

JUDICIAL BRANCH

Section D

JOINT SUBCOMMITTEE OF HOUSE APPROPRIATIONS AND SENATE FINANCE AND CLAIMS COMMITTEES

-----Agencies-----

Judicial Branch
Dept. of Justice
Public Service Commission

Office of Public Defender
Dept. of Corrections

-----Committee Members-----

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Walker Hopkins
Barb Wagner

Agency Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Agency Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget FY 2026 FY 2027		Biennium Change from Base Amount Percent	
PB	470.39	479.89	486.89	16.50	1.8%
General Fund	59,204,945	64,557,161	65,701,077	11,848,348	10.0%
State/Other Special Rev. Funds	3,909,014	3,522,980	3,186,594	(1,108,454)	(14.2%)
Federal Spec. Rev. Funds	378,273	378,800	378,800	1,054	0.1%
Total Funds	63,492,232	68,458,941	69,266,471	10,740,948	8.5%
Personal Services	46,431,930	48,379,945	49,197,731	4,713,816	5.1%
Operating Expenses	10,232,683	12,444,756	12,476,907	4,456,297	21.8%
Equipment & Intangible Assets	183,116	291,699	183,116	108,583	29.6%
Grants	100,000	715,000	715,000	1,230,000	615.0%
Benefits & Claims	6,160,196	6,228,321	6,228,321	136,250	1.1%
Debt Service	384,307	399,220	465,396	96,002	12.5%
Total Expenditures	63,492,232	68,458,941	69,266,471	10,740,948	8.5%
Total Ongoing	63,492,232	68,058,941	69,266,471	10,340,948	8.1%
Total One-Time-Only	1,143,971	400,000		(1,887,942)	(82.5%)

Agency Highlights

Judicial Branch Major Budget Highlights
<p>The 2027 biennium HB 2 request for the Judicial Branch is \$10.7 million or 8.5% higher than FY 2025 base budget appropriations. Significant changes include:</p> <ul style="list-style-type: none"> • \$3.9 million in statewide present law adjustments to personal services and fixed costs • \$2.5 million for three new judge positions and accompanying staff for a total of 6.00 PB in FY 2026 and 12.00 PB in FY 2027 • \$1.7 million to continue the pre-trial diversion program in 8 counties • \$1.5 million to support contract increases for software programs

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Judicial Branch 2027 Biennium Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	59,204,945	3,909,014	378,273	63,492,232	92.7%	59,204,945	3,909,014	378,273	63,492,232	91.7%
Statewide PL										
Personal Services	928,549	74,689	527	1,003,765	1.5%	999,548	80,086	527	1,080,161	1.6%
Fixed Costs	947,656	(1,450)	0	946,206	1.4%	878,138	(1,450)	0	876,688	1.3%
Inflation Deflation	(5,116)	0	0	(5,116)	(0.0%)	(3,459)	0	0	(3,459)	(0.0%)
Total Statewide PL	1,871,089	73,239	527	1,944,855	2.8%	1,874,227	78,636	527	1,953,390	2.8%
Present Law (PL)	612,691	50,000	0	662,691	1.0%	930,691	50,000	0	980,691	1.4%
New Proposals	2,868,436	(509,273)	0	2,359,163	3.4%	3,691,214	(851,056)	0	2,840,158	4.1%
Total HB 2 Adjustments	5,352,216	(386,034)	527	4,966,709	7.3%	6,496,132	(722,420)	527	5,774,239	8.3%
Total Requested Budget	64,557,161	3,522,980	378,800	68,458,941		65,701,077	3,186,594	378,800	69,266,471	

Statewide Present Law Adjustment for Personal Services

In order to explain the factors influencing personal services changes, the proposed statewide personal services present law adjustment (DP1) has been broken down into three categories, as follows:

- Legislative changes - This category includes adjustments explicitly approved by the legislature, such as, changes to benefit rates, longevity adjustments required by statute, and changes in rates for workers' compensation and unemployment insurance
- Management changes - This category includes agency management decisions that adjust personal services related to changes in pay. This includes changes such as hiring positions budgeted (PB) at a lower rate to replace senior staff and broadband pay adjustments for recruitment and retention
- Budget modifications - This category includes other modifications to the FY 2025 personal services base budget such as management decisions to transfer personal services funding between programs within an agency or movement of personal services funding to or from another expenditure category (e.g. moving funding from operating expenses to personal services)

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

Judicial Branch FY 2026 Statewide Present Law Adjustment for Personal Services - DP1				
Program	Legislative Changes	Management Decisions	Budget Modifications	Total DP1
01 Supreme Court Operations	\$164,180	\$210,686	(\$50,920)	\$323,946
03 Law Library	2,940	6,978	-	9,918
04 District Court Operations	265,969	354,525	-	620,494
05 Water Court	11,732	79,516	-	91,248
06 Clerk of Court	(20,121)	(21,720)	-	(41,841)
Total	\$424,700	\$629,985	(\$50,920)	\$1,003,765

Statewide present law adjustments to personal services total \$1.0 million in FY 2026 and nearly \$1.1 million in FY 2027. Increases are primarily the result of legislatively outlined pay changes for judges and judicial employees, rehiring vacant positions at different rates than when the position became vacant, changes in the number of overall vacant positions, pay adjustments for recruitment and retention, and other pay adjustments for employees.

Additionally, the branch is requesting 10.00 additional PB in FY 2026 and 17.00 in FY 2027. The majority of these positions relate to new judges and staff in Yellowstone County and are staggered so that some of these staff will start in FY 2026 and some in FY 2027. Total personal service authority for all requested staff is \$2.6 million for the biennium.

Funding

The following table shows proposed agency funding for all sources of authority.

Total Judicial Branch Funding by Source of Authority 2027 Biennium Budget Request						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	130,258,238				130,258,238	94.2%
02431 Water Adjudication	3,430,865	400,000			3,830,865	2.8%
02562 Crt Appointed Special Advocate	1,327,898				1,327,898	1.0%
02961 State Grants to Drug Courts	573,030				573,030	0.4%
02373 Treatment Court Support Acct	491,890				491,890	0.4%
02536 Legal Assistance	258,774				258,774	0.2%
Other State Special Revenue	227,117				227,117	0.2%
State Special Revenue Total	6,309,574	400,000	-	-	6,709,574	4.9%
03240 Court Assessment Program	757,600				757,600	0.5%
Federal Special Revenue Total	757,600	-	-	-	757,600	0.5%
06019 Lexis Proprietary Account			570,522		570,522	0.4%
Proprietary Fund Total	-	-	570,522	-	570,522	0.4%
Total of All Funds	137,325,412	400,000	570,522	-	138,295,934	
Percent of All Sources of Authority	99.3%	0.3%	0.4%	0.0%		

The Judicial Branch is primarily supported by general fund in HB 2 at 94.2%. State special revenue authority supports specific functions, the largest of which is the Water Court with the water adjudication fund supporting over half of the funding for this court. Other sources of state special revenue include fines, fees, assessments for training events, and statutory authority from the youth court intervention and prevention account which receives revenue from the transfer of unexpended general fund juvenile placement funds. This statutory authority is not appropriated in HB 2.

Additionally, the branch receives a small amount of federal funding for grants supporting specific projects such as the Court Improvement Program. Some state special revenue will be described in more detail in different program sections below.

Agency Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	470.39	470.39	479.89	486.89
Personal Services	41,566,986	44,732,958	46,708,177	48,379,945	49,197,731
Operating Expenses	8,626,282	10,427,671	10,485,407	12,444,756	12,476,907
Equipment & Intangible Assets	245,841	250,141	183,116	291,699	183,116
Grants	642,616	715,000	715,000	715,000	715,000
Benefits & Claims	949,970	1,440,268	6,160,196	6,228,321	6,228,321
Transfers	4,389,895	4,389,895	0	0	0
Debt Service	384,887	384,889	384,307	399,220	465,396
Total Expenditures	\$56,806,477	\$62,340,822	\$64,636,203	\$68,458,941	\$69,266,471
General Fund	53,669,958	58,476,684	60,348,916	64,557,161	65,701,077
State/Other Special Rev. Funds	2,994,157	3,484,840	3,909,014	3,522,980	3,186,594
Federal Spec. Rev. Funds	142,362	379,298	378,273	378,800	378,800
Total Funds	\$56,806,477	\$62,340,822	\$64,636,203	\$68,458,941	\$69,266,471
Total Ongoing	\$55,811,169	\$61,096,998	\$63,492,232	\$68,058,941	\$69,266,471
Total OTO	\$995,308	\$1,243,824	\$1,143,971	\$400,000	\$0

Agency Description

The Judicial Branch's (branch) 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 authorizes 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.

Please refer to the agency profile at [Judicial Branch - Montana Legislature](#) for additional information about the agency's organization structure, historical expenditures, goals and objectives, and recent studies and audits.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

In FY 2024, the Judicial Branch expended \$56.8 million or approximately 91.3% of its modified, ongoing HB 2 budget. Overall, this is slightly lower than the previous five-year average of 94.2%. Personal services were 95.1% expended, and operating expenses were 89.4% expended comprising the largest unexpended balances. Within operating expenses, there were two restricted line-item appropriations from the 2023 Session that provided for extending family mediation practices and for correctional program checklist evaluations. Authority of \$325,000 was 30.2% expended. These two line-items were provided biennially and can be spent in FY 2025 as well.

Additionally, within the Court Improvement Program, total authority of \$340,000 was 30.4% expended at the end of the fiscal year. In FY 2024, unexpended balances from HB 2 and other bill authority totaled approximately \$5.5 million of which 87.0% was general fund.

FY 2024 Appropriations Compared to FY 2025 Appropriations

When compared to FY 2024 appropriations, amounts in FY 2025 reflect an increase of \$2.3 million or 3.6%. These increases are almost entirely seen within personal service authority. FY 2025 contains additional HB 13 pay plan authority of \$1.6 million and an additional 3.00 PB for three additional drug courts that transitioned from federal grant funding to the state's dollar. Five courts transitioned in FY 2024 with three additional courts in FY 2025. The extra authority for these staff over FY 2024 totaled just over \$250,000.

Shifts between benefits & claims and transfers are due to statute which requires that remaining appropriation authority not utilized for juvenile placements be transferred to the youth court intervention and prevention state special revenue fund. In FY 2024, \$4.4 million was moved from benefits and claims to transfers. The amount of the transfer for FY 2025 will be determined in June 2025 and is not reflected in the preceding table.

Comparison of FY 2025 Legislative Budget to FY 2025 Base

The figure below illustrates the beginning FY 2025 budget as adopted by the 2023 Legislature compared to the FY 2025 base budget, which includes modifications as approved by the approving authority (as authorized in statute) during the interim. The FY 2025 base budget was agreed upon by the Office of Budget and Program Planning and the Fiscal Division to be the point from which any changes would be recorded for the 2027 biennium budgeting process.

Judicial Branch				
Comparison of the FY 2025 Legislative Budget to the FY 2025 Base Budget				
	Legislative Budget	Executive Modifications	Base Budget	% Change
01 SUPREME COURT OPERATIONS				
61000 Personal Services	9,722,985	(8,899)	9,714,086	-0.1%
62000 Operating Expenses	6,791,390	(213,563)	6,577,827	-3.1%
63000 Equipment & Intangible Assets	8,885		8,885	0.0%
66000 Grants	100,000		100,000	0.0%
67000 Benefits & Claims	6,294,225	(169,029)	6,125,196	-2.7%
69000 Debt Service		176,707	176,707	100.0%
Total	22,917,485	(214,784)	22,702,701	-0.9%
03 LAW LIBRARY				0.0%
61000 Personal Services	509,356		509,356	0.0%
62000 Operating Expenses	382,409		382,409	0.0%
63000 Equipment & Intangible Assets	88,221		88,221	0.0%
Total	979,986		979,986	0.0%
04 DISTRICT COURT OPERATIONS				0.0%
61000 Personal Services	33,102,743	59,819	33,162,562	0.2%
62000 Operating Expenses	2,978,282	154,965	3,133,247	5.2%
63000 Equipment & Intangible Assets	77,723		77,723	0.0%
67000 Benefits & Claims	35,000		35,000	0.0%
Total	36,193,748	214,784	36,408,532	0.6%
05 WATER COURT				0.0%
61000 Personal Services	2,437,155		2,437,155	0.0%
62000 Operating Expenses	302,164	(207,600)	94,564	-68.7%
63000 Equipment & Intangible Assets	8,287		8,287	0.0%
69000 Debt Service		207,600	207,600	100.0%
Total	2,747,606	-	2,747,606	0.0%
06 CLERK OF COURT				0.0%
61000 Personal Services	608,771		608,771	0.0%
62000 Operating Expenses	44,636		44,636	0.0%
Total	653,407		653,407	0.0%
Agency Total	63,492,232	-	63,492,232	0.0%

The Judicial Branch made a few modifications during the 2025 interim that affected the structure of the FY 2025 base budget for the 2027 biennium. More significant modifications performed are as follows:

- 1.00 PB and authority to cover higher jury trial costs was moved from Supreme Court Operations to District Court Operations
- A change was made within the Water Court to record lease expenses as debt services
- Other small changes to tie out account balances at fiscal-year-end (FYE)

Montana Drug Treatment Courts

There are currently over 40 drug treatment courts in the State of Montana that act as specialized court dockets, or portions of judges' calendars of cases, that generally target nonviolent offenders with substance-abuse problems. These programs provide offenders with intensive court supervision, mandatory drug testing, substance-abuse treatment, and other social services as an alternative to adjudication or incarceration.

The Judicial Branch monitors performance of state drug treatment courts and reports on several indicators of performance, including program completion rates, graduation rates, length of stay, retention rate, recidivism, and employment status from admission to discharge. The branch defines recidivism to mean a return to criminal activity by someone who has already been adjudicated guilty, delinquent, or has an open child abuse and neglect case. Montana tracks recidivism or re-offense rates using convictions for a three-year period following admission to the drug court. Reports prepared by the branch on drug court statistics and recidivism performance measures can be found at <https://courts.mt.gov/Courts/Treatment/About/reports> with a new report coming early in 2025.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget	Requested Budget		Biennium Change from Base	
	FY 2025	FY 2026	FY 2027	Amount	Percent
PB	102.00	104.50	105.50	3.50	1.7%
General Fund	20,795,552	24,483,670	24,998,454	7,891,020	19.0%
State/Other Special Rev. Funds	1,528,876	684,718	684,559	(1,688,475)	(55.2%)
Federal Spec. Rev. Funds	378,273	378,800	378,800	1,054	0.1%
Total Funds	22,702,701	25,547,188	26,061,813	6,203,599	13.7%
Personal Services	9,714,086	10,263,206	10,319,653	1,154,687	5.9%
Operating Expenses	6,577,827	8,180,554	8,631,935	3,656,835	27.8%
Equipment & Intangible Assets	8,885	8,885	8,885		0.0%
Grants	100,000	715,000	715,000	1,230,000	615.0%
Benefits & Claims	6,125,196	6,193,321	6,193,321	136,250	1.1%
Debt Service	176,707	186,222	193,019	25,827	7.3%
Total Expenditures	22,702,701	25,547,188	26,061,813	6,203,599	13.7%
Total Ongoing	22,702,701	25,547,188	26,061,813	6,203,599	13.7%
Total One-Time-Only	1,143,971			(2,287,942)	(100.0%)

Program Highlights

Supreme Court Operations Major Budget Highlights

The 2027 biennium HB 2 request for the Supreme Court Operations is \$6.2 million or 13.7% greater than the FY 2025 base budget. Significant changes include:

- \$2.5 million in statewide present law adjustments (primarily general fund) to personal services and fixed costs with fixed costs accounting for \$1.8 million of the increase
- \$1.7 million general fund to continue the pre-trial diversion program being utilized in 8 counties
- Almost \$1.5 million to support contract increases for software programs

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Supreme Court Operations 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	20,795,552	1,528,876	378,273	22,702,701	88.9%	20,795,552	1,528,876	378,273	22,702,701	87.1%
Statewide PL										
Personal Services	302,774	20,645	527	323,946	1.3%	316,522	21,648	527	338,697	1.3%
Fixed Costs	947,656	(132)	0	947,524	3.7%	878,138	(132)	0	878,006	3.4%
Inflation Deflation	(272)	0	0	(272)	(0.0%)	(184)	0	0	(184)	(0.0%)
Total Statewide PL	1,250,158	20,513	527	1,271,198	5.0%	1,194,476	21,516	527	1,216,519	4.7%
Present Law (PL)	612,691	50,000	0	662,691	2.6%	930,691	50,000	0	980,691	3.8%
New Proposals	1,825,269	(914,671)	0	910,598	3.6%	2,077,735	(915,833)	0	1,161,902	4.5%
Total HB 2 Adjustments	3,688,118	(844,158)	527	2,844,487	11.1%	4,202,902	(844,317)	527	3,359,112	12.9%
Total Requested Budget	24,483,670	684,718	378,800	25,547,188		24,998,454	684,559	378,800	26,061,813	

Funding

The following table shows proposed program funding for all sources of authority.

Judicial Branch, 01-Supreme Court Operations Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	49,482,124	0	0	0	49,482,124	95.9%
02140 Consumer Education Settlement	(193,123)	0	0	0	(193,123)	(14.1%)
02151 YthCrt Intervention?evention	115,954	0	0	0	115,954	8.5%
02373 Treatment Court Support Acct	491,890	0	0	0	491,890	35.9%
02399 Judicial Education Conferences	122,752	0	0	0	122,752	9.0%
02536 Legal Assistance	258,774	0	0	0	258,774	18.9%
02961 State Grants to Drug Courts	573,030	0	0	0	573,030	41.8%
State Special Total	\$1,369,277	\$0	\$0	\$0	\$1,369,277	2.7%
03240 Court Assessment Program	757,600	0	0	0	757,600	100.0%
Federal Special Total	\$757,600	\$0	\$0	\$0	\$757,600	1.5%
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.0%
Total All Funds	\$51,609,001	\$0	\$0	\$0	\$51,609,001	

Within HB2, general fund supports 95.9% of requested authority within the program. State special revenue supports administration of juvenile delinquency intervention prevention funds, training for judges from conference fees, legal assistance for indigent victims of domestic violence from court filing fees primarily from dissolution of marriage filings, and grants to drug courts from drug court fees charged to participants. Federal funding for grants supporting specific projects such as the Court Assessment Program.

Juvenile Placement Funds

The following figure outlines the appropriated budget for juvenile placement (JDP) funds for FY 2024 – FY 2027.

Judicial Branch Juvenile Placement Funds				
	Actuals FY 2024	Appropriated FY 2025	Requested FY 2026	Requested FY 2027
Expenditures				
Personal Services	\$144,655	\$210,667	\$227,115	\$227,119
Operating Expenses	8,709	53,899	53,899	53,899
Benefits and Claims	4,265	4,426,648	4,426,648	4,426,648
Transfers	4,389,895	-	-	-
Total	\$4,547,524	\$4,691,214	\$4,707,662	\$4,707,666
Funding				
General Fund	\$4,535,271	\$4,654,461	\$4,670,909	\$4,670,913
State Special Revenue	12,253	36,753	36,753	36,753
Total	\$4,547,524	\$4,691,214	\$4,707,662	\$4,707,666

To establish a funding source for the Judicial Branch to provide alternatives to youth placement and early intervention strategies, any unexpended appropriations for juvenile placement remaining at the end of each fiscal year are transferred to the Youth Court Intervention and Prevention (YCIP) state special revenue fund as required by 41-5-2011, MCA. This fund receives:

- Unexpended funding from the judicial districts' annual allocations of juvenile placement funds
- Unexpended funding from the cost containment pool created from juvenile placement funds

By statute, the YCIP may be used by District Court Operations to:

- Establish or expand community prevention and intervention programs and services for youth
- Provide alternative funding methods for out-of-home placements
- Provide matching funds for federal money for intervention and prevention programs that provide services to youth

The process for this funding is as follows:

1. The legislature appropriates general fund as requested by the Judicial Branch
2. At the end of the fiscal year, the unused general fund is transferred to the YCIP
3. This is now statutorily appropriated state special funding to be used by District Court Operations for the next two fiscal years
4. Any unused authority after two years is transferred back to the general fund

The amount transferred to the Youth Court Intervention and Prevention account at the end of each fiscal year is about \$4.4 million. This account has been holding steady with a fund balance of just over \$9.0 million. It is projected to stay around this amount by the end of the 2027 biennium. Given revenues come from unspent general fund and are made available for two years, the ending fund balance is following expected trends.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	102.00	102.00	104.50	105.50
Personal Services	8,680,454	9,345,324	9,990,333	10,263,206	10,319,653
Operating Expenses	5,537,444	6,860,680	6,830,551	8,180,554	8,631,935
Equipment & Intangible Assets	19,190	19,190	8,885	8,885	8,885
Grants	642,616	715,000	715,000	715,000	715,000
Benefits & Claims	932,436	1,405,268	6,125,196	6,193,321	6,193,321
Transfers	4,389,895	4,389,895	0	0	0
Debt Service	177,287	177,289	176,707	186,222	193,019
Total Expenditures	\$20,379,322	\$22,912,646	\$23,846,672	\$25,547,188	\$26,061,813
General Fund	19,506,494	21,372,209	21,939,523	24,483,670	24,998,454
State/Other Special Rev. Funds	730,466	1,161,139	1,528,876	684,718	684,559
Federal Spec. Rev. Funds	142,362	379,298	378,273	378,800	378,800
Total Funds	\$20,379,322	\$22,912,646	\$23,846,672	\$25,547,188	\$26,061,813
Total Ongoing	\$19,384,014	\$21,668,822	\$22,702,701	\$25,547,188	\$26,061,813
Total OTO	\$995,308	\$1,243,824	\$1,143,971	\$0	\$0

Program Description

The Supreme Court has appellate jurisdiction for the State of Montana. The court has original jurisdiction to issue, hear, and determine writs of habeas corpus and other writs provided by law. It also has general supervisory control over all other courts in the state. The Supreme Court is charged with establishing rules governing appellate procedure, the practice and procedure for all other courts, and admission to the bar and conduct of its members.

