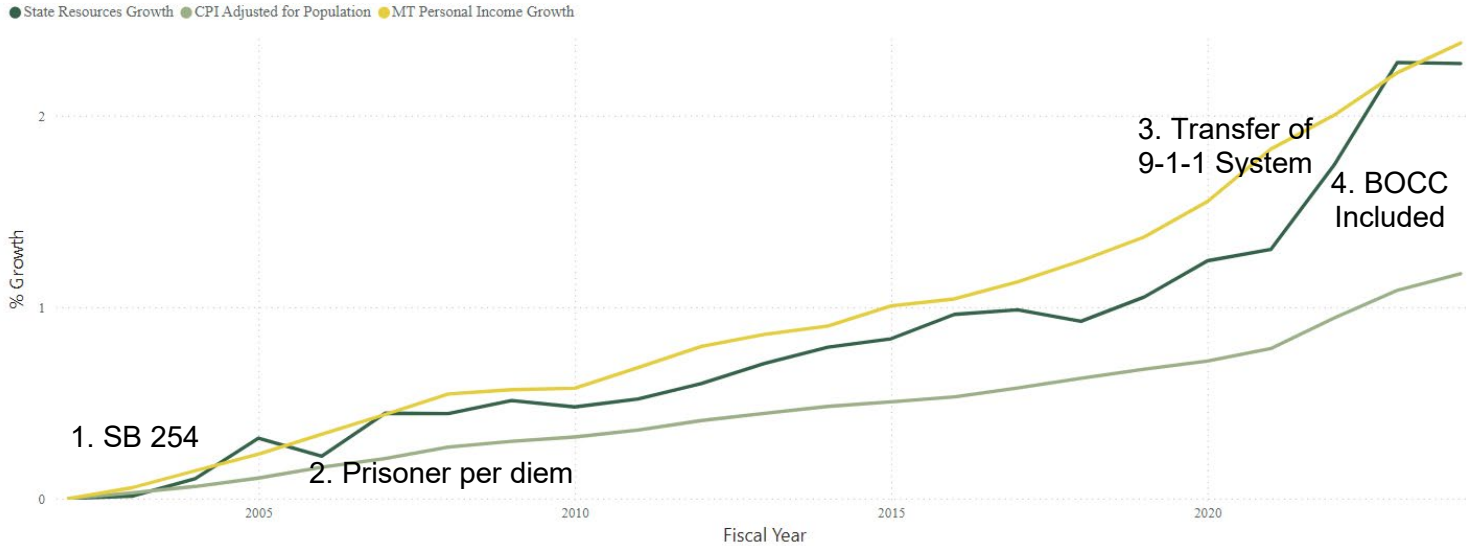


Department of Justice



This report includes a series of charts that compare state resource expenditure growth to the growth in personal services and growth in inflation adjusted for population. Montana statute, 17-8-106, MCA, recommends using growth in personal income for comparison purposes. Personal income is a measure for growth in the economy. Comparing growth allows financial planners to consider past and future demands in services or changes in revenues.

*Note: The figures in this report include expenditures of the Board of Crime Control (BOCC) between fiscal years 2022 and 2024. Historically through FY 2017, the BOCC was administratively attached to the Department of Justice (DOJ), but its budget was presented independently from that of the DOJ and is not included in years prior to FY 2017. Between January of 2018 and June of 2021, the BOCC was moved over to the Department of Corrections and was included in that agency's budget. Finally, in FY 2022, the BOCC was moved back to the DOJ and is included in budgets being reflected after FY 2022. The move in FY 2022, which reflects the BOCC budget being included in the DOJ budget for the first time, explains the largest viewable increases seen in the two years of the 2023 biennium.

The following list discusses in more detail the inflection points in the graph:

1. For the 2003 biennium, general fund increases included statewide present law adjustments for personal services and a \$1.5 million increase for SB 254 with the creation of the office of victim services. State special revenue funds increased by \$3.8 million, mainly within the highways state special revenue account which funded present law adjustments within the Montana Highway Patrol Division (MHP). Federal funds increased by \$3.0 million, primarily for legislative contract authority.

2. In FY 2006 and FY 2007, the legislature added funding for additional prisoner per diem amounting to \$1.3 million to pay for jail time for arrests related to driving with a suspended driver's license due to a DUI conviction or refusal to test for alcohol. An additional \$1.5 million was provided as support for the Montana Drug Task Force that was previously funded with federal funds; \$3.1 million provided funding for HB 447 pay plan increases; and \$1.1 million provided funding for the installation of the automated accounting and reporting system.

