project to use meetings facilitated by a court diversion officer to informally resolve cases prior to the filing of an abuse and neglect petition. The bill authorized the Office of the Court Administrator to administer the pilot project, including:

- Select three judicial districts in which to implement the pilot project
- Hire court diversion officers to staff the pilot project in each of the selected judicial districts
- Establish and measure performance benchmarks

Additionally, the court administrator is required to report to the Law and Justice Interim Committee on the administration and performance of the pilot project. HB 612 included an appropriation for \$300,000 general fund for staff and program administration in the 2017 biennium.

### Executive Budget Comparison

The following table compares the legislative budget for the 2017 biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison Budget Item	Base Budget Fiscal 2014	Executive Budget Fiscal 2016	Legislative Budget Fiscal 2016	Leg — Exec. Difference Fiscal 2016	Executive Budget Fiscal 2017	Legislative Budget Fiscal 2017	Leg — Exec. Difference Fiscal 2017	Biennium Difference Fiscal 16-17
FTE	422.58	433.58	439.08	5.50	433.58	439.08	5.50	5.50
Personal Services	30,426,015	35,229,934	36,048,288	818,354	35,158,455	36,903,877	1,745,422	2,563,776
Operating Expenses	7,667,678	8,920,494	9,177,824	257,330	8,902,825	9,159,838	257,013	514,343
Equipment & Intangible Assets	179,822	183,067	125,605	(57,462)	184,739	125,605	(59,134)	(116,596)
Grants	71,248	71,248	0	(71,248)	71,248	0	(71,248)	(142,496)
Benefits & Claims	530,639	734,827	1,997,329	1,262,502	734,827	1,997,329	1,262,502	2,525,004
Transfers	24,350	24,350	3,065,954	3,041,604	24,350	3,065,954	3,041,604	6,083,208
Debt Service	9,158	9,158	8,875	(283)	9,158	8,875	(283)	(566)
<b>Total Costs</b>	<b>\$38,908,910</b>	<b>\$45,173,078</b>	<b>\$50,423,875</b>	<b>\$5,250,797</b>	<b>\$45,085,602</b>	<b>\$51,261,478</b>	<b>\$6,175,876</b>	<b>\$11,426,673</b>
General Fund	36,436,807	43,457,266	48,531,678	5,074,412	43,365,866	49,313,409	5,947,543	11,021,955
State/other Special Rev. Funds	2,352,154	1,595,863	1,765,099	169,236	1,599,787	1,819,756	219,969	389,205
Federal Spec. Rev. Funds	119,949	119,949	127,098	7,149	119,949	128,313	8,364	15,513
<b>Total Funds</b>	<b>\$38,908,910</b>	<b>\$45,173,078</b>	<b>\$50,423,875</b>	<b>\$5,250,797</b>	<b>\$45,085,602</b>	<b>\$51,261,478</b>	<b>\$6,175,876</b>	<b>\$11,426,673</b>

The legislative budget is \$11.4 million in total funds and \$11.0 million in general fund higher than the executive request. The main differences are:

- The juvenile delinquency intervention and prevention funds and their administration, including funding for 4.00 FTE, were transferred from the Department of Corrections to the branch to implement HB 233
- Funding was not provided for requests for general fund to continue funding for additional new treatment courts where federal grant funding is expiring or to address cost increases in treatment courts currently funded by the state, except an increase in state special revenue derived from fees assessed to treatment court participants was funded
- Funding for the Court Help Program was approved with 1.00 FTE fewer than requested
- Funding for judicial education was provided at levels \$105,000 per year lower than requested
- Funding, not in the executive budget, for court appointed special advocates was added
- A pay plan for the 2017 biennium was included in HB 2 instead of as a separate bill

Additionally, the legislature approved funding for 3.50 FTE to provide minimum staffing for district courts. This adjustment was not in the executive budget.

### Language and Statutory Authority

The legislature included the following language in HB 2:

JDIP Administration - HB 233 is contingent on passage and approval of HB 233.

(Note: HB 233 has become law so this contingency language does not apply and the adjustments in the Supreme Court Operations Program under new proposal DP100233 remain in effect.)

Employee Pay and State Share may be allocated and transferred among agency programs when establishing 2017 biennium operating plans.