Within the Supreme Court Operations Program, the Office of Court Administrator provides centralized services to the Judicial Branch including information technology, budget and finance, payroll and human resource management, policy and technical support for the Youth Courts, judicial education, and services provided through the federal Court Improvement Program related to child abuse and neglect cases. The Boards and Commissions sub-program provides staff and other support to constitutionally and statutorily required commissions attached to the Montana Supreme Court, specifically the Judicial Standards Commission, the Sentence Review Board, and the Commission on Courts of Limited Jurisdiction. The sub-program also supports activities of the Commission on Practice. Other specialized commissions and task forces - not required by the Constitution and statute but created by the Supreme Court to address specific issues - receive minimal financial assistance with travel expenses and supplies.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

The Supreme Court Operations expended approximately 88.9% of its modified HB 2 modified budget in FY 2024. Personal services were 92.9% expended, operating expenses were expended at 80.7%, and benefits and claims were 66.4% expended. Within operating expenses, a few line-item appropriations provided by the 2023 Legislature described in the agency section above were under expended. Within benefits and claims, unexpended balances primarily relate to parole for youth in which \$200,000 was not expended. Overall spending of 88.9% was slightly lower than the average spending for the five previous fiscal years of 92.5%.

FY 2024 Appropriations Compared to FY 2025 Appropriations

When compared to appropriations in FY 2024, amounts in FY 2025 reflect an increase of about \$934,000 or 3.9%. This difference is almost entirely seen in personal services caused by the additional HB 13 pay plan funding. As described earlier, shifts between benefits and claims and transfers are due to statute which requires that remaining appropriation authority not utilized for juvenile placements be transferred to the youth court intervention and prevention state special revenue fund which happens at FYE.

Program Personal Services

Total personal services requests in the Supreme Court Operations for the 2027 biennium are nearly \$20.6 million which is \$1.2 million or 5.9% greater than FY 2025 base personal services. This increase is due to requests for 2.50 new PB to continue the Pretrial Diversion Program totaling about \$450,000 and due to statewide present law adjustments in personal services totaling \$663,000. These adjustments include elected official and judicial pay increases, promotion and retention pay adjustments for employees, and rehiring vacant positions at different rates than when the position became vacant.

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 2026						Fiscal 2027				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	302,774	20,645	527	323,946	0.00	316,522	21,648	527	338,697
DP 2 - Fixed Costs	0.00	947,656	(132)	0	947,524	0.00	878,138	(132)	0	878,006
DP 3 - Inflation Deflation	0.00	(272)	0	0	(272)	0.00	(184)	0	0	(184)
DP 101 - IT Maintenance Contract Increases	0.00	578,176	0	0	578,176	0.00	889,379	0	0	889,379
DP 105 - Judicial Standards Contracted Services Support	0.00	25,000	0	0	25,000	0.00	25,000	0	0	25,000
DP 106 - OCA Park Ave rent increase	0.00	9,515	0	0	9,515	0.00	16,312	0	0	16,312
DP 107 - Drug Courts Additional Fees Authority	0.00	0	50,000	0	50,000	0.00	0	50,000	0	50,000
Grand Total All Present Law Adjustments	0.00	\$1,862,849	\$70,513	\$527	\$1,933,889	0.00	\$2,125,167	\$71,516	\$527	\$2,197,210

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

DP 1 - Personal Services -

The branch 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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Judicial Branch	
Supreme Court Operations	
FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$164,180
Management Decisions	210,686
Budget Modifications	(50,920)
Total	\$323,946

DP 2 - Fixed Costs -

The branch 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: audit fees, Capitol complex rent, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The branch requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

DP 101 - IT Maintenance Contract Increases -

The branch requests general fund authority for a maintenance and support contract increases for the key software programs supporting the state's appellate, district, and limited courts, including FullCourt, C-Trak, e-filing, and a jury management system.

DP 105 - Judicial Standards Contracted Services Support -

The branch requests general fund for the constitutionally mandated Judicial Standards Commission.

DP 106 - OCA Park Ave rent increase -

The branch requests additional general fund to cover the increase in lease payments for office space.

DP 107 - Drug Courts Additional Fees Authority -

The branch requests state special revenue to allow drug treatment courts the ability to pay for drug court related expenditures with participant fees.

New Proposals

The "New Proposals" table shows new proposals for spending.

New Proposals										
-----Fiscal 2026-----						-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 102 - Drug Court Funding Switch	0.00	952,171	(914,671)	0	37,500	0.00	953,333	(915,833)	0	37,500
DP 103 - Make Pretrial Program Permanent	2.50	873,098	0	0	873,098	2.50	873,247	0	0	873,247
DP 104 - Family Law Mediation Continuing	0.00	0	0	0	0	1.00	251,155	0	0	251,155
Total	2.50	\$1,825,269	(\$914,671)	\$0	\$910,598	3.50	\$2,077,735	(\$915,833)	\$0	\$1,161,902

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

DP 102 - Drug Court Funding Switch -

This branch requests general fund to offset authority for drug courts from state special revenue accounts.

**LFD
COMMENT**

The 2023 Legislature provided authority for eight total drug courts that were transitioning from federal funding but provided this authority from the Consumer Education Settlement state special revenue account which receives revenues from civil fines, settlement proceeds, and funds awarded in judgments. This fund is housed within the Department of Justice, and the branch is requesting this authority be moved to the general fund. The small increase associated with the fund switch pertains to the annualization of services for the three courts that received a partial year of funding in FY 2025 (12th Adult Treatment Court in Hill County, the 21st Adult Treatment Court in Ravalli County, and the 13th Indian Child Welfare Act Family Treatment Court in Billings).

DP 103 - Make Pretrial Program Permanent -

The branch requests 2.50 additional PB and general fund to continue the pilot Pre-trial Diversion Program currently being implemented in eight Montana counties.

**LFD
COMMENT**

The pilot pre-trial diversion project in Montana began through funding and resources from the 2017 Session. The program began with five pilot counties but has since increased to eight. Authority was originally provided as one-time-only and has been continued to be provided as one-time-only each legislative session since. This requests seeks to establish the funding for this program within the agency's base budget. Current programs are located in Yellowstone, Missoula, Butte Silver-Bow, Lewis and Clark, Lake, Big Horn, Broadwater, and Valley counties.

DP 104 - Family Law Mediation Continuing -

The branch requests 1.00 additional PB and general fund to for family law mediation.

**LFD
COMMENT**

The 2023 Legislature provided the branch with \$300,000 in authority to continue and expand on the Family Law Mediation program that originated through ARPA funds. The Judicial Branch estimates that ARPA funding will continue to be used for these services during FY 2026 and the first six months of FY 2027. This request seeks funding for the last part of FY 2027 when ARPA authority expires and would result in this funding being permanent in the agency's base.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget FY 2026 FY 2027		Biennium Change from Base Amount Percent	
PB	6.75	6.75	6.75	0.00	0.0%
General Fund	979,986	989,880	989,919	19,827	1.0%
Total Funds	979,986	989,880	989,919	19,827	1.0%
Personal Services	509,356	519,274	519,305	19,867	2.0%
Operating Expenses	382,409	382,385	382,393	(40)	(0.0%)
Equipment & Intangible Assets	88,221	88,221	88,221		0.0%
Total Expenditures	979,986	989,880	989,919	19,827	1.0%
Total Ongoing	979,986	989,880	989,919	19,827	1.0%
Total One-Time-Only					0.0%

Program Highlights

Law Library Major Budget Highlights
The 2027 biennium HB 2 request for the Law Library is an increase of nearly \$20,000 or 2.0% when compared to FY 2025 base appropriations. This increase is entirely attributable to statewide present law adjustments to personal services.

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Law Library 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	979,986	0	0	979,986	99.0%	979,986	0	0	979,986	99.0%
Statewide PL										
Personal Services	9,918	0	0	9,918	1.0%	9,949	0	0	9,949	1.0%
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	(24)	0	0	(24)	(0.0%)	(16)	0	0	(16)	(0.0%)
Total Statewide PL	9,894	0	0	9,894	1.0%	9,933	0	0	9,933	1.0%
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
Total HB 2 Adjustments	9,894	0	0	9,894	1.0%	9,933	0	0	9,933	1.0%
Total Requested Budget	989,880	0	0	989,880		989,919	0	0	989,919	

Funding

The following table shows proposed program funding for all sources of authority.

Judicial Branch, 03-Law Library Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	1,979,799	0	0	0	1,979,799	77.6%
State Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
06019 Lexis Proprietary Account	0	0	570,522	0	570,522	100.0%
Proprietary Total	\$0	\$0	\$570,522	\$0	\$570,522	22.4%
Total All Funds	\$1,979,799	\$0	\$570,522	\$0	\$2,550,321	

HB 2 funding for the Law Library comes entirely from general fund. The Law Library also operates an enterprise type proprietary funded program for which the legislature does not approve rates. For further information, refer to the Proprietary Rate narrative for the Law Library located here: <https://archive.legmt.gov/content/Publications/fiscal/2027-Biennium/Budget-and-Revenue/Budget-Analysis/Section-D/Section-D-Non-Budgeted-Proprietary-27Bi.pdf>

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	6.75	6.75	6.75	6.75
Personal Services	386,373	480,592	509,356	519,274	519,305
Operating Expenses	323,330	351,704	382,409	382,385	382,393
Equipment & Intangible Assets	119,036	119,041	88,221	88,221	88,221
Total Expenditures	\$828,739	\$951,337	\$979,986	\$989,880	\$989,919
General Fund	828,739	951,337	979,986	989,880	989,919
Total Funds	\$828,739	\$951,337	\$979,986	\$989,880	\$989,919
Total Ongoing	\$828,739	\$951,337	\$979,986	\$989,880	\$989,919
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Description

The State Law Library of Montana (22-1-501, MCA, et seq) provides access to the legal information consistent with the present and anticipated needs, responsibilities, and concerns of Montana's courts, legislature, state officers and employees, members of the bar of the Supreme Court of Montana, and members of the general public. The library selects, acquires, and maintains resources consistent with this mission.

Library staff provide extensive training in legal research methods and access to the Montana court system. The library's website (<http://www.lawlibrary.mt.gov>) has been designed to help Montana's citizens find the statutes, court cases and rules, legal forms, and explanation of the laws they need. About 75.0% percent of the people the Law Library assists are nonlawyers who cannot afford attorneys.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

The Law Library expended 87.1% of its HB 2 modified budget in FY 2024. Personal services were 80.4% expended, operating expenses were 91.9% expended, and equipment and intangible assets were fully expended. Lower expenditures in personal services are primarily due to position vacancies experienced during the interim.

FY 2024 Appropriations Compared to FY 2025 Appropriations

When compared to FY 2024 appropriations, amounts in FY 2025 are almost \$29,000 or 3.0% higher. Within personal services, this authority relates to additional HB 13 pay plan funding. Differences in operating expenses are the result of an operating change performed in FY 2024 but not in FY 2025 which moved \$31,000 worth of authority to equipment accounts.

Program Personal Services

Total personal services requests in the Law Library for the 2027 biennium are a little over \$1.0 million which is \$20,000 or 2.0% greater than FY 2025 base personal services. This increase is found entirely within statewide present law adjustments to personal services and are the result of increases to position benefits, promotion and retention pay adjustments for employees, and rehiring positions at lower rates than when they became vacant.

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 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	9,918	0	0	9,918	0.00	9,949	0	0	9,949
DP 3 - Inflation Deflation	0.00	(24)	0	0	(24)	0.00	(16)	0	0	(16)
Grand Total All Present Law Adjustments	0.00	\$9,894	\$0	\$0	\$9,894	0.00	\$9,933	\$0	\$0	\$9,933

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

DP 1 - Personal Services -

The branch 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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Judicial Branch Law Library FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$2,940
Management Decisions	6,978
Budget Modifications	-
Total	<u>\$9,918</u>

DP 3 - Inflation Deflation -

The branch requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget	Requested Budget		Biennium Change from Base	
	FY 2025	FY 2026	FY 2027	Amount	Percent
PB	332.39	339.39	345.39	13.00	2.0%
General Fund	35,653,739	37,312,596	37,937,376	3,942,494	5.5%
State/Other Special Rev. Funds	754,793	754,716	754,716	(154)	(0.0%)
Total Funds	36,408,532	38,067,312	38,692,092	3,942,340	5.4%
Personal Services	33,162,562	34,502,132	35,254,738	3,431,746	5.2%
Operating Expenses	3,133,247	3,343,874	3,324,631	402,011	6.4%
Equipment & Intangible Assets	77,723	186,306	77,723	108,583	69.9%
Benefits & Claims	35,000	35,000	35,000		0.0%
Total Expenditures	36,408,532	38,067,312	38,692,092	3,942,340	5.4%
Total Ongoing	36,408,532	38,067,312	38,692,092	3,942,340	5.4%
Total One-Time-Only					0.0%

Program Highlights

District Court Operations Major Budget Highlights	
<p>The 2027 biennium HB 2 request for the District Court Operations is nearly \$4.0 million or 5.4% higher than FY 2025 base appropriations. Significant changes include:</p> <ul style="list-style-type: none"> • \$2.5 million for three new judge positions and accompanying staff for a total of 6.00 PB in FY 2026 and 12.00 PB in FY 2027 • \$1.3 million for statewide present law adjustments to personal services 	

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

District Court Operations 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	35,653,739	754,793	0	36,408,532	95.6%	35,653,739	754,793	0	36,408,532	94.1%
Statewide PL										
Personal Services	620,494	0	0	620,494	1.6%	673,406	0	0	673,406	1.7%
Fixed Costs	0	(77)	0	(77)	(0.0%)	0	(77)	0	(77)	(0.0%)
Inflation Deflation	(4,804)	0	0	(4,804)	(0.0%)	(3,248)	0	0	(3,248)	(0.0%)
Total Statewide PL	615,690	(77)	0	615,613	1.6%	670,158	(77)	0	670,081	1.7%
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	1,043,167	0	0	1,043,167	2.7%	1,613,479	0	0	1,613,479	4.2%
Total HB 2 Adjustments	1,658,857	(77)	0	1,658,780	4.4%	2,283,637	(77)	0	2,283,560	5.9%
Total Requested Budget	37,312,596	754,716	0	38,067,312		37,937,376	754,716	0	38,692,092	

Funding

The following table shows proposed program funding for all sources of authority.

Judicial Branch, 04-District Court Operations Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	75,249,972	0	0	0	75,249,972	98.0%
02141 Fines & Fees Fund	181,534	0	0	0	181,534	12.0%
02562 Crt Appointed Special Advocate	1,327,898	0	0	0	1,327,898	88.0%
State Special Total	\$1,509,432	\$0	\$0	\$0	\$1,509,432	2.0%
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.0%
Total All Funds	\$76,759,404	\$0	\$0	\$0	\$76,759,404	

The majority of funding for District Court Operations comes from the general fund. State special revenues supporting the program comes from court-imposed fines and fees.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	332.39	332.39	339.39	345.39
Personal Services	29,713,931	31,981,669	33,162,562	34,502,132	35,254,738
Operating Expenses	2,644,566	3,072,482	3,133,247	3,343,874	3,324,631
Equipment & Intangible Assets	107,615	107,615	77,723	186,306	77,723
Benefits & Claims	17,534	35,000	35,000	35,000	35,000
Total Expenditures	\$32,483,646	\$35,196,766	\$36,408,532	\$38,067,312	\$38,692,092
General Fund	31,785,215	34,442,620	35,653,739	37,312,596	37,937,376
State/Other Special Rev. Funds	698,431	754,146	754,793	754,716	754,716
Total Funds	\$32,483,646	\$35,196,766	\$36,408,532	\$38,067,312	\$38,692,092
Total Ongoing	\$32,483,646	\$35,196,766	\$36,408,532	\$38,067,312	\$38,692,092
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Description

The District Courts have original jurisdiction in all felony criminal cases, most civil matters and other cases in law, and in equity. These courts may issue all writs appropriate to their jurisdiction and hear appeals from Courts of Limited Jurisdiction pursuant to statutory parameters. The District Courts are also the state's Youth Courts, responsible for managing juvenile probation functions. There are 51 District Court judges in 22 judicial districts serving all 56 counties. The 2001 Legislature mandated state funding of District Court expenses, including salaries and operating expenses for judges and their employees.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

The District Court Operations expended 92.3% of its modified HB 2 budget in FY 2024. Personal services were 92.9% expended, while operating expenses were 86.1% expended. Unspent authority in District Court Operations mostly occurred in personal services where vacancies were higher than expected during the biennium.

FY 2024 Appropriations Compared to FY 2025 Appropriations

Appropriations in FY 2025 reflect an increase of 3.4% or \$1.2 million when compared to FY 2024 amounts. The majority of this difference is seen in personal services and is the result of the additional HB 13 pay plan funding that was provided for FY 2025.

Program Personal Services

Total requested personal services for the 2027 biennium within District Court Operations is \$69.8 million which reflects an increase of \$3.4 million or 5.2% when compared to FY 2025 base personal services. This increase is the result of requests for new PB and in statewide present law adjustments to personal services.

The branch is requesting 7.00 new PB in FY 2026 and 13.00 PB in FY 2027. The largest portion relates to a request for three new judge positions and accompanying staff for the 2027 biennium. These starting times for these judge positions and staff are January of 2026. Therefore, each position is requested as a 0.50 PB for FY 2026. This results in 6.-00 PB in the first year and 12.00 PB in the second year.

Increases related to statewide present law adjustments are primarily the result of legislatively outlined pay changes or judges and judicial employees, promotion and retention adjustments for employees, rehiring vacant positions at different rates, and changes in the number of overall vacant positions.

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 2026					Fiscal 2027				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	620,494	0	0	620,494	0.00	673,406	0	0	673,406
DP 2 - Fixed Costs	0.00	0	(77)	0	(77)	0.00	0	(77)	0	(77)
DP 3 - Inflation Deflation	0.00	(4,804)	0	0	(4,804)	0.00	(3,248)	0	0	(3,248)
Grand Total All Present Law Adjustments	0.00	\$615,690	(\$77)	\$0	\$615,613	0.00	\$670,158	(\$77)	\$0	\$670,081

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

DP 1 - Personal Services -

The branch 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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Judicial Branch	
District Court Operations	
FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$265,969
Management Decisions	354,525
Budget Modifications	-
Total	<u>\$620,494</u>

DP 2 - Fixed Costs -

The branch 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: audit fees, Capitol complex rent, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The branch requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

New Proposals

The "New Proposals" table shows new proposals for spending.

New Proposals										
-----Fiscal 2026-----					-----Fiscal 2027-----					
PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds	
DP 401 - New Judges & Staff in the 13th Judicial District										
6.00	956,105	0	0	956,105	12.00	1,529,155	0	0	1,529,155	
DP 402 - Floating Law Clerk										
1.00	87,062	0	0	87,062	1.00	84,324	0	0	84,324	
Total	7.00	\$1,043,167	\$0	\$0	\$1,043,167	13.00	\$1,613,479	\$0	\$0	\$1,613,479

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

DP 401 - New Judges & Staff in the 13th Judicial District -

The branch requests three additional judge positions and accompanying staff positions for the 2027 biennium.