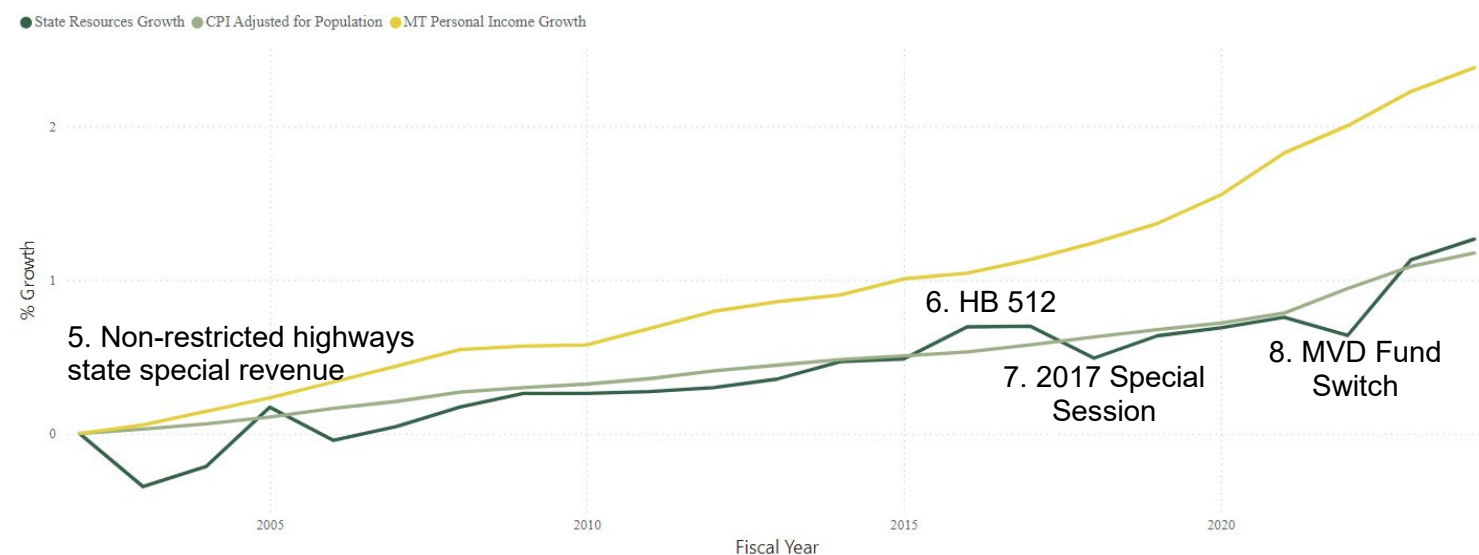


3. In FY 2021, the legislature, through HB 693, transferred the 9-1-1 system from the Department of Administration to the DOJ. Costs for the 9-1-1 system include administration of the system and the provision of grants and distributions to 9-1-1 centers across the state. In FY 2022, system costs included just over \$154,000 in general fund for administrative and equipment costs and \$10.8 million in state special revenue costs for grants and distributions.

4. When the BOCC moved back as an administrative attachment to the DOJ, overall expenditures increased by approximately \$11.0 million in FY 2022 over what was expended in FY 2021. This was primarily in federal special revenue due to the functions of the board.

General fund

General fund increases have generally followed inflationary trends with the exception of the few inflection points shown in the chart below.



5. General fund was reduced in the 2005 biennium (mainly in FY 2004) primarily through funding switches. This was due to an addition of several state special revenue funds including: \$6.3 million in the non-restricted highways state special revenue account in the motor vehicle division, \$2.4 million in the non-restricted highways state special revenue account in the highway patrol division for prisoner per diem costs, and \$2.2 million in the law enforcement academy.

6. The 2015 Legislature added general fund through HB 512, which provided a one-time only biennial appropriation of \$1.2 million to the Forensic Services Division to establish an Eastern Montana Laboratory of Criminalistics in Yellowstone County. The appropriation was for the purposes of training and initial operating expenses including lease payments and equipment needed to establish the new lab.

7. General fund was reduced in the 2019 biennium with the actions in the 2017 Special Session. Personal services costs were reduced along with funding switches resulted in a savings of \$4.4 million.