**LFD
COMMENT**

Three additional positions accompany a judge .The new judge positions and all staff are scheduled to start in January of 2026. Therefore, all twelve positions comprise 0.50 PB each in FY 2026 and a full 1.00 PB in FY 2027.

DP 402 - Floating Law Clerk -

The branch requests 1.00 additional floating law clerk position within the 4th Judicial District (Missoula County).

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget FY 2026 FY 2027		Biennium Change from Base Amount Percent	
PB	23.75	23.75	23.75	0.00	0.0%
General Fund	1,122,261	1,159,465	1,161,359	76,302	3.4%
State/Other Special Rev. Funds	1,625,345	2,083,546	1,747,319	580,175	17.8%
Total Funds	2,747,606	3,243,011	2,908,678	656,477	11.9%
Personal Services	2,437,155	2,528,403	2,534,691	188,784	3.9%
Operating Expenses	94,564	493,323	93,323	397,518	210.2%
Equipment & Intangible Assets	8,287	8,287	8,287		0.0%
Debt Service	207,600	212,998	272,377	70,175	16.9%
Total Expenditures	2,747,606	3,243,011	2,908,678	656,477	11.9%
Total Ongoing	2,747,606	2,843,011	2,908,678	256,477	4.7%
Total One-Time-Only		400,000		400,000	0.0%

Program Highlights

Water Court Major Budget Highlights
<p>The 2027 biennium HB 2 request for the Water Court is just over \$650,000 or 11.9% greater than FY 2025 base budget appropriations. Significant changes include:</p> <ul style="list-style-type: none"> • \$400,000 in one-time-only state special revenue to cover costs of digitizing of case filings. • Almost \$189,000 (\$76,000 general fund and \$112,000 state special revenue) for statewide present law adjustments to personal services

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

	Water Court 2027 Biennium HB 2 Base Budget and Requested Adjustments									
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	1,122,261	1,625,345	0	2,747,606	84.7%	1,122,261	1,625,345	0	2,747,606	94.5%
Statewide PL										
Personal Services	37,204	54,044	0	91,248	2.8%	39,098	58,438	0	97,536	3.4%
Fixed Costs	0	(1,241)	0	(1,241)	(0.0%)	0	(1,241)	0	(1,241)	(0.0%)
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	37,204	52,803	0	90,007	2.8%	39,098	57,197	0	96,295	3.3%
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	405,398	0	405,398	12.5%	0	64,777	0	64,777	2.2%
Total HB 2 Adjustments	37,204	458,201	0	495,405	15.3%	39,098	121,974	0	161,072	5.5%
Total Requested Budget	1,159,465	2,083,546	0	3,243,011		1,161,359	1,747,319	0	2,908,678	

Funding

The following table shows proposed program funding for all sources of authority.

Funds	Judicial Branch, 05-Water Court Funding by Source of Authority					
	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	2,320,824	0	0	0	2,320,824	37.7%
02431 Water Adjudication	3,430,865	400,000	0	0	3,830,865	100.0%
State Special Total	\$3,430,865	\$400,000	\$0	\$0	\$3,830,865	62.3%
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.0%
Total All Funds	\$5,751,689	\$400,000	\$0	\$0	\$6,151,689	

General fund provides a little over a third of the funding for Water Court Supervision. The remaining funding is from the water adjudication account established within the state special revenue account created in 17-2-102, MCA. However, if amounts appropriated by the legislature to fund the Water Court Program exceed the available and unencumbered fund balance within the water adjudication account, statute requires that general fund be transferred into the account at the beginning of each fiscal year to fully fund legislative appropriations to the program.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	23.75	23.75	23.75	23.75
Personal Services	2,233,468	2,338,106	2,437,155	2,528,403	2,534,691
Operating Expenses	98,244	98,243	94,564	493,323	93,323
Equipment & Intangible Assets	0	4,295	8,287	8,287	8,287
Debt Service	207,600	207,600	207,600	212,998	272,377
Total Expenditures	\$2,539,312	\$2,648,244	\$2,747,606	\$3,243,011	\$2,908,678
General Fund	974,052	1,078,689	1,122,261	1,159,465	1,161,359
State/Other Special Rev. Funds	1,565,260	1,569,555	1,625,345	2,083,546	1,747,319
Total Funds	\$2,539,312	\$2,648,244	\$2,747,606	\$3,243,011	\$2,908,678
Total Ongoing	\$2,539,312	\$2,648,244	\$2,747,606	\$2,843,011	\$2,908,678
Total OTO	\$0	\$0	\$0	\$400,000	\$0

Program Description

The Water Court Supervision Program, located in Bozeman, adjudicates claims of existing water rights in Montana pursuant to Title 3, Chapter 7 and Title 85, Chapter 2, MCA.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

The division expended 95.9% of its modified HB2 budget in FY 2024. Personal services were 95.5% expended, and operating expenses were fully expended.

FY 2024 Appropriations Compared to FY 2025 Appropriations

When compared to FY 2024, appropriations in FY 2025 increased by approximately \$100,000 or 3.8%. This increase is seen in personal service and is the result of additional HB 13 pay plan funding in FY 2025.

Program Personal Services

Total personal services requests in the Water Court for the 2027 biennium are almost \$5.1 million which is \$189,000 or 3.9% greater than FY 2025 base personal services. This increase is found entirely within statewide present law adjustments to personal services and are the result of increases to position retirement and longevity in addition to career ladder pay adjustments and lower overall position vacancies at the time of the snapshot compared to the previous biennium.

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 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services										
0.00	37,204	54,044	0	91,248		0.00	39,098	58,438	0	97,536
DP 2 - Fixed Costs										
0.00	0	(1,241)	0	(1,241)		0.00	0	(1,241)	0	(1,241)
Grand Total All Present Law Adjustments										
0.00	\$37,204	\$52,803	\$0	\$90,007		0.00	\$39,098	\$57,197	\$0	\$96,295

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

DP 1 - Personal Services -

The branch 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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Judicial Branch Water Court FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$11,732
Management Decisions	79,516
Budget Modifications	-
Total	\$91,248

DP 2 - Fixed Costs -

The branch 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: audit fees, Capitol complex rent, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

New Proposals

The "New Proposals" table shows new proposals for spending.

New Proposals										
	Fiscal 2026					Fiscal 2027				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 501 - Water Court Rent Increase	0.00	0	5,398	0	5,398	0.00	0	64,777	0	64,777
DP 502 - Water Court Digitization (Bien, OTO)	0.00	0	400,000	0	400,000	0.00	0	0	0	0
Total	0.00	\$0	\$405,398	\$0	\$405,398	0.00	\$0	\$64,777	\$0	\$64,777

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

DP 501 - Water Court Rent Increase -

The branch requests additional revenue from the water adjudication state special revenue account to cover an increase in rent payments.

**LFD
COMMENT**

The current lease for the Water Court expires in May of 2026. The FY 2026 amount reflects one month at the higher renewal rate, the FY 2027 request reflects 12 months at the higher renewal rate.

DP 502 - Water Court Digitization (Bien, OTO) -

The branch requests one-time only biennial state special revenue from the water adjudication account to cover costs related to the digitization of case filings.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget		Biennium Change from Base	
		FY 2026	FY 2027	Amount	Percent
PB	5.50	5.50	5.50	0.00	0.0%
General Fund	653,407	611,550	613,969	(81,295)	(6.2%)
Total Funds	653,407	611,550	613,969	(81,295)	(6.2%)
Personal Services	608,771	566,930	569,344	(81,268)	(6.7%)
Operating Expenses	44,636	44,620	44,625	(27)	(0.0%)
Total Expenditures	653,407	611,550	613,969	(81,295)	(6.2%)
Total Ongoing	653,407	611,550	613,969	(81,295)	(6.2%)
Total One-Time-Only					0.0%

Program Highlights

Clerk of Court Major Budget Highlights
The 2027 biennium HB 2 request for the Clerk of Court is \$81,000 or 6.2% less than FY 2025 base budget appropriations. This reduction is attributed to statewide present law reductions to personal services and overall inflation/deflation.

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Clerk of Court 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	653,407	0	0	653,407	106.8%	653,407	0	0	653,407	106.4%
Statewide PL										
Personal Services	(41,841)	0	0	(41,841)	(6.8%)	(39,427)	0	0	(39,427)	(6.4%)
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	(16)	0	0	(16)	(0.0%)	(11)	0	0	(11)	(0.0%)
Total Statewide PL	(41,857)	0	0	(41,857)	(6.8%)	(39,438)	0	0	(39,438)	(6.4%)
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
Total HB 2 Adjustments	(41,857)	0	0	(41,857)	(6.8%)	(39,438)	0	0	(39,438)	(6.4%)
Total Requested Budget	611,550	0	0	611,550		613,969	0	0	613,969	

Funding

The following table shows proposed program funding for all sources of authority.

Judicial Branch, 06-Clerk of Court Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	1,225,519	0	0	0	1,225,519	100.0%
State Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.0%
Total All Funds	\$1,225,519	\$0	\$0	\$0	\$1,225,519	

The Clerk of Court Program is funded entirely from the general fund.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	5.50	5.50	5.50	5.50
Personal Services	552,760	587,267	608,771	566,930	569,344
Operating Expenses	22,698	44,562	44,636	44,620	44,625
Total Expenditures	\$575,458	\$631,829	\$653,407	\$611,550	\$613,969
General Fund	575,458	631,829	653,407	611,550	613,969
Total Funds	\$575,458	\$631,829	\$653,407	\$611,550	\$613,969
Total Ongoing	\$575,458	\$631,829	\$653,407	\$611,550	\$613,969
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Description

The Office of Clerk of the Supreme Court Program, pursuant to Title 3, Chapter 2, part 4, conducts the business of the court, and serves as the liaison between the public, attorneys, and the Supreme Court. By statutory authority, the clerk controls the docket and filings, manages the appellate process, and is the custodian of all legal records for the public and the court. Additionally, the clerk administers appellate mediation, maintains the official roll of Montana attorneys, and is responsible for licensing Montana's attorneys.

FY 2024 Appropriations Compared to FY 2024 Actual Expenditures

The Clerk of Court expended 91.1% of its modified HB 2 budget in FY 2024. Personal services were 94.1% expended, while operating expenses were expended at 50.9%. Overall, operating expenses comprise small portions of the overall budget.

FY 2024 Appropriations Compared to FY 2025 Appropriations

When compared to FY 2024 amounts, appropriations in FY 2025 are about \$22,000 higher. For all intents and purposes, appropriations levels and structures are practically identical between the two years.

Program Personal Services

Total personal services requested for the 2027 biennium are just over \$1.1 million which reflects a decrease of \$81,000 or 6.7% when compared to FY 2025 base personal services. This decrease is entirely attributable to statewide present law adjustments. These adjustments are comprised of reductions in position benefits such as retirement and longevity in addition to the branch rehiring vacant positions at lower rates than when the positions became vacant.

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 2026-----					-----Fiscal 2027-----					
PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds	
DP 1 - Personal Services	0.00	(41,841)	0	0	(41,841)	0.00	(39,427)	0	0	(39,427)
DP 3 - Inflation Deflation	0.00	(16)	0	0	(16)	0.00	(11)	0	0	(11)
Grand Total All Present Law Adjustments	0.00	(\$41,857)	\$0	\$0	(\$41,857)	0.00	(\$39,438)	\$0	\$0	(\$39,438)

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

DP 1 - Personal Services -

The branch 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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Judicial Branch Clerk of Court FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	(\$20,121)
Management Decisions	(21,720)
Budget Modifications	-
Total	(\$41,841)

DP 3 - Inflation Deflation -

The branch requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

DEPARTMENT OF JUSTICE

Section D

JOINT SUBCOMMITTEE OF HOUSE APPROPRIATIONS AND SENATE FINANCE AND CLAIMS COMMITTEES

-----Agencies-----

Judicial Branch
Dept. of Justice
Public Service Commission

Office of Public Defender
Dept. of Corrections

-----Committee Members-----

House

Representative Fiona Nave (Chair)
Representative Thedis Crowe
Representative Donavon Hawk
Representative Anthony Nicastrò

Senate

Senator Shelley Vance (Vice Chair)
Senator Tom McGillvray
Senator Shane Morìgeau

-----Fiscal Division Staff-----

Walker Hopkins
Barb Wagner

Agency Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Agency Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget		Biennium Change from Base	
		FY 2026	FY 2027	Amount	Percent
PB	845.15	849.85	849.85	4.70	0.3%
General Fund	47,633,697	49,783,380	49,741,709	4,257,695	4.5%
State/Other Special Rev. Funds	86,754,933	107,094,841	96,428,745	30,013,720	17.3%
Federal Spec. Rev. Funds	15,562,601	15,562,600	15,562,600	(2)	0.0%
Proprietary Funds	2,132,897	2,132,897	2,132,897		0.0%
Total Funds	152,084,128	174,573,718	163,865,951	34,271,413	11.3%
Personal Services	82,550,106	89,138,279	89,330,646	13,368,713	8.1%
Operating Expenses	45,319,539	47,465,249	47,334,461	4,160,632	4.6%
Equipment & Intangible Assets	3,527,244	3,927,244	3,927,244	800,000	11.3%
Local Assistance	25,001	225,001	225,001	400,000	800.0%
Grants	11,333,930	13,333,930	13,333,930	4,000,000	17.6%
Benefits & Claims	1,210,269	1,710,269	1,710,269	1,000,000	41.3%
Transfers	3,389,698	3,389,698	3,389,698		0.0%
Debt Service	4,728,341	15,384,048	4,614,702	10,542,068	111.5%
Total Expenditures	152,084,128	174,573,718	163,865,951	34,271,413	11.3%
Total Ongoing	152,084,128	163,179,372	163,240,951	22,252,067	7.3%
Total One-Time-Only	4,017,533	11,394,346	625,000	3,984,280	49.6%

Agency Highlights

Department of Justice Major Budget Highlights
<p>The 2027 biennium request for the Department of Justice is nearly \$34.3 million or 11.3% greater than FY 2025 base appropriations. Significant changes include:</p> <ul style="list-style-type: none"> • \$10.8 million in one-time-only state special revenue to pay off statewide radio loans • \$7.2 million state special revenue to implement a pay increase for highway patrol troopers of 14.0% based on the salary survey conducted by the Department of Administration as required by statute • \$4.0 million general fund to cover supplemental contributions of 10.18% for the Highway Patrol Officers' Retirement System (HPORS) based on statutory requirements • \$4.0 million in state special revenue to continue additional victim services provided as one-time-only by the 2023 Legislature • \$2.0 million general fund for the costs of litigation related to state laws

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Department of Justice 2027 Biennium Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	47,633,697	86,754,933	15,562,601	152,084,128	87.1%	47,633,697	86,754,933	15,562,601	152,084,128	92.8%
Statewide PL										
Personal Services	932,545	(394,958)	0	537,587	0.3%	1,021,710	(291,756)	0	729,954	0.4%
Fixed Costs	95,926	(27,285)	0	68,641	0.0%	(39,911)	(27,285)	0	(67,196)	(0.0%)
Inflation Deflation	(15,432)	(146)	(1)	(15,579)	(0.0%)	(10,431)	(98)	(1)	(10,530)	(0.0%)
Total Statewide PL	1,013,039	(422,389)	(1)	590,649	0.3%	971,368	(319,139)	(1)	652,228	0.4%
Present Law (PL)	0	620,539	0	620,539	0.4%	0	620,539	0	620,539	0.4%
New Proposals	1,136,644	20,141,758	0	21,278,402	12.2%	1,136,644	9,372,412	0	10,509,056	6.4%
Total HB 2 Adjustments	2,149,683	20,339,908	(1)	22,489,590	12.9%	2,108,012	9,673,812	(1)	11,781,823	7.2%
Total Requested Budget	49,783,380	107,094,841	15,562,600	174,573,718		49,741,709	96,428,745	15,562,600	163,865,951	

Statewide Present Law Adjustment for Personal Services

In order to explain the factors influencing personal services changes, the proposed statewide personal services present law adjustment (DP1) has been broken down into three categories, as follows:

- Legislative changes - This category includes adjustments explicitly approved by the legislature, such as, changes to benefit rates, longevity adjustments required by statute, and changes in rates for workers' compensation and unemployment insurance
- Management changes - This category includes agency management decisions that adjust personal services related to changes in pay. This includes changes such as hiring positions budgeted (PB) at a lower rate to replace senior staff and broadband pay adjustments for recruitment and retention
- Budget modifications - This category includes other modifications to the FY 2025 personal services base budget such as management decisions to transfer personal services funding between programs within an agency or movement of personal services funding to or from another expenditure category (e.g. moving funding from operating expenses to personal services)

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

Department of Justice				
FY 2026 Statewide Present Law Adjustment for Personal Services - DP1				
Program	Legislative Changes	Management Decisions	Budget Modifications	Total DP1
01 Legal Services Division	\$81,113	(\$121,794)	\$0	(\$40,681)
03 Montana Highway Patrol	808,871	(1,212,226)	-	(403,355)
05 Division of Criminal Investigation	(74,692)	(190,944)	472,945	207,309
07 Gambling Control Division	(28,406)	(81,720)	-	(110,126)
08 Forensic Sciences Division	61,537	(20,293)	-	41,244
09 Motor Vehicle Division	210,732	969,663	-	1,180,395
10 Central Services Division	79,157	25,602	-	104,759
19 POST Council	7,767	12,882	(131,761)	(111,112)
20 Montana Law Enforcement Academy	29,534	107,196	(424,110)	(287,380)
21 Board of Crime Control	5,312	(48,778)	-	(43,466)
Total	\$1,180,925	(\$560,412)	(\$82,926)	\$537,587

These numbers are calculated by looking at the PB that were filled at the snapshot and whether all personal service authority for these positions was utilized. If not, negative management changes are the result.

Other management changes are primarily comprised of the following:

- Pay adjustments to employees regarding career ladder, performance, and promotion-based adjustments
- Rehiring vacant positions at slightly higher or lower rates than when the position became vacant

Legislative changes primarily comprise of increased position retirement and social security benefits in addition to longevity.

Changes related to budget modifications occur when changes performed move more (or less) personal service funding than what is utilized for the positions that are moved or if no PB are moved at all, this funding comes back to the program it originated from when the snapshot occurs. Additionally, when operating expenses are transferred to personal services and are used to pay modified PB, that funding is lost during the snapshot process.

Funding

The following table shows proposed agency funding for all sources of authority.

Total Department of Justice Funding by Source of Authority 2027 Biennium Budget Request						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	98,525,089	1,000,000		8,741,443	108,266,532	28.3%
02464 MHP Highway State Special	71,048,034				71,048,034	18.6%
02799 Motor Vehicle Administration	32,867,248				32,867,248	8.6%
02014 Highway Patrol Pay & Retention	30,645,844				30,645,844	8.0%
02997 911 Distribution				19,499,532	19,499,532	5.1%
02690 Public Service Radio	7,546,486	10,769,346			18,315,832	4.8%
Other State Special Revenue	50,396,628	250,000		11,446,962	62,093,590	16.3%
State Special Revenue Total	192,504,240	11,019,346	-	30,946,494	234,470,080	61.4%
03192 Crime Victim Assistance	14,870,334				14,870,334	3.9%
03343 Criminal History record Improv	4,200,000				4,200,000	1.1%
03344 Violence Against Women Act	2,048,576				2,048,576	0.5%
03188 Justice Assistance Grant	1,885,608				1,885,608	0.5%
03800 Medicaid Fraud	1,384,564				1,384,564	0.4%
Other Federal Special Revenue	6,736,118			250,000	6,986,118	1.8%
Federal Special Revenue Total	31,125,200	-	-	250,000	31,375,200	8.2%
06500 Agency Legal Services	13,930		3,560,896		3,574,826	0.9%
06005 Liquor Division	3,143,448				3,143,448	0.8%
06083 61-3-118 MVD E-Commerce	1,108,416				1,108,416	0.3%
Proprietary Fund Total	4,265,794	-	3,560,896	-	7,826,690	2.0%
Total of All Funds	326,420,323	12,019,346	3,560,896	39,937,937	381,938,502	
Percent of All Sources of Authority	85.5%	3.1%	0.9%	10.5%		

Within HB 2, general fund supports all divisions at varying levels except for the Gambling Control Division and the POST and accounts for 30.2% of total agency funding.

The 2025 biennium proposal is funded primarily with state special revenue at 61.5%. State special revenue from the consumer protection settlement proceeds supports consumer protection activities, gambling license fees support the Gambling Control Division, and motor vehicle fees support the Motor Vehicle Division. The Montana Highway Patrol (MHP) HB 2 budget is 60.2% funded with state special revenue. Federal funding is the primary funding source for the Montana Board of Crime Control in the HB 2 budget. The MBCC budget is funded primarily with federal special revenues in the 2025 biennium and accounts for 91.2% of the total federal funding proposed for the agency.

State special revenue funds additional statutory appropriations and is principally used for grants and distributions for the 9-1-1 system and the 911 Next Gen project. Federal special revenues fund a small portion of the statutory appropriations for the support of state and local law enforcement programs.

Additional details on some of these state special revenues are provided in different program sections below.

Agency Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	845.15	845.15	849.85	849.85
Personal Services	81,150,348	80,643,610	82,664,839	89,138,279	89,330,646
Operating Expenses	36,297,636	42,196,262	46,822,339	47,465,249	47,334,461
Equipment & Intangible Assets	8,207,278	8,638,930	3,927,244	3,927,244	3,927,244
Local Assistance	25,691	25,001	25,001	225,001	225,001
Grants	9,076,286	12,547,859	13,333,930	13,333,930	13,333,930
Benefits & Claims	741,669	1,253,095	1,210,269	1,710,269	1,710,269
Transfers	1,013,262	3,160,445	3,389,698	3,389,698	3,389,698
Debt Service	4,758,566	4,967,093	4,728,341	15,384,048	4,614,702
Total Expenditures	\$141,270,736	\$153,432,295	\$156,101,661	\$174,573,718	\$163,865,951
General Fund	50,115,270	52,186,300	51,251,230	49,783,380	49,741,709
State/Other Special Rev. Funds	80,787,013	84,232,357	87,154,933	107,094,841	96,428,745
Federal Spec. Rev. Funds	8,474,431	14,956,780	15,562,601	15,562,600	15,562,600
Proprietary Funds	1,894,022	2,056,858	2,132,897	2,132,897	2,132,897
Total Funds	\$141,270,736	\$153,432,295	\$156,101,661	\$174,573,718	\$163,865,951
Total Ongoing	\$136,691,268	\$147,325,155	\$152,084,128	\$163,179,372	\$163,240,951
Total OTO	\$4,579,468	\$6,107,140	\$4,017,533	\$11,394,346	\$625,000

Agency Description

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

- Provide legal representation for the state and its political subdivisions in criminal appeals
- Provide legal services and counsel for the state, county and municipal agencies, and their officials
- Enforce Montana traffic laws and register all motor vehicles
- Enforce state fire safety codes and regulations
- Assist local law enforcement agencies in bringing offenders to justice
- Manage a statewide system of death investigations and provide scientific analyses of specimens submitted by law enforcement officials, coroners and state agencies
- Maintain and disseminate criminal justice information to authorized state, local, and other entities
- Provide uniform regulation of all gambling activities in the state of Montana
- Enforce consumer protection laws and regulations relating to unfair and deceptive business practices, and assist Montana consumers in making sound decisions by providing public outreach
- Provide statewide leadership on issues related to victims of crime and administer the crime victim compensation program for the benefit of innocent victims

Please refer to the agency profile at [Department of Justice - Montana Legislature](#) for additional information about the agency's organization structure, historical expenditures, goals and objectives, and recent studies and audits.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

The Department of Justice expended 92.3% of its \$152.6 million HB 2 modified budget in FY 2024. Overall, this is slightly lower than the average of the previous five fiscal years of 96.3%. Personal services and operating expenses were the bulk of HB 2 appropriations in FY 2024 at 52.8% and 27.5%, respectively. Corresponding expenditures through FY 2024 were more weighted towards personal services at 57.6%, and operating expenses accounted for an additional 25.7%. Total personal services for FY 2024 were over expended by approximately \$520,000 or 1.6%. Operating expenses were expended at 86.1%.

The budget for the Board of Crime Control (BOCC) was 64.2% expended. Due to the large amount of federal funding in the program, this relates to the process for, and timing of, administering grants, which tends to lag behind typical expenditures.

The majority of authority for transfers and grants sits within the BOCC, reflecting low expenditures within these account categories as a result. This can be seen in expenditures of 71.7% for grant authority and 32.0% for transfer authority through FYE.

Operating expenses reflect the largest unexpended account category in FY 2024, and the largest unexpended balances can be found primarily within four separate divisions. Operating expenses within the Montana Highway Patrol and Motor Vehicle Divisions are currently expended at 71.5% and 57.9% respectively, and are in part, due to a number of line-item appropriations related to maintenance costs for the MERLIN system and camera systems that were not fully expended. These appropriations total \$3.3 million with \$500,000 in expenses and are described in more detail within the line-item table below. The following table outlines the FY 2024 operating expense budget and expenditures for these four divisions:

Figure: DOJ FY 2024 Operating Expenses

Program	FY 2024 Budget	FY 2024 Expenses	Remaining Authority
03 Montana Highway Patrol	\$11,101,830	\$9,858,810	\$1,243,020
08 Forensic Sciences	1,854,624	1,332,902	521,722
09 Motor Vehicle Division	11,832,060	9,200,601	2,631,459
21 Board of Crime Control	1,150,816	473,457	677,359
Total	\$25,939,330	\$20,865,770	\$5,073,560

FY 2024 Appropriations Compared to FY 2025 Appropriations

FY 2025 appropriations are \$156.1 million, which is nearly \$2.7 million or 1.7% greater than FY 2024 appropriations. Increases can be seen primarily within both personal services and operating expenses. Within personal services, additional HB 2 pay plan funding of nearly \$2.9 million drives the increase.

Within operating expenses, increases from FY 2024 to FY 2025 are not a result of additional authority but rather from budget modifications made during FY 2024. The department performed many modifications which moved approximately \$4.1 million in operating expense authority to other accounts such as equipment and personal services, explaining lower amounts in FY 2024. These changes were not made to FY 2025 appropriations.

The changes described above also help explain the decrease seen in equipment authority from FY 2024 to FY 2025. Additionally, the department had one-time-only funding in FY 2024 totaling \$2.0 million for server replacements.

Comparison of FY 2025 Legislative Budget to FY 2025 Base

The figure below illustrates the beginning FY 2025 budget as adopted by the 2023 Legislature compared to the FY 2025 base budget, which includes modifications as approved by the approving authority (as authorized in statute) during the interim. The FY 2025 base budget was agreed upon by the Office of Budget and Program Planning and the Fiscal Division to be the point from which any changes would be recorded for the 2027 biennium budgeting process.

Department of Justice Comparison of the FY 2025 Legislative Budget to the FY 2025 Base Budget				
	Legislative Budget	Executive Modifications	Base Budget	% Change
01 LEGAL SERVICES DIVISION				
61000 Personal Services	7,365,985	48,436	7,414,421	0.7%
62000 Operating Expenses	2,747,313	(392,499)	2,354,814	-14.3%
68000 Transfers	9,000		9,000	0.0%
69000 Debt Service	7,012	189,210	196,222	2698.4%
Total	10,129,310	(154,853)	9,974,457	-1.5%
03 MONTANA HIGHWAY PATROL				
61000 Personal Services	34,323,474	(79,857)	34,243,617	-0.2%
62000 Operating Expenses	13,415,866	(1,277,762)	12,138,104	-9.5%
63000 Equipment & Intangible Assets	3,665,165	(747,170)	2,917,995	-20.4%
69000 Debt Service	1,477,262	1,498,570	2,975,832	101.4%
Total	52,881,767	(606,219)	52,275,549	-1.1%
04 INA - INFORMATION TECHNOLOGY SYSTEM				
61000 Personal Services	4,353,840	(4,353,840)	-	-100.0%
62000 Operating Expenses	2,051,484	(2,051,484)	-	-100.0%
63000 Equipment & Intangible Assets	36,820	(36,820)	-	-100.0%
Total	6,442,144	(6,442,144)	-	-100.0%
05 DIV OF CRIMINAL INVESTIGATION				
61000 Personal Services	13,538,342	(1,916,984)	11,621,358	-14.2%
62000 Operating Expenses	7,100,285	(2,225,614)	4,874,671	-31.3%
63000 Equipment & Intangible Assets	123,452		123,452	0.0%
66000 Grants	161,950		161,950	0.0%
67000 Benefits & Claims	773,181	37,088	810,269	4.8%
68000 Transfers	42,257	(11,295)	30,962	-26.7%
69000 Debt Service		507,990	507,990	100.0%
Total	21,739,467	(3,608,815)	18,130,652	-16.6%
07 GAMBLING CONTROL DIVISION				
61000 Personal Services	3,930,337	(130,897)	3,799,440	-3.3%
62000 Operating Expenses	840,409	(186,531)	653,878	-22.2%
63000 Equipment & Intangible Assets	82,860		82,860	0.0%
69000 Debt Service	1,950	125,380	127,330	6429.7%
Total	4,855,556	(192,048)	4,663,508	-4.0%
08 FORENSIC SERVICES DIVISION				
61000 Personal Services	5,467,585		5,467,585	0.0%
62000 Operating Expenses	2,708,422	(82,565)	2,625,857	-3.0%
63000 Equipment & Intangible Assets	226,000		226,000	0.0%
69000 Debt Service	316,287		316,287	0.0%
Total	8,718,294	(82,565)	8,635,729	-0.9%

Department of Justice Comparison of the FY 2025 Legislative Budget to the FY 2025 Base Budget				
	Legislative Budget	Executive Modifications	Base Budget	% Change
09 MOTOR VEHICLE DIVISION				
61000 Personal Services	9,644,203		9,644,203	0.0%
62000 Operating Expenses	16,686,631	(2,943,161)	13,743,470	-17.6%
63000 Equipment & Intangible Assets	164,028		164,028	0.0%
65000 Local Assistance	25,000		25,000	0.0%
68000 Transfers	204,062	204,062	408,124	100.0%
69000 Debt Service		327,100	327,100	100.0%
Total	26,723,924	(2,411,999)	24,311,925	-9.0%
10 CENTRAL SERVICES DIVISION				
61000 Personal Services	2,137,193	4,469,839	6,607,032	209.1%
62000 Operating Expenses	1,047,464	5,763,851	6,811,315	547.5%
65000 Local Assistance	1		1	0.0%
67000 Benefits & Claims	400,000		400,000	0.0%
69000 Debt Service		149,350	149,350	100.0%
Total	3,584,658	10,383,040	13,967,698	288.9%
19 POST COUNCIL				
61000 Personal Services		400,480	400,480	100.0%
62000 Operating Expenses		183,063	183,063	100.0%
68000 Transfers		42,000	42,000	100.0%
Total		625,543	625,543	100.0%
20 MT LAW ENFORCEMENT ACADEMY				0.0%
61000 Personal Services		1,595,975	1,595,975	100.0%
62000 Operating Expenses		754,560	754,560	100.0%
68000 Transfers		11,295	11,295	100.0%
69000 Debt Service		128,230	128,230	100.0%
Total		2,490,060	2,490,060	100.0%
21 BOARD OF CRIME CONTROL				
61000 Personal Services	1,755,995	-	1,755,995	0.0%
62000 Operating Expenses	1,179,807	-	1,179,807	0.0%
63000 Equipment & Intangible Assets	12,909		12,909	0.0%
66000 Grants	11,171,980	-	11,171,980	0.0%
68000 Transfers	2,888,317	-	2,888,317	0.0%
Total	17,009,008	-	17,009,008	0.0%
Agency Total	152,084,128	(0)	152,084,128	0.0%

Three different reorganizations were performed in the 2025 interim by the Department of Justice that moved functionality and corresponding appropriations within the agency.

First, the IT Systems Division (Program 04) was reorganized to be combined with the Central Services Division (CSD). All functionality from both programs is now included in the CSD (Program 10). This change reflects the decrease and corresponding increase in authority between the two programs in the table above.

The next two reorganizations took entities previously housed within the Division of Criminal Investigation and broke these out into separate programs. These two new programs represent the Montana Law Enforcement Academy (MLEA) and the Public Safety Officer Standards and Training (POST) Council. These reorganizations are reflected in the table above.

There were many smaller modifications done throughout the interim which moved authority between expenditure categories or between programs in order to either cover shortfalls or tie out expenditure accounts by FYE. Within the Motor Vehicle Division, approximately \$3.0 million was transferred out of operating expenses with \$2.4 million being transferred to the Central Service Division to consolidate all IT costs. Within the Montana Highway Patrol, operating expenses were decreased to accurately record lease as debt service (seen in a corresponding increase).

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget		Biennium Change from Base	
		FY 2026	FY 2027	Amount	Percent
PB	60.00	61.00	61.00	1.00	0.8%
General Fund	8,579,466	9,544,497	9,543,390	1,928,955	11.2%
State/Other Special Rev. Funds	1,165,506	1,165,506	1,165,506		0.0%
Federal Spec. Rev. Funds	229,485	229,485	229,485		0.0%
Total Funds	9,974,457	10,939,488	10,938,381	1,928,955	9.7%
Personal Services	7,414,421	7,504,517	7,501,993	177,668	1.2%
Operating Expenses	2,354,814	2,729,749	2,731,166	751,287	16.0%
Benefits & Claims		500,000	500,000	1,000,000	0.0%
Transfers	9,000	9,000	9,000		0.0%
Debt Service	196,222	196,222	196,222		0.0%
Total Expenditures	9,974,457	10,939,488	10,938,381	1,928,955	9.7%
Total Ongoing	9,974,457	10,439,488	10,438,381	928,955	4.7%
Total One-Time-Only	1,617,533	500,000	500,000	(2,235,066)	(69.1%)

Program Highlights

Legal Services Division Major Budget Highlights
<p>The 2027 biennium HB 2 request for the Legal Services Division is \$1.9 million or 9.7% greater than FY 2025 base appropriations. Significant proposals in addition to small reductions in statewide present law adjustments include:</p> <ul style="list-style-type: none"> • \$2.0 million general fund for the costs of litigation related to state laws • \$1.0 million general fund for new claims with the Natural Resource Damages Program • Just over \$260,000 for 1.00 additional attorney position in the Prosecution Services Bureau

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Legal Services Division 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	8,579,466	1,165,506	229,485	9,974,457	91.2%	8,579,466	1,165,506	229,485	9,974,457	91.2%
Statewide PL										
Personal Services	(40,681)	0	0	(40,681)	(0.4%)	(43,205)	0	0	(43,205)	(0.4%)
Fixed Costs	(620,691)	0	0	(620,691)	(5.7%)	(620,691)	0	0	(620,691)	(5.7%)
Inflation Deflation	(4,374)	0	0	(4,374)	(0.0%)	(2,957)	0	0	(2,957)	(0.0%)
Total Statewide PL	(665,746)	0	0	(665,746)	(6.1%)	(666,853)	0	0	(666,853)	(6.1%)
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	1,630,777	0	0	1,630,777	14.9%	1,630,777	0	0	1,630,777	14.9%
Total HB 2 Adjustments	965,031	0	0	965,031	8.8%	963,924	0	0	963,924	8.8%
Total Requested Budget	9,544,497	1,165,506	229,485	10,939,488		9,543,390	1,165,506	229,485	10,938,381	

Funding

The following table shows proposed program funding for all sources 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	18,087,887	1,000,000	0	14,120	19,102,007	86.5%
02140 Consumer Education Settlement	1,705,668	0	0	0	1,705,668	67.4%
02937 DOJ Misc SSR MOUs	625,344	0	0	0	625,344	24.7%
02957 DOJ Tobacco Litigation fund	0	0	0	200,000	200,000	7.9%
State Special Total	\$2,331,012	\$0	\$0	\$200,000	\$2,531,012	11.5%
03187 BCC Grants To Dept. Of Justice	2	0	0	0	2	0.0%
03801 Dept Of Justice-Misc Grants	458,968	0	0	0	458,968	100.0%
Federal Special Total	\$458,970	\$0	\$0	\$0	\$458,970	2.1%
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.0%
Total All Funds	\$20,877,869	\$1,000,000	\$0	\$214,120	\$22,091,989	

General fund accounts for 84.1% of the Legal Services Division's (LSD) HB 2 budget. The cost of major litigation is entirely supported by general fund. 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. The prosecution of hunting violations is funded by the Department of Fish, Wildlife, and Parks and for workers' compensation violations, funded by the Montana State Fund, upon occurrence.

The Consumer Education and Settlement Account projected fund balance is outlined below.

Consumer Education and Settlement Account (02140) 2027 Biennium Fund Balance Projection				
	Actual FY 2024	Appropriated FY 2025	Proposed FY 2026	Proposed FY 2027
Beginning Fund Balance	\$10,053,538	\$11,730,868	\$12,040,469	\$13,498,432
Revenues	4,906,243	3,021,750	3,021,750	3,021,750
Expenditures				
Personal Services	1,129,100	1,637,443	1,077,944	1,077,785
Operating Expenses	518,040	676,103	316,820	316,820
Equipment	0	1,773	0	0
Grants	0	100,000	100,000	100,000
Benefits and Claims	7,919	225,600	0	0
Transfers out	2,106,702	9,000	9,000	9,000
Debt Service	47,050	62,230	60,023	60,023
Total Expenditures	3,808,811	2,712,149	1,563,786	1,563,627
Prior Period Adjustments	579,898	0	0	0
Ending Fund Balance	\$11,730,868	12,040,469	13,498,432	14,956,555

As seen in the table above, the fund balance in the account is projected to increase to nearly \$15.0 million by the end of the 2027 biennium. Requested expenditures are reduced for the 2027 biennium when compared to current structures. The 2023 Legislature approved funding requests for drug court funding from this state special revenue. There is a request to transition these costs to the general fund in the Judicial Branch.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	60.00	60.00	61.00	61.00
Personal Services	7,094,737	7,365,777	7,529,154	7,504,517	7,501,993
Operating Expenses	2,997,091	3,409,380	3,857,614	2,729,749	2,731,166
Benefits & Claims	0	0	0	500,000	500,000
Transfers	0	9,000	9,000	9,000	9,000
Debt Service	5,387	113,842	196,222	196,222	196,222
Total Expenditures	\$10,097,215	\$10,897,999	\$11,591,990	\$10,939,488	\$10,938,381
General Fund	8,882,114	9,656,802	10,196,999	9,544,497	9,543,390
State/Other Special Rev. Funds	1,014,494	1,015,448	1,165,506	1,165,506	1,165,506
Federal Spec. Rev. Funds	200,607	225,749	229,485	229,485	229,485
Total Funds	\$10,097,215	\$10,897,999	\$11,591,990	\$10,939,488	\$10,938,381
Total Ongoing	\$9,196,261	\$9,280,859	\$9,974,457	\$10,439,488	\$10,438,381
Total OTO	\$900,954	\$1,617,140	\$1,617,533	\$500,000	\$500,000

Program Description

The State Attorney's Office (LSD) serves many functions. These are to provide:

- 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

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

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

In FY 2024, the Legal Service Division expended 93.1% of its modified HB 2 budget. Personal services comprised 68.5% of FY 2024 authority and were 96.3% expended. Operating expenses comprised most of the remaining authority and were 89.1% expended. Unexpended balances are seen primarily within operating expenses. The division was provided \$1.0 million in one-time-only general fund for state litigation. Of this authority, just over \$436,000 was spent.

FY 2024 Appropriations Compared to FY 2025 Appropriations

When compared to FY 2024 appropriations, amounts in FY 2025 reflect an increase of nearly \$700,000 or 6.3%. Additional authority in FY 2025 can be seen in additional personal service funding from the HB 13 pay plan of the 2023 Session, and additional operating expense authority is the result of the division moving operating expense authority out of the division at FYE 2024 to tie out expenses. These changes have not occurred in FY 2025.

Program Personal Services

Personal services requested for the 2027 biennium total \$15.0 million which reflects an overall increase of \$178,000 or 1.2% when compared to FY 2025 base appropriations. This increase is due to the request for 1.00 additional attorney position that is partially offset by a reduction within statewide present law adjustments to personal services. This reduction is the result of the agency not fully utilizing HB 2 and HB 13 personal service authority and rehiring vacant positions at slightly lower rates than when the position became vacant during the interim. Offsetting legislative increases primarily relate to additional social security and retirement benefits for employees.

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 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services										
0.00	(40,681)	0	0	(40,681)		0.00	(43,205)	0	0	(43,205)
DP 2 - Fixed Costs										
0.00	(620,691)	0	0	(620,691)		0.00	(620,691)	0	0	(620,691)
DP 3 - Inflation Deflation										
0.00	(4,374)	0	0	(4,374)		0.00	(2,957)	0	0	(2,957)
Grand Total All Present Law Adjustments										
0.00	(\$665,746)	\$0	\$0	(\$665,746)		0.00	(\$666,853)	\$0	\$0	(\$666,853)

**"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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Department of Justice	
Legal Services Division	
FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$81,113
Management Decisions	(121,794)
Budget Modifications	-
Total	<u>(\$40,681)</u>

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: audit fees, Capitol complex rent, information technology services, 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 in-state state motor pool and motor pool leased vehicles

New Proposals

The "New Proposals" table shows new proposals for spending.