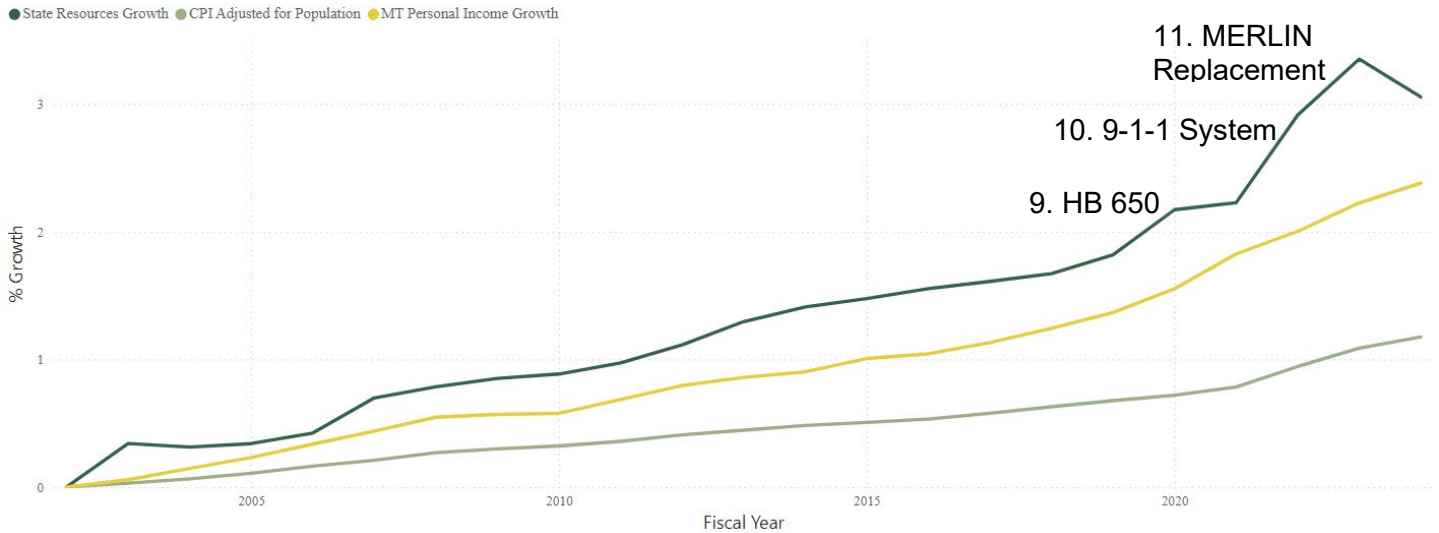
8. General fund was reduced again in FY 2022 with the Motor Vehicle Division (MVD) due to a fund switch moving \$4.95 million from general fund to the REAL ID state special revenue account in the DOJ in order to



spenddown available fund balance. Additionally, adjustments to personal services within the MVD reduced general fund appropriations in FY 2022 by an additional \$1.2 million.

State special revenue

The majority of growth in historical expenditures within the DOJ is seen within state special revenue authority.



9. In FY 2017, state special revenues increased due to HB 650, which transferred \$6.6 million from the consumer education fund to long range planning for the construction of the Montana Law Enforcement Academy, the creation of a state special revenue account for fees collected by medical examinations, an increase in motor vehicle division administrative fees, and the partition of 4 cents of gas tax into a new account for the Montana Highway Patrol.

10. The 9-1-1 system administration was transferred to DOJ in HB 693. Grants and distributions to 9-1-1 centers across the state are funded with state special revenue from a fee on Montana telephone bills. The state special revenue costs were \$10.8 million in FY 2022 and \$11.7 million in FY 2023.

11. State special revenue increased again in FY 2023 as the result of a budget amendment providing authority for the replacement of the MERLIN system, the Credentialing and Registration System (CARS). This budget amendment exercised MCA 12-7-402 (1)(a)(xii) and is referenced in HB 2 of the 2021 Session. Authority was provided from the MVD MERLIN state special revenue account, and spending in FY 2023 totaled \$11.0 million.

Historical Board of Crime Control Add-In

The historical BOCC data is not included in the DOJ data sets used to create the charts shown in this profile until FY 2022 when the budget for this entity was included within the budget for the DOJ. Most of the activities of the BOCC are funded with federal special revenues which accounted for 82.2% of the board's total costs in FY 2022. The figure below demonstrates the budget growth within the BOCC FY 2003 – FY 2017. For this historical period, average fiscal year expenses totaled \$8.5 million. The board fully transitioned over to the Department of Corrections for FY 2018-FY 2022.



The chart shows the growth in state resource expenditures compared to the growth in personal income and growth in inflation.