New Proposals										
-----Fiscal 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 101 - NRDP New Claims Authority (RST, BIEN, OTO)										
0.00	500,000	0	0	500,000		0.00	500,000	0	0	500,000
DP 102 - Litigation Funding - (RST, BIEN)										
0.00	1,000,000	0	0	1,000,000		0.00	1,000,000	0	0	1,000,000
DP 103 - PSB Attorney										
1.00	130,777	0	0	130,777		1.00	130,777	0	0	130,777
Total	1.00	\$1,630,777	\$0	\$0	\$1,630,777	1.00	\$1,630,777	\$0	\$0	\$1,630,777

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

DP 101 - NRDP New Claims Authority (RST, BIEN, OTO) -

The executive requests one-time-only general fund for the Natural Resource Damage Program (NDRP) to use in determining and quantifying the level of injured natural resources and the actions/costs needed to return injured resources to baseline conditions at sites where natural resource damage claims are being made by NRDP.

DP 102 - Litigation Funding - (RST, BIEN) -

The executive requests restricted and biennial general fund to provide for resources such as experts, outside counsel, and increased costs in courts nationwide. Additionally, the appropriation will also provide funding to pay for litigation expenses such as discovery costs, technical support, trial preparation, and in some cases, attorney fees and costs.

**LFD
COMMENT**

The 2023 Legislature provided the department with \$1.0 million each year of the 2025 biennium but provided this authority as one-time-only. In FY 2024, approximately \$437,000 was expended leaving almost \$1.6 million in biennial authority. This requests seeks to continue that funding.

DP 103 - PSB Attorney -

The executive requests 1.00 additional attorney position and associated general fund within the Prosecution Services Bureau.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget		Biennium Change from Base	
		FY 2026	FY 2027	Amount	Percent
PB	320.09	320.09	320.09	0.00	0.0%
General Fund	2,032,394	4,032,394	4,032,394	4,000,000	98.4%
State/Other Special Rev. Funds	50,243,154	63,909,388	53,228,188	16,651,268	16.6%
Total Funds	52,275,548	67,941,782	57,260,582	20,651,268	19.8%
Personal Services	34,243,617	39,443,541	39,531,641	10,487,948	15.3%
Operating Expenses	12,138,104	11,503,000	11,503,046	(1,270,162)	(5.2%)
Equipment & Intangible Assets	2,917,995	3,317,995	3,317,995	800,000	13.7%
Debt Service	2,975,832	13,677,246	2,907,900	10,633,482	178.7%
Total Expenditures	52,275,548	67,941,782	57,260,582	20,651,268	19.8%
Total Ongoing	52,275,548	57,172,436	57,260,582	9,881,922	9.5%
Total One-Time-Only	400,000	10,769,346		9,969,346	1,246.2%

Program Highlights

Montana Highway Patrol Major Budget Highlights
<p>The 2027 biennium request for the Montana Highway Patrol reflects an increase of \$20.7 million or 19.8% when compared to FY 2025 base appropriations. Significant changes include:</p> <ul style="list-style-type: none"> • \$10.8 million in one-time-only state special revenue to pay off statewide radio loans • \$7.2 million of state special revenue to implement a pay increase for highway patrol troopers of 14.0% based on the salary survey conducted by the Department of Administration as required by statute • \$4.0 million of general fund to cover supplemental contributions of 10.18% for the Highway Patrol Officers' Retirement System (HPORS) based on statutory requirements

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Montana Highway Patrol 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	2,032,394	50,243,154	0	52,275,548	76.9%	2,032,394	50,243,154	0	52,275,548	91.3%
Statewide PL										
Personal Services	0	(403,355)	0	(403,355)	(0.6%)	0	(315,255)	0	(315,255)	(0.6%)
Fixed Costs	0	(902,895)	0	(902,895)	(1.3%)	0	(902,895)	0	(902,895)	(1.6%)
Inflation Deflation	0	(141)	0	(141)	(0.0%)	0	(95)	0	(95)	(0.0%)
Total Statewide PL	0	(1,306,391)	0	(1,306,391)	(1.9%)	0	(1,218,245)	0	(1,218,245)	(2.1%)
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	2,000,000	14,972,625	0	16,972,625	25.0%	2,000,000	4,203,279	0	6,203,279	10.8%
Total HB 2 Adjustments	2,000,000	13,666,234	0	15,666,234	23.1%	2,000,000	2,985,034	0	4,985,034	8.7%
Total Requested Budget	4,032,394	63,909,388	0	67,941,782		4,032,394	53,228,188	0	57,260,582	

Funding

The following table shows proposed program funding for all sources 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
01100 General Fund	8,064,788	0	0	0	8,064,788	6.4%
02014 Highway Patrol Pay & Retention	30,137,364	0	0	0	30,137,364	25.7%
02372 MHP MISC	0	0	0	2	2	0.0%
02464 MHP Highway State Special	67,993,122	0	0	0	67,993,122	58.0%
02594 Statewide 911 Services Admin	691,258	0	0	0	691,258	0.6%
02690 Public Service Radio	7,546,486	10,769,346	0	0	18,315,832	15.6%
State Special Total	\$106,368,230	\$10,769,346	\$0	\$2	\$117,137,578	93.6%
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.0%
Total All Funds	\$114,433,018	\$10,769,346	\$0	\$2	\$125,202,366	

The HB 2 budget for the MHP is supported primarily, 93.6%, with state special revenue. Most of the HB 2 costs are funded by the MHP Highway State Special account established by the 2017 Legislature and with the Highway Patrol Pay & Retention account.

The figure below shows the revenues, expenditures, and fund balances for the MHP Highway State Special Revenue Account. In the 2027 biennium, projections for these primary revenues are taken from the HJ 2 projections and the expenditures consist of the executive 2027 biennium budget proposal.

MPH Highway State Special Revenue Account (02464) 2027 Biennium Fund Balance Projection				
	Actual FY 2024	Appropriated FY 2025	Proposed FY 2026	Proposed FY 2027
Beginning Fund Balance	\$4,354,772	\$4,013,094	\$912,034	\$515,637
Revenues	33,687,864	34,095,000	35,095,000	35,237,794
Expenditures				
Personal Services	22,319,366	23,949,735	23,405,638	23,470,832
Operating Expenses	7,885,679	9,940,428	9,179,862	9,179,908
Equipment & Intangible Assets	3,948,932	2,492,165	2,092,165	2,092,165
Benefits & Claims	0	0	0	0
Debt Service	846,496	813,732	813,732	813,732
Total Expenditures	\$35,000,473	\$37,196,060	\$35,491,397	\$35,556,637
Prior Period Adjustments	970,931	0	0	0
Ending Fund Balance	\$4,013,094	\$912,034	\$515,637	\$196,794

This account is projected to begin the 2027 biennium with a balance of \$4.0 million. The primary revenues in the account are derived from a distribution of gasoline and diesel taxes and are estimated to be \$70.3 million in the biennium. The expenditures under the executive proposal are \$71.1 million. The account is projected to end the 2027 biennium with a negative balance.

**LFD
COMMENT**

As seen in the table above, the level of proposed expenditures exceeds the level of projected revenue as per estimates adopted within HJ2. This negative structural balance over the 2027 biennium results in a negative estimated fund balance of (\$359,000). The amount the executive can spend from this account would be the lesser of the appropriated amount or the actual fund balance. DP 304 discussed below would help offset some authority. The legislature may wish to consider the amount of authority from this account with the department for the 2027 biennium.

The account is projected to end the 2027 biennium with a balance of just under \$200,000.

The next figure looks at the Highway Patrol Pay and Retention state special revenue account. This account receives revenue from licenses and permits generated through registration fees. The account serves the purpose of funding base salaries, operating costs, and salary increases.

Highway Patrol Recruitment & Retention Account (02014)				
2025 Biennium Fund Balance Projection				
	Actual FY 2024	Appropriated FY 2025	Proposed FY 2026	Proposed FY 2027
Beginning Fund Balance	\$7,763,552	\$8,280,362	\$8,759,793	\$7,548,333
Revenues	11,099,462	11,000,000	14,100,000	14,100,000
Expenditures				
Personal Services	9,505,481	9,850,689	13,349,087	13,372,002
Operating Expenses	577,532	669,880	1,562,373	1,562,373
Equipment & Intangible Assets	0	0	400,000	400,000
Transfers-out	500,000	0	0	0
Total Expenditures	\$10,583,013	\$10,520,569	\$15,311,460	\$15,334,375
Prior Period Adjustments	361	0	0	0
Ending Fund Balance	\$8,280,362	\$8,759,793	\$7,548,333	\$6,313,958

Additional revenue in the 2027 biennium is contingent upon the passage of additional legislation. The increase in expenditures relates to a series of decision packages proposed by the executive that are contingent upon the passage of the legislation. The account is projected to end the 2027 biennium with a balance around \$6.3 million.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	320.09	320.09	320.09	320.09
Personal Services	32,496,269	32,347,037	34,243,617	39,443,541	39,531,641
Operating Expenses	9,858,821	11,101,830	12,138,104	11,503,000	11,503,046
Equipment & Intangible Assets	4,817,326	4,367,995	3,317,995	3,317,995	3,317,995
Benefits & Claims	0	30,000	0	0	0
Debt Service	2,912,365	2,975,832	2,975,832	13,677,246	2,907,900
Total Expenditures	\$50,084,781	\$50,822,694	\$52,675,548	\$67,941,782	\$57,260,582
General Fund	1,941,151	1,941,164	2,032,394	4,032,394	4,032,394
State/Other Special Rev. Funds	48,143,630	48,881,530	50,643,154	63,909,388	53,228,188
Total Funds	\$50,084,781	\$50,822,694	\$52,675,548	\$67,941,782	\$57,260,582
Total Ongoing	\$49,684,781	\$50,422,694	\$52,275,548	\$57,172,436	\$57,260,582
Total OTO	\$400,000	\$400,000	\$400,000	\$10,769,346	\$0

Program Description

The MHP patrols the roadways of Montana enforcing traffic laws and investigating traffic accidents. In addition, MHP provides 24-hour-a-day, seven-day-a-week communication and radio dispatch for the Highway Patrol, Motor Carrier Services, Montana Fish Wildlife and Parks, and Department of Corrections. MHP maintains the statewide radio system, provides assistance and resources to other law enforcement entities, provides protection for the governor, and provides security for the state capitol complex.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

The MHP expended 98.5% of the FY 2024 HB 2 modified budget. Personal services were 100.5% expended, and operating expenses were 88.8% expended. Unutilized operating expenses pertain to appropriations of \$700,000 that was provided for camera replacements for officers and patrol cars that were not expended in FY 2024. This authority is biennial in nature and is available for spending in FY 2025.

LFD COMMENT

The 2023 Legislature provided the appropriation above for camera replacements, but this project has been held up in the RFP process. This is intended to be ongoing funding due to the nature of this purchase being a subscription-based model where software and maintenance are billed separate from equipment purchases.

Equipment and intangible assets were over expended due to increased vehicle maintenance costs and the replacement cycle of law enforcement officer radios.

FY 2024 Appropriations Compared to FY 2025 Appropriations

When compared to appropriations in FY 2024, FY 2025 amounts increase by \$1.8 million or 3.6%. Differences are seen in a few areas. First, personal services increase by approximately \$1.9 million as a result of additional pay plan funding in FY 2025 totaling \$1.2 million and due to a program transfer in FY 2024 which moved \$550,000 in personal services to equipment expenses.

Increases of \$1.0 million in operating expenses are primarily driven again by transfers made at FYE 2024 to tie out expenditures. Operating Expense Authority was moved to equipment. These changes were not done in FY 2025 which explains the reduction in equipment as well.

Program Personal Services

Personal services requested for the 2027 biennium total \$79.0 million which reflect an overall increase of \$10.5 million or 15.3% when compared to FY 2025 base appropriations. This increase is mainly attributed to requests for salary increases and retirement contributions for patrol officers totaling \$11.2 million partially offset by statewide present law reductions to personal services.

These reductions are primarily due to how the snapshot calculates pay plan funding. These numbers are calculated by looking at the PB that were filled at the snapshot and whether they were issued the pay plan. If positions were vacant at the time of the snapshot or became vacant after the snapshot, pay plan authority would not show up in the data for these positions. This provides a negative result in management changes. Other decreases are due to the agency rehiring vacant positions at slightly lower rates than when the position became vacant during the interim. Offsetting legislative increases primarily relate to additional social security and retirement benefits for employees.

The Montana Highway Patrol has experienced large position vacancies within both highway patrol officer and dispatch center positions averaging nearly 45 vacancies during FY 2024. This represented approximately 14.0% of division positions.

LFD COMMENT

The Legislative Finance Committee generally recommends that subcommittees not pass contingent DPs until the corresponding bill has passed. This includes DP 301, 304, 305, and 306 in the table below.

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 2026-----						-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	(403,355)	0	(403,355)	0.00	0	(315,255)	0	(315,255)
DP 2 - Fixed Costs	0.00	0	(902,895)	0	(902,895)	0.00	0	(902,895)	0	(902,895)
DP 3 - Inflation Deflation	0.00	0	(141)	0	(141)	0.00	0	(95)	0	(95)
Grand Total All Present Law Adjustments	0.00	\$0	(\$1,306,391)	\$0	(\$1,306,391)	0.00	\$0	(\$1,218,245)	\$0	(\$1,218,245)

**"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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Department of Justice	
Montana Highway Patrol	
FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$808,871
Management Decisions	(1,212,226)
Budget Modifications	-
Total	(\$403,355)

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: audit fees, Capitol complex rent, information technology services, 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 in-state state motor pool and motor pool leased vehicles.

New Proposals

The "New Proposals" table shows new proposals for spending.

New Proposals										
	-----Fiscal 2026-----					-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 301 - MHP Salary Survey	0.00	0	3,603,279	0	3,603,279	0.00	0	3,603,279	0	3,603,279
DP 302 - MHP Statutory Retirement	0.00	2,000,000	0	0	2,000,000	0.00	2,000,000	0	0	2,000,000
DP 304 - MHP Funding Switch	0.00	0	0	0	0	0.00	0	0	0	0
DP 305 - Equipment Expenses	0.00	0	400,000	0	400,000	0.00	0	400,000	0	400,000
DP 306 - In-Car and Body Camera System Expenses	0.00	0	200,000	0	200,000	0.00	0	200,000	0	200,000
DP 307 - Statewide Radio Loan Payoff (OTO)	0.00	0	10,769,346	0	10,769,346	0.00	0	0	0	0
Total	0.00	\$2,000,000	\$14,972,625	\$0	\$16,972,625	0.00	\$2,000,000	\$4,203,279	\$0	\$6,203,279

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

DP 301 - MHP Salary Survey -

The executive requests additional state special revenue to implement a pay increase for troopers of 14.0% based on the salary survey conducted by the Department of Administration as required by 2-18-303(5)(a), MCA. Funding will come from the MHP Pay and Retention Fund and is related to legislation which will dedicate funding from the Luxury Vehicle Tax to the Pay and Retention Fund.

LFD COMMENT

MHP officers are given special dispensation in the broadband pay plan as sited in 21-18-303, MCA. According to the statute, the highway patrol officers base salaries must be established through the broadband pay plan as follows:

- Before January 1 of each odd-numbered year, the department (Administration) shall seek the advice of the MHP and conduct a salary survey to establish the base salary for existing and entry-level highway patrol officers that entails:
- Surveying the average base salary of 8 county sheriffs and the city police departments in the 8 county seats of those counties
- Determining the base salary for existing and entry-level highway patrol officer positions, using the results of the salary survey and the DOJ pay plan guidelines
- Base or biennial salary increases are exclusive of and not in addition to any increases otherwise awarded to other state employees
- To the extent that the plan applies to employees within a collective bargaining unit, the implementation of the plan is negotiated under the provisions of 39-31-305 (Duty to bargain collectively)
- The results of the survey are forwarded to the legislature for approval

DP 302 - MHP Statutory Retirement -

The executive requests additional general fund to pay supplemental contributions of 10.18% for the Highway Patrol Officers' Retirement System (HPORS) based on statutory requirements.

LFD COMMENT

Contributions had previously been funded through general fund appropriated through 16-6-404, MCA. The 2023 Legislature passed HB 569 which eliminated the statutory appropriation for the supplemental contribution for the Highway Patrol Officers' Retirement System (HPORS) of 10.18%, but did not eliminate the statutory requirement for the payment. This change package provides an appropriation for the contribution for the 2027 Biennium. Appropriations for the 2025 Biennium required payments are included in HB 3.

DP 304 - MHP Funding Switch -

The executive requests the movement of nearly \$700,000 each fiscal year in state special revenue authority from the MHP State Special Revenue Fund to the MHP Pay and Retention Fund. Funding is related to legislation which will dedicate funding from the Luxury Vehicle Tax to the Pay and Retention Fund.

DP 305 - Equipment Expenses -

The executive requests additional state special revenue for equipment purchases. Funding will come from the MHP Pay and Retention Fund and is related to legislation which will dedicate funding from the Luxury Vehicle Tax to the Pay and Retention Fund.

**LFD
COMMENT**

The 2023 Legislature provided the MHP with \$800,000 for the 2025 biennium. This funding was provided as one-time-only for the purpose of updating and replacing vehicles and radio equipment. The department has indicated this appropriation has helped, but costs have continued to increase resulting in the request.

DP 306 - In-Car and Body Camera System Expenses -

The executive requests funding to maintain its camera systems. Funding will come from the MHP Pay and Retention Fund and is related to legislation which will dedicate funding from the Luxury Vehicle Tax to the Pay and Retention Fund.

DP 307 - Statewide Radio Loan Payoff (OTO) -

The executive requests one-time-only state special revenue authority to pay off its statewide radio loans.

**LFD
COMMENT**

The 2023 Legislature provided \$18.6 million through a loan to fund the statewide radio program through fiscal 2028. Part of the program's annual budget includes paying off three loans used to expand program coverage. The work the loans are tied to has been completed.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget FY 2026 FY 2027		Biennium Change from Base Amount Percent	
PB	125.75	125.75	125.75	0.00	0.0%
General Fund	11,667,002	11,864,592	11,917,997	448,585	1.9%
State/Other Special Rev. Funds	5,342,739	5,189,755	5,194,811	(300,912)	(2.8%)
Federal Spec. Rev. Funds	1,120,911	1,120,910	1,120,910	(2)	(0.0%)
Total Funds	18,130,652	18,175,257	18,233,718	147,671	0.4%
Personal Services	11,621,358	11,828,667	11,885,333	471,284	2.0%
Operating Expenses	4,874,671	4,711,967	4,713,762	(323,613)	(3.3%)
Equipment & Intangible Assets	123,452	123,452	123,452		0.0%
Grants	161,950	161,950	161,950		0.0%
Benefits & Claims	810,269	810,269	810,269		0.0%
Transfers	30,962	30,962	30,962		0.0%
Debt Service	507,990	507,990	507,990		0.0%
Total Expenditures	18,130,652	18,175,257	18,233,718	147,671	0.4%
Total Ongoing	18,130,652	18,175,257	18,233,718	147,671	0.4%
Total One-Time-Only					0.0%

Program Highlights

Division of Criminal Investigation Major Budget Highlights
<p>The 2027 biennium HB 2 budget request for the Division of Criminal Investigation (DCI) is approximately \$148,000 or 0.4% higher than FY 2025 base appropriations. This increase is primarily the result of statewide present law increases to personal services totaling \$471,000 partially offset by statewide present law reductions to fixed costs totaling \$314,000.</p>

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Division of Criminal Investigation 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	11,667,002	5,342,739	1,120,911	18,130,652	99.8%	11,667,002	5,342,739	1,120,911	18,130,652	99.4%
Statewide PL										
Personal Services	360,293	(152,984)	0	207,309	1.1%	411,903	(147,928)	0	263,975	1.4%
Fixed Costs	(157,164)	0	0	(157,164)	(0.9%)	(157,164)	0	0	(157,164)	(0.9%)
Inflation Deflation	(5,539)	0	(1)	(5,540)	(0.0%)	(3,744)	0	(1)	(3,745)	(0.0%)
Total Statewide PL	197,590	(152,984)	(1)	44,605	0.2%	250,995	(147,928)	(1)	103,066	0.6%
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
Total HB 2 Adjustments	197,590	(152,984)	(1)	44,605	0.2%	250,995	(147,928)	(1)	103,066	0.6%
Total Requested Budget	11,864,592	5,189,755	1,120,910	18,175,257		11,917,997	5,194,811	1,120,910	18,233,718	

Funding

The following table shows proposed program funding for all sources 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	23,782,589	0	0	0	23,782,589	64.5%
02006 Cigarette Fire Safety Standard	363,958	0	0	0	363,958	3.4%
02014 Highway Patrol Pay & Retention	328,658	0	0	0	328,658	3.0%
02016 Criminal Justice Info Network	2,041,135	0	0	0	2,041,135	18.9%
02106 Crime Victims Compensation-St	0	0	0	441,028	441,028	4.1%
02140 Consumer Education Settlement	1,062,876	0	0	0	1,062,876	9.8%
02396 Looping in Native Communities	5,000	0	0	0	5,000	0.0%
02464 MHP Highway State Special	500,368	0	0	0	500,368	4.6%
02546 MT Law Enforcement Academy	307,050	0	0	0	307,050	2.8%
02797 Criminal Records Info Sys	5,282,297	0	0	0	5,282,297	48.8%
02937 DOJ Misc SSR MOUs	432,224	0	0	0	432,224	4.0%
02958 DCI MMIP	61,000	0	0	0	61,000	0.6%
State Special Total	\$10,384,566	\$0	\$0	\$441,028	\$10,825,594	29.4%
03169 Federal Crime Victims Benefits	864,584	0	0	0	864,584	38.6%
03800 Medicaid Fraud	1,377,236	0	0	0	1,377,236	61.4%
Federal Special Total	\$2,241,820	\$0	\$0	\$0	\$2,241,820	6.1%
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.0%
Total All Funds	\$36,408,975	\$0	\$0	\$441,028	\$36,850,003	

The DCI is supported by a combination of general fund and 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. General fund comprises 64.5% of requested funds for the 2027 biennium.

State special corresponds to 29.4% of requested appropriations. The three largest sources of state special revenue supporting DCI are criminal justice information network revenue that supports itself, revenue from criminal justice background checks that are paid in exchange for completion of the background check and from revenue resulting from litigation settlements.

The largest source of federal state special revenue is Medicaid funding that supports investigations of Medicaid fraud. Additionally, the division has some statutory appropriations which include funding for crime victim compensation. This authority is newer to the division following a reorganization transfer from Legal Services Division in FY 2022.

Funding for assistance to crime victims comes from the general fund, state special revenue funds, and federal grants. Small amounts of statutory authority for crime victims' compensation is established in 53-9-113, MCA.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	125.75	125.75	125.75	125.75
Personal Services	11,122,796	11,330,797	11,621,358	11,828,667	11,885,333
Operating Expenses	4,287,325	4,393,271	4,874,671	4,711,967	4,713,762
Equipment & Intangible Assets	407,789	447,923	123,452	123,452	123,452
Grants	110,000	117,964	161,950	161,950	161,950
Benefits & Claims	741,669	823,095	810,269	810,269	810,269
Transfers	0	5,771	30,962	30,962	30,962
Debt Service	595,433	594,415	507,990	507,990	507,990
Total Expenditures	\$17,265,012	\$17,713,236	\$18,130,652	\$18,175,257	\$18,233,718
General Fund	11,458,574	11,582,449	11,667,002	11,864,592	11,917,997
State/Other Special Rev. Funds	4,880,885	5,017,292	5,342,739	5,189,755	5,194,811
Federal Spec. Rev. Funds	925,553	1,113,495	1,120,911	1,120,910	1,120,910
Total Funds	\$17,265,012	\$17,713,236	\$18,130,652	\$18,175,257	\$18,233,718
Total Ongoing	\$17,265,012	\$17,713,236	\$18,130,652	\$18,175,257	\$18,233,718
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Description

The 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, and the Special Services 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 of all Montana criminal records, maintains and operates the Criminal Justice Information Network 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.

The Special Services Bureau supports safety and justice for Montana children and other 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, the Office of Victim Services and the state Sexual Assault Kit Initiative program.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

The DCI expended 97.5% of its FY 2024 modified HB 2 budget. Personal services comprised 64.0% of FY 2024 appropriations and were 98.2% expended. Operating expenses were expended at 97.6% by FYE. All expenditures followed anticipated trends.

FY 2024 Appropriations Compared to FY 2025 Appropriations

When compared to FY 2024 appropriations, FY 2025 amounts reflect an increase of just over \$400,000 or nearly 2.4%. This increase is primarily seen in personal services and operating expenses. Additional personal service funding is the result of pay plan funding for the second year of the biennium.

Operating expense increases are the result of one budget adjustment. This division performed many modifications that had an effect on appropriation structures for both years of the biennium, but only one change was done in FY 2024. This change moved approximately \$673,000 from operating expenses to equipment and personal service categories and was not done in FY 2025.

Program Personal Services

Personal services requested for the 2027 biennium total \$23.7 million, which reflects an overall increase of \$470,000 or 2.0% when compared to FY 2025 base appropriations. This increase is found entirely within statewide present law adjustments to personal services and are primarily the result of budget modifications in addition to negotiated pay changes and career ladder adjustments. When a modification occurs that moves more personal service funding than what is utilized for the positions that are moved or if no PB are moved at all, this funding comes back to the program it originated from when the snapshot occurs.

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 2026-----						-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services										
	0.00	360,293	(152,984)	0	207,309	0.00	411,903	(147,928)	0	263,975
DP 2 - Fixed Costs										
	0.00	(157,164)	0	0	(157,164)	0.00	(157,164)	0	0	(157,164)
DP 3 - Inflation Deflation										
	0.00	(5,539)	0	(1)	(5,540)	0.00	(3,744)	0	(1)	(3,745)
Grand Total All Present Law Adjustments										
	0.00	\$197,590	(\$152,984)	(\$1)	\$44,605	0.00	\$250,995	(\$147,928)	(\$1)	\$103,066

***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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Department of Justice	
Division of Criminal Investigation	
FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	(\$74,692)
Management Decisions	(190,944)
Budget Modifications	472,945
Total	<u>\$207,309</u>

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: audit fees, Capitol complex rent, information technology services, 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 in-state state motor pool and motor pool leased vehicles.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget FY 2026 FY 2027		Biennium Change from Base Amount Percent	
PB	39.99	39.99	39.99	0.00	0.0%
State/Other Special Rev. Funds	3,149,538	2,945,412	2,952,850	(400,814)	(6.4%)
Proprietary Funds	1,513,970	1,513,970	1,513,970		0.0%
Total Funds	4,663,508	4,459,382	4,466,820	(400,814)	(4.3%)
Personal Services	3,799,440	3,689,314	3,696,750	(212,816)	(2.8%)
Operating Expenses	653,878	559,878	559,880	(187,998)	(14.4%)
Equipment & Intangible Assets	82,860	82,860	82,860		0.0%
Debt Service	127,330	127,330	127,330		0.0%
Total Expenditures	4,663,508	4,459,382	4,466,820	(400,814)	(4.3%)
Total Ongoing	4,663,508	4,459,382	4,466,820	(400,814)	(4.3%)
Total One-Time-Only					0.0%

Program Highlights

Gambling Control Division Major Budget Highlights

The 2027 biennium HB 2 budget request for the Gambling Control Division reflects a decrease of just over \$400,000 or 4.3% when compared to FY 2025 base appropriations. This decrease is the result of statewide present law adjustments to personal services totaling nearly \$222,000 and in fixed costs totaling \$188,000.

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Gambling Control Division 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	0	3,149,538	0	4,663,508	104.6%	0	3,149,538	0	4,663,508	104.4%
Statewide PL										
Personal Services	0	(110,126)	0	(110,126)	(2.5%)	0	(102,690)	0	(102,690)	(2.3%)
Fixed Costs	0	(93,995)	0	(93,995)	(2.1%)	0	(93,995)	0	(93,995)	(2.1%)
Inflation Deflation	0	(5)	0	(5)	(0.0%)	0	(3)	0	(3)	(0.0%)
Total Statewide PL	0	(204,126)	0	(204,126)	(4.6%)	0	(196,688)	0	(196,688)	(4.4%)
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
Total HB 2 Adjustments	0	(204,126)	0	(204,126)	(4.6%)	0	(196,688)	0	(196,688)	(4.4%)
Total Requested Budget	0	2,945,412	0	4,459,382		0	2,952,850	0	4,466,820	

Funding

The following table shows proposed program funding for all sources 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	0.0%	
02074 Gambling License Fee Account	5,589,486	0	0	3,700,088	9,289,574	96.6%	
02120 Live Game Tax	0	0	0	20,000	20,000	0.2%	
02790 6901-Statewide Tobacco Settlement	308,776	0	0	0	308,776	3.2%	
State Special Total	\$5,898,262	\$0	\$0	\$3,720,088	\$9,618,350	76.1%	
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.0%	
06005 Liquor Division	3,027,940	0	0	0	3,027,940	100.0%	
Proprietary Total	\$3,027,940	\$0	\$0	\$0	\$3,027,940	23.9%	
Total All Funds	\$8,926,202	\$0	\$0	\$3,720,088	\$12,646,290		

Activities in the Gambling Control Division (GCD) are supported primarily by state special revenue generated from gambling licensing fees. Liquor licensing fees (a proprietary fund) support other GCD functions related to liquor licensing. A small amount of funding from the tobacco settlement state special revenue account supports activities related to enforcement of settlement provisions. Statutory appropriations of state special revenue provide for distribution of local government portions of gambling license fees.

The following figure shows the revenues, expenditures, and fund balance for the Gambling License Fee Account. In the 2027 biennium, projections for the primary revenues are taken from the HJ 2 estimates, and the expenditures consist of the executive's 2027 biennium budget proposal.

Gambling License Fee Account (02074)				
Fund Balance Projection				
	Actual FY 2024	Appropriated FY 2025	Proposed FY 2026	Proposed FY 2027
Beginning Fund Balance	\$2,782,066	\$3,449,750	\$3,570,003	\$3,775,396
Revenues	4,773,103	5,058,862	5,058,862	5,058,862
Expenditures				
Personal Services	1,935,580	2,455,532	2,370,406	2,352,842
Operating Expenses	270,705	570,037	570,023	595,025
Equipment & Intangible Assets	61,709	61,996	61,996	61,996
Local Assistance (SA)	1,800,575	1,850,044	1,850,044	1,850,044
Debt Service	136,100	1,000	1,000	1,000
Total Expenditures	\$4,204,669	\$4,938,609	\$4,853,469	\$4,860,907
Prior Period Adjustments	99,250	0	0	0
Ending Fund Balance	\$3,449,750	\$3,570,003	\$3,775,396	\$3,973,351

The Gambling License Fee Account will begin the biennium with a projected fund balance of \$3.4 million. Primary revenues, derived from video gambling machine permit fees, are projected to total \$10.1 million. The account supports a statutory appropriation for the local government share of the permit fees, expected to be \$3.7 million in the 2027 biennium. HB 2 costs support the GCD, the Central Services Division, and IT costs. Under the executive budget proposal, HB 2 costs of \$9.7 million are requested. The account is projected to end the 2027 biennium with a fund balance of approximately \$4.0 million.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	39.99	39.99	39.99	39.99
Personal Services	3,132,131	3,201,765	3,799,440	3,689,314	3,696,750
Operating Expenses	283,220	329,325	653,878	559,878	559,880
Equipment & Intangible Assets	66,946	82,860	82,860	82,860	82,860
Debt Service	206,168	256,830	127,330	127,330	127,330
Total Expenditures	\$3,688,465	\$3,870,780	\$4,663,508	\$4,459,382	\$4,466,820
State/Other Special Rev. Funds	2,404,764	2,431,213	3,149,538	2,945,412	2,952,850
Proprietary Funds	1,283,701	1,439,567	1,513,970	1,513,970	1,513,970
Total Funds	\$3,688,465	\$3,870,780	\$4,663,508	\$4,459,382	\$4,466,820
Total Ongoing	\$3,688,465	\$3,870,780	\$4,663,508	\$4,459,382	\$4,466,820
Total OTO	\$0	\$0	\$0	\$0	\$0

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. Furthermore, 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 Program is mandated by state law.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

In FY 2024, the GCD expended 95.3% of its modified HB 2 budget. Personal services were 97.8% expended, and operating expenses were 86.0% expended albeit while comprising a very small portion of overall appropriations. Principally, expenditures followed expected patterns.

FY 2024 Appropriations Compared to FY 2025 Appropriations

FY 2025 appropriations increase by approximately \$800,000 over FY 2024 appropriations, reflecting an increase of about 20.0%. This can be seen both in personal services and operating expenses. Personal service increases are the result of additional pay plan funding in FY 2025 and due to modifications made which transferred unutilized personal services to other divisions in FY 2024. The GCD experienced some position vacancies throughout the interim.

Operating expense increases are also the result of program transfers done in FY 2024 that have not occurred in FY 2025. These transfers moved approximately \$285,000 in authority to other divisions.

Program Personal Services

Personal services requested for the 2027 biennium total \$7.4 million which reflect an overall decrease of \$213,000 or 2.8% when compared to FY 2025 base appropriations. This decrease is found entirely within statewide present law adjustments to personal services. Negative management changes are primarily the result of rehiring vacant positions at slightly lower rates. Additionally, statutorily defined benefits and longevity were lower in the 2025 snapshot.

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 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	(110,126)	0	(110,126)	0.00	0	(102,690)	0	(102,690)
DP 2 - Fixed Costs	0.00	0	(93,995)	0	(93,995)	0.00	0	(93,995)	0	(93,995)
DP 3 - Inflation Deflation	0.00	0	(5)	0	(5)	0.00	0	(3)	0	(3)
Grand Total All Present Law Adjustments	0.00	\$0	(\$204,126)	\$0	(\$204,126)	0.00	\$0	(\$196,688)	\$0	(\$196,688)

***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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Department of Justice Gambling Control Division FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	(\$28,406)
Management Decisions	(81,720)
Budget Modifications	-
Total	<u>(\$110,126)</u>

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: audit fees, Capitol complex rent, information technology services, 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 in-state state motor pool and motor pool leased vehicles.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget	Requested Budget		Biennium Change from Base	
	FY 2025	FY 2026	FY 2027	Amount	Percent
PB	45.80	49.50	49.50	3.70	4.0%
General Fund	6,745,954	6,676,233	6,696,056	(119,619)	(0.9%)
State/Other Special Rev. Funds	1,889,775	1,889,775	1,889,775		0.0%
Total Funds	8,635,729	8,566,008	8,585,831	(119,619)	(0.7%)
Personal Services	5,467,585	5,825,359	5,845,117	735,306	6.7%
Operating Expenses	2,625,857	2,244,069	2,244,134	(763,511)	(14.5%)
Equipment & Intangible Assets	226,000	226,000	226,000		0.0%
Debt Service	316,287	270,580	270,580	(91,414)	(14.5%)
Total Expenditures	8,635,729	8,566,008	8,585,831	(119,619)	(0.7%)
Total Ongoing	8,635,729	8,566,008	8,585,831	(119,619)	(0.7%)
Total One-Time-Only					0.0%

Program Highlights

Forensic Sciences Division Major Budget Highlights
<p>The Forensic Sciences Division's HB 2 request for the 2027 biennium is \$120,000 or 0.7% lower than FY 2025 base appropriations. This reduction is the result of statewide present law decreases for fixed costs totaling \$222,000 partially offset by statewide present law increases to personal services totaling \$102,000 for the biennium.</p>

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Forensic Science Division 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	6,745,954	1,889,775	0	8,635,729	100.8%	6,745,954	1,889,775	0	8,635,729	100.6%
Statewide PL										
Personal Services	41,244	0	0	41,244	0.5%	61,002	0	0	61,002	0.7%
Fixed Costs	(110,764)	0	0	(110,764)	(1.3%)	(110,764)	0	0	(110,764)	(1.3%)
Inflation Deflation	(201)	0	0	(201)	(0.0%)	(136)	0	0	(136)	(0.0%)
Total Statewide PL	(69,721)	0	0	(69,721)	(0.8%)	(49,898)	0	0	(49,898)	(0.6%)
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
Total HB 2 Adjustments	(69,721)	0	0	(69,721)	(0.8%)	(49,898)	0	0	(49,898)	(0.6%)
Total Requested Budget	6,676,233	1,889,775	0	8,566,008		6,696,056	1,889,775	0	8,585,831	

Funding

The following table shows proposed program funding for all sources 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	13,372,289	0	0	0	13,372,289	78.0%
02450 FSD Autopsy and Service Fees	2,002,218	0	0	0	2,002,218	53.0%
02464 MHP Highway State Special	884,618	0	0	0	884,618	23.4%
02945 DOJ Blood draw MCA 61-8-402	892,714	0	0	0	892,714	23.6%
State Special Total	\$3,779,550	\$0	\$0	\$0	\$3,779,550	22.0%
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.0%
Total All Funds	\$17,151,839	\$0	\$0	\$0	\$17,151,839	

The FSD is funded entirely with general fund and state special revenues. The FSD Autopsy and Service Fees account, authorized by the 2017 Legislature, provides most of the state special revenue in the division while some authority comes from the MHP state special revenue account.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	45.80	45.80	49.50	49.50
Personal Services	5,757,190	5,233,499	5,467,585	5,825,359	5,845,117
Operating Expenses	1,332,901	1,854,624	2,625,857	2,244,069	2,244,134
Equipment & Intangible Assets	1,241,989	1,246,824	226,000	226,000	226,000
Debt Service	263,370	267,463	316,287	270,580	270,580
Total Expenditures	\$8,595,450	\$8,602,410	\$8,635,729	\$8,566,008	\$8,585,831
General Fund	6,768,314	6,769,150	6,745,954	6,676,233	6,696,056
State/Other Special Rev. Funds	1,827,136	1,833,260	1,889,775	1,889,775	1,889,775
Total Funds	\$8,595,450	\$8,602,410	\$8,635,729	\$8,566,008	\$8,585,831
Total Ongoing	\$8,595,450	\$8,602,410	\$8,635,729	\$8,566,008	\$8,585,831
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Description

The Forensic Science Division (FSD), better known as the State Crime Lab, 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.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

The FSD expended 99.9% of total FY 2024 modified HB 2 budgets. Personal services comprised 60.8% of fiscal year appropriations and were over expended at 110.0%. Operating expenses were expended at 71.9%, and equipment accounts were 99.6% expended. Typically, there would have been a budget change performed at the end of the fiscal year which is generally done to properly tie out account balances, but this change was not made between operating expenses and personal services. Unutilized operating expenses covered personal service spending, and the division stayed within overall appropriation levels.

FY 2024 Appropriations Compared to FY 2025 Appropriations

When compared to FY 2024 appropriations, amounts in FY 2025 are practically identical reflecting an increase of about \$33,000. There is a noticeable difference in the structure of appropriations (seen in operating expenses and equipment accounts). Operating expenses were decreased in FY 2024 due to a few budget modifications which moved authority to equipment accounts to cover equipment purchased within the state crime lab.

Program Personal Services

Total personal services requested for the 2027 biennium are \$11.0 million which is \$102,000 or 0.9% higher than FY 2025 base personal service appropriations. This increase is the result of statewide present law increases to personal services which are primarily driven by increased position benefits such as retirement and social security as well as career ladder and promotion adjustments to employee pay.

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 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	41,244	0	0	41,244	0.00	61,002	0	0	61,002
DP 2 - Fixed Costs	0.00	(110,764)	0	0	(110,764)	0.00	(110,764)	0	0	(110,764)
DP 3 - Inflation Deflation	0.00	(201)	0	0	(201)	0.00	(136)	0	0	(136)
Grand Total All Present Law Adjustments	0.00	(\$69,721)	\$0	\$0	(\$69,721)	0.00	(\$49,898)	\$0	\$0	(\$49,898)

*"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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Department of Justice	
Forensic Sciences Division	
FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$61,537
Management Decisions	(20,293)
Budget Modifications	-
Total	\$41,244

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: audit fees, Capitol complex rent, information technology services, 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 in-state state motor pool and motor pool leased vehicles.

New Proposals

The "New Proposals" table shows new proposals for spending.

New Proposals										
-----Fiscal 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 801 - Make 3 DNA modified permanent, Reduce Operating Expense										
3.00	0	0	0	0		3.00	0	0	0	0
DP 802 - Adjust Part-Time PB to Full-Time										
0.70	0	0	0	0		0.70	0	0	0	0
Total	3.70	\$0	\$0	\$0		3.70	\$0	\$0	\$0	\$0

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

DP 801 - Make 3 DNA modified permanent, Reduce Operating Expense -

The executive requests 3.00 additional DNA forensic scientist positions.

**LFD
COMMENT**

The department has been utilizing these three PB as modified positions in the 2025 biennium to handle the current DNA evidence caseloads. As these positions have been managed within existing budgets, this request is a net impact of \$0 due to the decision package increasing personal services and decreasing operating expenses by identical amounts.

DP 802 - Adjust Part-Time PB to Full-Time -

The executive requests changing one position from 0.33 PB to 1.00 PB.

**LFD
COMMENT**

As this position has been managed within existing budgets, this request is a net impact of \$0 due to the decision package increasing personal services and decreasing operating expenses by identical amounts.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget FY 2026 FY 2027		Biennium Change from Base Amount Percent	
PB	151.05	151.05	151.05	0.00	0.0%
General Fund	7,963,025	5,882,243	5,895,425	(4,148,382)	(26.0%)
State/Other Special Rev. Funds	15,794,692	19,331,191	19,335,729	7,077,536	22.4%
Proprietary Funds	554,208	554,208	554,208		0.0%
Total Funds	24,311,925	25,767,642	25,785,362	2,929,154	6.0%
Personal Services	9,644,203	10,824,598	10,840,919	2,377,111	12.3%
Operating Expenses	13,743,470	13,818,792	13,820,191	152,043	0.6%
Equipment & Intangible Assets	164,028	164,028	164,028		0.0%
Local Assistance	25,000	225,000	225,000	400,000	800.0%
Transfers	408,124	408,124	408,124		0.0%
Debt Service	327,100	327,100	327,100		0.0%
Total Expenditures	24,311,925	25,767,642	25,785,362	2,929,154	6.0%
Total Ongoing	24,311,925	25,767,642	25,785,362	2,929,154	6.0%
Total One-Time-Only					0.0%

Program Highlights

Motor Vehicle Division Major Budget Highlights
<p>The 2027 biennium request for the Motor Vehicle Division is an increase of \$2.9 million or 6.0% higher than FY 2025 base appropriations. Significant changes include:</p> <ul style="list-style-type: none"> Nearly \$2.4 million (\$1.0 million general fund and \$1.4 million in state special revenue) in statewide present law adjustments to personal services partially offset by reductions (primarily in state special revenue) to fixed costs totaling \$1.1 million \$900,000 in state special revenue to cover programming fees for the CARS system \$400,000 state special revenue to support the costs of county partners processing Motor Vehicle Division transactions for Montana residents

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Motor Vehicle Division 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	7,963,025	15,794,692	0	24,311,925	94.4%	7,963,025	15,794,692	0	24,311,925	94.3%
Statewide PL										
Personal Services	510,396	669,999	0	1,180,395	4.6%	522,179	674,537	0	1,196,716	4.6%
Fixed Costs	(92,728)	(448,172)	0	(540,900)	(2.1%)	(92,728)	(448,172)	0	(540,900)	(2.1%)
Inflation Deflation	(4,317)	0	0	(4,317)	(0.0%)	(2,918)	0	0	(2,918)	(0.0%)
Total Statewide PL	413,351	221,827	0	635,178	2.5%	426,533	226,365	0	652,898	2.5%
Present Law (PL)	0	620,539	0	620,539	2.4%	0	620,539	0	620,539	2.4%
New Proposals	(2,494,133)	2,694,133	0	200,000	0.8%	(2,494,133)	2,694,133	0	200,000	0.8%
Total HB 2 Adjustments	(2,080,782)	3,536,499	0	1,455,717	5.6%	(2,067,600)	3,541,037	0	1,473,437	5.7%
Total Requested Budget	5,882,243	19,331,191	0	25,767,642		5,895,425	19,335,729	0	25,785,362	

Funding

The following table shows proposed program funding for all sources 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	11,777,668	0	0	0	11,777,668	22.8%
02390 Spec Motorcycle Lic Plates	0	0	0	107,000	107,000	0.3%
02456 61-6-158 MTIVS & MCE	6,541,876	0	0	0	6,541,876	16.9%
02796 MVD Real ID	5,185,456	0	0	0	5,185,456	13.4%
02798 61-3-550 MVD MERLIN HB261	3,010,470	0	0	0	3,010,470	7.8%
02799 Motor Vehicle Administration	23,929,118	0	0	0	23,929,118	61.7%
State Special Total	\$38,666,920	\$0	\$0	\$107,000	\$38,773,920	75.1%
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
06083 61-3-118 MVD E-Commerce	1,108,416	0	0	0	1,108,416	100.0%
Proprietary Total	\$1,108,416	\$0	\$0	\$0	\$1,108,416	2.1%
Total All Funds	\$51,553,004	\$0	\$0	\$107,000	\$51,660,004	

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 are generated through various taxes and fees related to the owning and operating of motor vehicles. Proprietary funds collected from fees charged for e-government services support online web-based services that may be used by the public.

The following figure shows the revenues, expenditures, and fund balance for the MVD Administration Account. In the 2027 biennium, expenditures consist of the executive 2027 biennium budget proposal.

Motor Vehicle Administration Account (02799)				
2027 Biennium Fund Balance Projection				
	Actual FY 2024	Appropriated FY 2025	Proposed FY 2026	Proposed FY 2027
Beginning Fund Balance	\$4,375,479	\$4,976,826	\$4,441,719	\$2,912,154
Revenues	\$16,538,831	\$14,901,790	\$14,901,790	\$14,901,790
Expenditures				
Personal Services	6,479,375	5,568,410	6,268,409	6,272,946
Operating Expenses	7,674,687	9,427,615	9,722,074	9,722,075
Equipment & Intangible Assets	0	0	0	0
Local Assistance & Other	25,691	25,000	25,000	25,000
Tranfers	1,439,751	204,062	204,062	204,062
Debt Service	318,609	211,810	211,810	211,810
Total Expenditures	\$15,938,113	\$15,436,897	\$16,431,355	\$16,435,893
Prior Period Adjustments	629	0	0	0
Ending Fund Balance	\$4,976,826	\$4,441,719	\$2,912,154	\$1,378,051

The MVD Administration Account will begin the 2027 biennium with a projected fund balance of \$4.4 million. The principal source of revenue is derived from 3.0% fees for MVD administrative costs on various types of vehicle registrations. The account also receives funding from service charges. Total revenues in the account are projected to be \$29.8 million over the biennium. HB 2 costs support the MVD, the Central Services Division, and the Justice Information Services Division costs and under the executive budget proposal are \$32.8 million. The account is projected to have a balance of \$1.4 million at the end of the 2027 biennium.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	151.05	151.05	151.05	151.05
Personal Services	12,309,924	11,745,523	9,644,203	10,824,598	10,840,919
Operating Expenses	9,200,619	11,832,060	13,743,470	13,818,792	13,820,191
Equipment & Intangible Assets	131,768	131,768	164,028	164,028	164,028
Local Assistance	25,691	25,000	25,000	225,000	225,000
Transfers	204,062	204,062	408,124	408,124	408,124
Debt Service	517,336	509,360	327,100	327,100	327,100
Total Expenditures	\$22,389,400	\$24,447,773	\$24,311,925	\$25,767,642	\$25,785,362
General Fund	7,870,348	7,878,723	7,963,025	5,882,243	5,895,425
State/Other Special Rev. Funds	13,964,844	16,014,842	15,794,692	19,331,191	19,335,729
Proprietary Funds	554,208	554,208	554,208	554,208	554,208
Total Funds	\$22,389,400	\$24,447,773	\$24,311,925	\$25,767,642	\$25,785,362
Total Ongoing	\$22,389,400	\$24,447,773	\$24,311,925	\$25,767,642	\$25,785,362
Total OTO	\$0	\$0	\$0	\$0	\$0

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, recreational vehicles, snowmobiles, and ATVs
- Inspection and verification of vehicle identification numbers
- Licensure and compliance control of motor vehicle dealers and manufacturers
- Providing motor voter registration

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

The MVD expended 91.6% of its modified HB 2 budget in FY 2024. This was slightly lower than anticipated, and unexpended are found in operating expenses. Total personal services were over-expended at 104.8%.

Operating expenses were 77.8% expended. The MVD received just under \$2.6 million for the costs of software maintenance for the CARS drivers' license and vehicle registration system purchased through FAST Enterprises, and only \$500,000 of this authority was expended in FY 2024.

FY 2024 Appropriations Compared to FY 2025 Appropriations

When compared to FY 2024 appropriation levels, amounts in FY 2025 reflect an overall decrease of \$135,000. While appropriation amounts are nearly identical, there are large differences seen in personal services and operating expenses. In FY 2024 alone, the MVD performed a few modifications which moved \$2.2 million in operating expense authority to personal services to pay a bunch of modified positions who have been working on the CARS project. Even with these changes, personal services budgets were over expended as described above. FY 2025 reflects appropriation structures as they were passed by the 2023 Legislature.

Program Personal Services

Total personal services requested for the 2027 biennium are \$21.7 million which is \$2.4 million or 12.3% higher than FY 2025 base personal service appropriations. This increase is the result of statewide present law increases to personal services which are primarily driven by increased position benefits such as retirement and social security as well as career ladder, promotion adjustments, and market adjustments to employee pay.

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 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	510,396	669,999	0	1,180,395	0.00	522,179	674,537	0	1,196,716
DP 2 - Fixed Costs	0.00	(92,728)	(448,172)	0	(540,900)	0.00	(92,728)	(448,172)	0	(540,900)
DP 3 - Inflation Deflation	0.00	(4,317)	0	0	(4,317)	0.00	(2,918)	0	0	(2,918)
DP 902 - Postage and Mailing Inflation	0.00	0	170,539	0	170,539	0.00	0	170,539	0	170,539
DP 903 - CARS Maintenance Funding	0.00	0	450,000	0	450,000	0.00	0	450,000	0	450,000
Grand Total All Present Law Adjustments	0.00	\$413,351	\$842,366	\$0	\$1,255,717	0.00	\$426,533	\$846,904	\$0	\$1,273,437

*"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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Department of Justice Motor Vehicle Division FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$210,732
Management Decisions	969,663
Budget Modifications	-
Total	\$1,180,395

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: audit fees, Capitol complex rent, information technology services, 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 in-state state motor pool and motor pool leased vehicles.

DP 902 - Postage and Mailing Inflation -

The executive requests additional state special revenue to cover inflation in costs for postage and mailing fees.

DP 903 - CARS Maintenance Funding -

The executive requests additional funding to be used for programming fees, AWS hosting, and any additional maintenance costs associated with the new CARS system.

**LFD
COMMENT**

The 2023 Legislative Session provided almost \$2.6 million for maintenance costs related to CARS. That funding is restricted to maintenance only, and only \$500,000 was expended in FY 2024. Expenditures to date in FY 2025 from that appropriation total \$850,000. This request would add \$450,000 to the original amount each fiscal year totaling \$3.0 million in annual maintenance and programing costs.

New Proposals

The "New Proposals" table shows new proposals for spending.

New Proposals										
-----Fiscal 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 901 - Support for County Offices	0.00	0	200,000	0	200,000	0.00	0	200,000	0	200,000
DP 904 - MVD Funding Switch	0.00	(2,494,133)	2,494,133	0	0	0.00	(2,494,133)	2,494,133	0	0
Total	0.00	(\$2,494,133)	\$2,694,133	\$0	\$200,000	0.00	(\$2,494,133)	\$2,694,133	\$0	\$200,000

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

DP 901 - Support for County Offices -

The executive requests additional state special revenue to support the costs of county partners processing Motor Vehicle Division transactions for Montana residents. Costs include printing (paper and toner) registrations and receipts for vehicles, recreational vehicles, ATV's, boats, motorcycles, snowmobiles, and trailers.

DP 904 - MVD Funding Switch -

The executive requests a fund switch moving authority from the general fund to the Real ID state special revenue fund.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget	Requested Budget		Biennium Change from Base	
	FY 2025	FY 2026	FY 2027	Amount	Percent
PB	66.48	66.48	66.48	0.00	0.0%
General Fund	8,349,349	9,523,182	9,399,194	2,223,678	13.3%
State/Other Special Rev. Funds	5,549,966	7,019,824	7,019,824	2,939,716	26.5%
Federal Spec. Rev. Funds	3,664	3,664	3,664		0.0%
Proprietary Funds	64,719	64,719	64,719		0.0%
Total Funds	13,967,698	16,611,389	16,487,401	5,163,394	18.5%
Personal Services	6,607,032	6,711,791	6,717,576	215,303	1.6%
Operating Expenses	6,811,315	9,350,247	9,220,474	4,948,091	36.3%
Local Assistance	1	1	1		0.0%
Benefits & Claims	400,000	400,000	400,000		0.0%
Debt Service	149,350	149,350	149,350		0.0%
Total Expenditures	13,967,698	16,611,389	16,487,401	5,163,394	18.5%
Total Ongoing	13,967,698	16,611,389	16,487,401	5,163,394	18.5%
Total One-Time-Only					0.0%

Program Highlights

Central Services Division Major Budget Highlights

The 2027 biennium request for the Central Services Division is nearly \$5.2 million or 18.5% higher than FY 2025 base appropriations. Increases are attributed to statewide present law adjustments to personal services totaling \$215,000 and to fixed costs totaling a little over \$4.9 million (\$2.0 million in general fund and \$2.9 million in state special revenue).

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Central Services Division 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	8,349,349	5,549,966	3,664	13,967,698	84.1%	8,349,349	5,549,966	3,664	13,967,698	84.7%
Statewide PL										
Personal Services	104,759	0	0	104,759	0.6%	110,544	0	0	110,544	0.7%
Fixed Costs	1,070,086	1,469,858	0	2,539,944	15.3%	939,984	1,469,858	0	2,409,842	14.6%
Inflation Deflation	(1,012)	0	0	(1,012)	(0.0%)	(683)	0	0	(683)	(0.0%)
Total Statewide PL	1,173,833	1,469,858	0	2,643,691	15.9%	1,049,845	1,469,858	0	2,519,703	15.3%
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
Total HB 2 Adjustments	1,173,833	1,469,858	0	2,643,691	15.9%	1,049,845	1,469,858	0	2,519,703	15.3%
Total Requested Budget	9,523,182	7,019,824	3,664	16,611,389		9,399,194	7,019,824	3,664	16,487,401	

Funding

The following table shows proposed program funding for all sources 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	18,922,376	0	0	8,727,323	27,649,699	40.3%	
02014 Highway Patrol Pay & Retention	179,822	0	0	0	179,822	0.4%	
02016 Criminal Justice Info Network	148,544	0	0	0	148,544	0.4%	
02074 Gambling License Fee Account	424,802	0	0	0	424,802	1.0%	
02140 Consumer Education Settlement	551,992	0	0	0	551,992	1.4%	
02143 Drug Forfeitures-State	0	0	0	479,000	479,000	1.2%	
02464 MHP Highway State Special	1,669,926	0	0	0	1,669,926	4.1%	
02546 MT Law Enforcement Academy	44,334	0	0	0	44,334	0.1%	
02590 MT END OF WATCH ACCT	800,000	0	0	0	800,000	2.0%	
02594 Statewide 911 Services Admin	171,886	0	0	0	171,886	0.4%	
02790 6901-Statewide Tobacco Sttlmnt	3,508	0	0	0	3,508	0.0%	
02797 Criminal Records Info Sys	511,798	0	0	0	511,798	1.3%	
02798 61-3-550 MVD MERLIN HB261	592,890	0	0	0	592,890	1.5%	
02799 Motor Vehicle Administration	8,938,130	0	0	0	8,938,130	22.1%	
02937 DOJ Misc SSR MOUs	2,016	0	0	0	2,016	0.0%	
02992 NG 911	0	0	0	4,679,888	4,679,888	11.6%	
02997 911 Distribution	0	0	0	19,499,532	19,499,532	48.1%	
02998 911 Grants	0	0	0	1,819,956	1,819,956	4.5%	
State Special Total	\$14,039,648	\$0	\$0	\$26,478,376	\$40,518,024	59.1%	
03214 DCI Federal Forfeitures	0	0	0	250,000	250,000	97.2%	
03800 Medicaid Fraud	7,328	0	0	0	7,328	2.8%	
Federal Special Total	\$7,328	\$0	\$0	\$250,000	\$257,328	0.4%	
06005 Liquor Division	115,508	0	0	0	115,508	89.2%	
06500 Agency Legal Services	13,930	0	0	0	13,930	10.8%	
Proprietary Total	\$129,438	\$0	\$0	\$0	\$129,438	0.2%	
Total All Funds	\$33,098,790	\$0	\$0	\$35,455,699	\$68,554,489		

The CSD is funded by allocations of department wide costs among the various funding sources. General fund provides roughly 40.0% of the division's requested HB 2 funding. Within the state special revenue funding, the largest source is the MVD administrative fee account, providing 22.1% of the HB 2 state special revenue funding. Additional state special funding comes primarily from the MHP Highway State Special account, Motor Vehicle Division MERLIN funds, and other smaller sources. Proprietary funds from liquor licensing fees provide the remainder of HB 2 funding.

General fund also supports statutory appropriations that provide roughly half of county attorneys' salaries and group benefits contributions. State special revenue statutory appropriations fund 9-1-1 grants and distributions for the operations and maintenance of 9-1-1 call centers across the state. Other state special and federal special revenue statutory appropriations make use of drug forfeiture proceeds for the enforcement of drug laws and for support of state and local law enforcement programs, respectively.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	66.48	66.48	66.48	66.48
Personal Services	5,980,169	6,021,353	6,607,032	6,711,791	6,717,576
Operating Expenses	6,413,192	6,622,202	6,811,315	9,350,247	9,220,474
Equipment & Intangible Assets	1,512,809	2,320,000	0	0	0
Local Assistance	0	1	1	1	1
Benefits & Claims	0	400,000	400,000	400,000	400,000
Debt Service	258,507	249,350	149,350	149,350	149,350
Total Expenditures	\$14,164,677	\$15,612,906	\$13,967,698	\$16,611,389	\$16,487,401
General Fund	9,180,853	10,212,603	8,349,349	9,523,182	9,399,194
State/Other Special Rev. Funds	4,925,766	5,333,556	5,549,966	7,019,824	7,019,824
Federal Spec. Rev. Funds	1,945	3,664	3,664	3,664	3,664
Proprietary Funds	56,113	63,083	64,719	64,719	64,719
Total Funds	\$14,164,677	\$15,612,906	\$13,967,698	\$16,611,389	\$16,487,401
Total Ongoing	\$12,886,163	\$13,522,906	\$13,967,698	\$16,611,389	\$16,487,401
Total OTO	\$1,278,514	\$2,090,000	\$0	\$0	\$0

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.

CSD also includes the Justice Information Technology Services bureau (JITS). JITS engineers, designs, plans, implements, directs, evaluates, operates, and manages all information technologies systems and services within DOJ.

These systems include the Montana Enhanced Registration Licensing Network (MERLIN) (MVD), driver testing, license/identification production (MVD), IJIS Broker, SmartCop (MHP), CJIN (DCI), Computerized Criminal History (DCI), Automated Biometric Identification System (DCI), Sexual or Violent Offender (SVOR) repository and web site, Laboratory Management Information System (FSD), GENTAX (GCD), 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. JITS is also responsible for DOJ information security, disaster recovery plan and implementation, and the IT Strategic Plan.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

In FY 2024, the department performed a reorganization that combined the JITS and CSD divisions into one program. After accounting for these modifications, the CSD expended 93.1% of HB 2 appropriations. Personal services were expended at 99.3% and operating expenses were expended at 96.8%. The largest unexpended balance occurs in equipment accounts. The 2023 Legislature provided \$2.0 million in one-time-only biennial funding for server replacements. Approximately \$811,000 of this authority was not expended in FY 2024. It is available for spending in FY 2025 given the biennial nature of the appropriation, should the need arise.

FY 2024 Appropriations Compared to FY 2025 Appropriations

When compared to FY 2024 appropriations, FY 2025 amounts decrease by about \$1.6 million or 10.5%. Personal services increase by approximately \$600,000 due to additional HB 13 pay plan funding for FY 2025. Additionally, the table reflects no authority for equipment accounts in FY 2025 which is a decrease of \$2.3 million compared to FY 2024. The table does not include the unexpended \$811,000 for server replacement discussed above. As this appropriation is biennial, it can continue into FY 2025.

Program Personal Services

Personal services requested for the 2027 biennium total \$13.4 million reflecting an increase of \$215,000 or 1.6% when compared to FY 2025 base personal services. This increase is entirely attributed to statewide present law adjustments to personal services resulting from increased retirement and social security benefits partially offset by the agency rehiring vacant

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 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	104,759	0	0	104,759	0.00	110,544	0	0	110,544
DP 2 - Fixed Costs	0.00	1,070,086	1,469,858	0	2,539,944	0.00	939,984	1,469,858	0	2,409,842
DP 3 - Inflation Deflation	0.00	(1,012)	0	0	(1,012)	0.00	(683)	0	0	(683)
Grand Total All Present Law Adjustments	0.00	\$1,173,833	\$1,469,858	\$0	\$2,643,691	0.00	\$1,049,845	\$1,469,858	\$0	\$2,519,703

***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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Department of Justice Central Services Division FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$79,157
Management Decisions	25,602
Budget Modifications	-
Total	<u>\$104,759</u>

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: audit fees, Capitol complex rent, information technology services, 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 in-state state motor pool and motor pool leased vehicles.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget	Requested Budget		Biennium Change from Base	
	FY 2025	FY 2026	FY 2027	Amount	Percent
PB	2.99	2.99	2.99	0.00	0.0%
State/Other Special Rev. Funds	625,543	636,785	633,681	19,380	1.5%
Total Funds	625,543	636,785	633,681	19,380	1.5%
Personal Services	400,480	289,368	286,264	(225,328)	(28.1%)
Operating Expenses	183,063	305,417	305,417	244,708	66.8%
Transfers	42,000	42,000	42,000		0.0%
Total Expenditures	625,543	636,785	633,681	19,380	1.5%
Total Ongoing	625,543	511,785	508,681	(230,620)	(18.4%)
Total One-Time-Only		125,000	125,000	250,000	0.0%

Program Highlights

POST Council Major Budget Highlights	
<p>The 2027 biennium HB 2 request for the Public Safety Officers Standards and Training Council (POST) is an increase of just over \$19,000 or 1.5% when compared to FY 2025 base appropriations. This results from a request for \$250,000 one-time-only state special revenue authority to be used for contested case counsel offset by statewide present law reductions to personal services and fixed costs with adjustments to personal services accounting for \$225,000 of the decrease.</p>	

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Post Council 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	0	625,543	0	625,543	98.2%	0	625,543	0	625,543	98.7%
Statewide PL										
Personal Services	0	(111,112)	0	(111,112)	(17.4%)	0	(114,216)	0	(114,216)	(18.0%)
Fixed Costs	0	(2,646)	0	(2,646)	(0.4%)	0	(2,646)	0	(2,646)	(0.4%)
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	0	(113,758)	0	(113,758)	(17.9%)	0	(116,862)	0	(116,862)	(18.4%)
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	125,000	0	125,000	19.6%	0	125,000	0	125,000	19.7%
Total HB 2 Adjustments	0	11,242	0	11,242	1.8%	0	8,138	0	8,138	1.3%
Total Requested Budget	0	636,785	0	636,785		0	633,681	0	633,681	

Funding

The following table shows proposed program funding for all sources of authority.

Department of Justice, 19-Post Council Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	0	0	0	0	0	0.0%
02546 MT Law Enforcement Academy	1,020,466	250,000	0	0	1,270,466	100.0%
State Special Total	\$1,020,466	\$250,000	\$0	\$0	\$1,270,466	100.0%
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.0%
Total All Funds	\$1,020,466	\$250,000	\$0	\$0	\$1,270,466	

As outlined in HB 2 language from the 2023 Session, the POST Council is funded entirely from the MLEA state special revenue account which receives revenue from licenses and permits, charges for services like tuition, and from MLEA generated revenues.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	2.99	2.99	2.99	2.99
Personal Services	376,977	379,800	400,480	289,368	286,264
Operating Expenses	147,517	190,746	183,063	305,417	305,417
Transfers	42,000	42,000	42,000	42,000	42,000
Total Expenditures	\$566,494	\$612,546	\$625,543	\$636,785	\$633,681
State/Other Special Rev. Funds	566,494	612,546	625,543	636,785	633,681
Total Funds	\$566,494	\$612,546	\$625,543	\$636,785	\$633,681
Total Ongoing	\$566,494	\$612,546	\$625,543	\$511,785	\$508,681
Total OTO	\$0	\$0	\$0	\$125,000	\$125,000

Program Description

The Montana POST Council was formed in 2007 under 2-15-2029, MCA, as an independent quasi-judicial board, and is allocated to the Montana Department of Justice for administrative purposes. The POST is responsible for establishing basic and advanced qualification and training standards for employment of Montana's public safety officers, as defined in 44-4-401, MCA. In addition, the council conducts and approves training, provides for the certification and re-certification of public safety officers, and is responsible for the suspension or revocation of certification of public safety officers.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

The POST Council expended 92.5% of its modified HB 2 budget in FY 2024. Personal services were 99.3% expended, and operating expenses were 77.3% expended. Operating expenses make up relatively small amounts, and unexpended balances in these categories total \$43,000.

FY 2024 Appropriations Compared to FY 2025 Appropriations

FY 2025 appropriations are \$13,000 higher than FY 2024 amounts. This increase is in personal services and relates to additional HB 13 funding provided for the second year of the 2025 biennium.

Program Personal Services

Total personal services requested for the 2027 biennium are nearly \$576,000. This is a decrease of \$225,000 or 28.1% when compared to FY 2025 base appropriations. This decrease is the result of statewide present law adjustments to personal services driven by budget modifications made during the interim. When moving personal services and corresponding personnel between programs, if the amount transferred is higher than the amount needed to pay salary and benefits for the positions, that excess funding reverts back to the original program at the time of the snapshot. This occurred in the POST Council explaining the decrease due to statewide present law. Additionally, some personal service authority was transferred and used to pay a modified position. This funding goes away at the time of the snapshot.

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 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	(111,112)	0	(111,112)	0.00	0	(114,216)	0	(114,216)
DP 2 - Fixed Costs	0.00	0	(2,646)	0	(2,646)	0.00	0	(2,646)	0	(2,646)
Grand Total All Present Law Adjustments	0.00	\$0	(\$113,758)	\$0	(\$113,758)	0.00	\$0	(\$116,862)	\$0	(\$116,862)

*"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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Department of Justice POST Council FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$7,767
Management Decisions	12,882
Budget Modifications	(131,761)
Total	(\$111,112)

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: audit fees, Capitol complex rent, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

New Proposals

The “New Proposals” table shows new proposals for spending.

New Proposals										
-----Fiscal 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 1902 - Contested Case Counsel Funding (RST, BIEN, OTO)										
	0.00	0	125,000	0	125,000	0.00	0	125,000	0	125,000
Total	0.00	\$0	\$125,000	\$0	\$125,000	0.00	\$0	\$125,000	\$0	\$125,000

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

DP 1902 - Contested Case Counsel Funding (RST, BIEN, OTO) -

The executive requests one-time-only state special revenue authority from the MLEA account to be used for contested case counsel.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget		Biennium Change from Base	
		FY 2026	FY 2027	Amount	Percent
PB	15.00	15.00	15.00	0.00	0.0%
General Fund	150,000	150,000	150,000		0.0%
State/Other Special Rev. Funds	2,340,060	2,353,245	2,354,421	27,546	0.6%
Total Funds	2,490,060	2,503,245	2,504,421	27,546	0.6%
Personal Services	1,595,975	1,308,595	1,309,771	(573,584)	(18.0%)
Operating Expenses	754,560	1,055,125	1,055,125	601,130	39.8%
Transfers	11,295	11,295	11,295		0.0%
Debt Service	128,230	128,230	128,230		0.0%
Total Expenditures	2,490,060	2,503,245	2,504,421	27,546	0.6%
Total Ongoing	2,490,060	2,503,245	2,504,421	27,546	0.6%
Total One-Time-Only					0.0%

Program Highlights

Montana Law Enforcement Academy Major Budget Highlights

The 2027 biennium HB 2 request for the Montana Law Enforcement Academy is an increase of nearly \$28,000 or 0.6% when compared to FY 2025 base appropriations. This is a result of a request for \$700,000 state special revenue to increase maintenance appropriations for the MLEA complex. This request is offset by statewide present law adjustments to personal services and fixed costs totaling \$672,000.

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Montana Law Enforcement Academy 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	150,000	2,340,060	0	2,490,060	99.5%	150,000	2,340,060	0	2,490,060	99.4%
Statewide PL										
Personal Services	0	(287,380)	0	(287,380)	(11.5%)	0	(286,204)	0	(286,204)	(11.4%)
Fixed Costs	0	(49,435)	0	(49,435)	(2.0%)	0	(49,435)	0	(49,435)	(2.0%)
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	0	(336,815)	0	(336,815)	(13.5%)	0	(335,639)	0	(335,639)	(13.4%)
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	350,000	0	350,000	14.0%	0	350,000	0	350,000	14.0%
Total HB 2 Adjustments	0	13,185	0	13,185	0.5%	0	14,361	0	14,361	0.6%
Total Requested Budget	150,000	2,353,245	0	2,503,245		150,000	2,354,421	0	2,504,421	

Funding

The following table shows proposed program funding for all sources of authority.

Department of Justice, 20-Montana Law Enforcement Academy Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	300,000	0	0	0	300,000	6.0%
02546 MT Law Enforcement Academy	4,707,666	0	0	0	4,707,666	100.0%
State Special Total	\$4,707,666	\$0	\$0	\$0	\$4,707,666	94.0%
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.0%
Total All Funds	\$5,007,666	\$0	\$0	\$0	\$5,007,666	

The MLEA is funded primarily through the MLEA state special revenue account established in 44-10-204, MCA. This fund receives revenue from licenses and permits, charges for services like tuition, and from MLEA generated revenues. The following table shows the projected balance of the fund through the 2027 biennium. Small amounts of authority also come from the general fund.

Montana Law Enforcement Academy Account (02546)				
2027 Biennium Fund Balance Projection				
	Actual FY 2024	Appropriated FY 2025	Proposed FY 2026	Proposed FY 2027
Beginning Fund Balance	\$4,196,040	\$2,835,010	\$3,442,666	\$3,872,370
Revenues	\$3,478,894	\$3,595,426	\$3,595,426	\$3,595,426
Expenditures				
Personal Services	1,680,480	1,996,455	1,751,488	1,749,560
Operating Expenses	1,321,654	809,790	1,232,709	1,232,709
Equipment	28,651	0	0	0
Tranfers	53,295	53,295	53,295	53,295
Debt Service	0	128,230	128,230	128,230
Total Expenditures	\$3,084,080	\$2,987,770	\$3,165,722	\$3,163,794
Prior Period Adjustments	(1,755,844)	0	0	0
Ending Fund Balance	\$2,835,010	\$3,442,666	\$3,872,370	\$4,304,002

Projected revenues exceed proposed expenditures by a slight margin. Revenues estimated in the 2027 biennium are \$7.2 million while proposed expenses are \$6.4 million. The account is projected to end the 2027 biennium with a balance of roughly \$4.3 million.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	15.00	15.00	15.00	15.00
Personal Services	1,310,353	1,310,363	1,595,975	1,308,595	1,309,771
Operating Expenses	1,301,970	1,302,008	754,560	1,055,125	1,055,125
Equipment & Intangible Assets	28,651	28,651	0	0	0
Transfers	11,295	11,295	11,295	11,295	11,295
Debt Service	0	1	128,230	128,230	128,230
Total Expenditures	\$2,652,269	\$2,652,318	\$2,490,060	\$2,503,245	\$2,504,421
General Fund	150,001	150,000	150,000	150,000	150,000
State/Other Special Rev. Funds	2,502,268	2,502,318	2,340,060	2,353,245	2,354,421
Total Funds	\$2,652,269	\$2,652,318	\$2,490,060	\$2,503,245	\$2,504,421
Total Ongoing	\$2,652,269	\$2,652,318	\$2,490,060	\$2,503,245	\$2,504,421
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Description

The Montana Law Enforcement Academy (MLEA) was established in 1959 under 44-10-102, MCA to provide Montana law enforcement officers and other qualified individuals with a means of securing training in the field of law enforcement. The MLEA provides entry level and advanced training to Montana’s state, county, city, and tribal law enforcement agencies. The mission of the MLEA is to serve law enforcement agencies and the communities they represent by providing a positive atmosphere where relevant and realistic training for new and veteran public safety professionals can occur.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

In FY 2024, the MLEA fully expended its modified HB 2 budget.

FY 2024 Appropriations Compared to FY 2025 Appropriations

FY 2025 appropriations are \$160,000 lower than FY 2024 amounts. This reflects a decrease of 6.1%. Additional personal service authority results from the HB 13 pay plan while decreases seen in operating expenses are the result of modifications made in FY 2024. These modifications increased FY 2024 operating expense authority by approximately \$564,000.

Program Personal Services

Total personal services requested for the 2027 biennium are \$2.6 million. This is a decrease of \$574,000 or 18.0% when compared to FY 2025 base appropriations. This decrease is the result of statewide present law adjustments to personal services driven by budget modifications made during the interim. When moving personal services and corresponding personnel between programs, if the amount transferred is higher than the amount needed to pay salary and benefits for the positions, that excess funding resorts back to the original program at the time of the snapshot. This occurred in the MLEA explaining the main portion of the decrease due to statewide present law.

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 2026-----					-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	(287,380)	0	(287,380)	0.00	0	(286,204)	0	(286,204)
DP 2 - Fixed Costs	0.00	0	(49,435)	0	(49,435)	0.00	0	(49,435)	0	(49,435)
Grand Total All Present Law Adjustments	0.00	\$0	(\$336,815)	\$0	(\$336,815)	0.00	\$0	(\$335,639)	\$0	(\$335,639)

***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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Department of Justice	
MLEA	
FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$29,534
Management Decisions	107,196
Budget Modifications	(424,110)
Total	<u>(\$287,380)</u>

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: audit fees, Capitol complex rent, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

New Proposals

The "New Proposals" table shows new proposals for spending.

New Proposals	Fiscal 2026					Fiscal 2027				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 2001 - MLEA Authority Increase	0.00	0	350,000	0	350,000	0.00	0	350,000	0	350,000
Total	0.00	\$0	\$350,000	\$0	\$350,000	0.00	\$0	\$350,000	\$0	\$350,000

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

DP 2001 - MLEA Authority Increase -

The executive requests additional state special revenue to provide additional funding to maintain the MLEA complex infrastructure.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget FY 2026 FY 2027		Biennium Change from Base Amount Percent	
PB	18.00	18.00	18.00	0.00	0.0%
General Fund	2,146,507	2,110,239	2,107,253	(75,522)	(1.8%)
State/Other Special Rev. Funds	653,960	2,653,960	2,653,960	4,000,000	305.8%
Federal Spec. Rev. Funds	14,208,541	14,208,541	14,208,541		0.0%
Total Funds	17,009,008	18,972,740	18,969,754	3,924,478	11.5%
Personal Services	1,755,995	1,712,529	1,715,282	(84,179)	(2.4%)
Operating Expenses	1,179,807	1,187,005	1,181,266	8,657	0.4%
Equipment & Intangible Assets	12,909	12,909	12,909		0.0%
Grants	11,171,980	13,171,980	13,171,980	4,000,000	17.9%
Transfers	2,888,317	2,888,317	2,888,317		0.0%
Total Expenditures	17,009,008	18,972,740	18,969,754	3,924,478	11.5%
Total Ongoing	17,009,008	18,972,740	18,969,754	3,924,478	11.5%
Total One-Time-Only	2,000,000			(4,000,000)	(100.0%)

Program Highlights

Board of Crime Control Major Budget Highlights
<p>The 2027 biennium request for the Montana Board of Crime Control (MBCC) is \$3.9 million or 11.5% higher than FY 2025 base appropriations. Significant changes include:</p> <ul style="list-style-type: none"> • \$4.0 million in state special revenue to continue additional victim services provided as one-time-only by the 2023 Legislature • A reduction of \$85,000 related to statewide present law adjustments to personal services.

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Board of Crime Control 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	2,146,507	653,960	14,208,541	17,009,008	89.6%	2,146,507	653,960	14,208,541	17,009,008	89.7%
Statewide PL										
Personal Services	(43,466)	0	0	(43,466)	(0.2%)	(40,713)	0	0	(40,713)	(0.2%)
Fixed Costs	7,187	0	0	7,187	0.0%	1,452	0	0	1,452	0.0%
Inflation Deflation	11	0	0	11	0.0%	7	0	0	7	0.0%
Total Statewide PL	(36,268)	0	0	(36,268)	(0.2%)	(39,254)	0	0	(39,254)	(0.2%)
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	2,000,000	0	2,000,000	10.5%	0	2,000,000	0	2,000,000	10.5%
Total HB 2 Adjustments	(36,268)	2,000,000	0	1,963,732	10.4%	(39,254)	2,000,000	0	1,960,746	10.3%
Total Requested Budget	2,110,239	2,653,960	14,208,541	18,972,740		2,107,253	2,653,960	14,208,541	18,969,754	

Funding

The following table shows proposed program funding for all sources of authority.

Department of Justice, 21-Board of Crime Control Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	4,217,492	0	0	0	4,217,492	11.1%
02177 VOCA	4,000,000	0	0	0	4,000,000	75.4%
02231 CIT Training - HB701	20,000	0	0	0	20,000	0.4%
02400 Cannabis distribution	600,000	0	0	0	600,000	11.3%
02768 Domestic Violence Intervention	261,168	0	0	0	261,168	4.9%
02868 FVSP State match	126,752	0	0	0	126,752	2.4%
02937 DOJ Misc SSR MOUs	300,000	0	0	0	300,000	5.7%
State Special Total	\$5,307,920	\$0	\$0	\$0	\$5,307,920	14.0%
03008 Juvenile Justice Council	924,654	0	0	0	924,654	3.3%
03081 OVW Sexual Assault Services	728,882	0	0	0	728,882	2.6%
03090 P Coverdell Forensic Science	673,426	0	0	0	673,426	2.4%
03111 Residential Substance Abuse	362,204	0	0	0	362,204	1.3%
03188 Justice Assistance Grant	1,885,608	0	0	0	1,885,608	6.6%
03192 Crime Victim Assistance	14,870,334	0	0	0	14,870,334	52.3%
03200 SORNA CFDA 16.751	124,000	0	0	0	124,000	0.4%
03201 Justice System Enhancements	645,706	0	0	0	645,706	2.3%
03248 Prescription Drug Monitoring	448,820	0	0	0	448,820	1.6%
03343 Criminal History record Improv	4,200,000	0	0	0	4,200,000	14.8%
03344 Violence Against Women Act	2,048,576	0	0	0	2,048,576	7.2%
03832 FVSP Grant	1,184,918	0	0	0	1,184,918	4.2%
03956 Project Safe Neighborhoods	210,448	0	0	0	210,448	0.7%
03962 Enf. Underage Drinking Laws	260	0	0	0	260	0.0%
03963 John R Justice Grant	89,246	0	0	0	89,246	0.3%
03980 Comprehensive Opioid Abuse PGM	20,000	0	0	0	20,000	0.1%
Federal Special Total	\$28,417,082	\$0	\$0	\$0	\$28,417,082	74.9%
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.0%
Total All Funds	\$37,942,494	\$0	\$0	\$0	\$37,942,494	

The MBCC is funded primarily with federal special revenue from federal pass-through grants, accounting for 83.7% of the requested budget. General fund primarily supports agency operations, grant compliance and quality assurance activities, and grants to juvenile detention centers. State special revenue for the misdemeanor domestic violence intervention program and for crisis intervention training is administered by this agency. Federal funds administered by the agency come from federal grants, and most of these funds are pass-through funds that go to state and local agencies. The largest use of federal funds is for assistance to victims of crime including violence against women.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	18.00	18.00	18.00	18.00
Personal Services	1,569,802	1,707,696	1,755,995	1,712,529	1,715,282
Operating Expenses	474,980	1,160,816	1,179,807	1,187,005	1,181,266
Equipment & Intangible Assets	0	12,909	12,909	12,909	12,909
Grants	8,966,286	12,429,895	13,171,980	13,171,980	13,171,980
Transfers	755,905	2,888,317	2,888,317	2,888,317	2,888,317
Total Expenditures	\$11,766,973	\$18,199,633	\$19,009,008	\$18,972,740	\$18,969,754
General Fund	3,863,915	3,995,409	4,146,507	2,110,239	2,107,253
State/Other Special Rev. Funds	556,732	590,352	653,960	2,653,960	2,653,960
Federal Spec. Rev. Funds	7,346,326	13,613,872	14,208,541	14,208,541	14,208,541
Total Funds	\$11,766,973	\$18,199,633	\$19,009,008	\$18,972,740	\$18,969,754
Total Ongoing	\$9,766,973	\$16,199,633	\$17,009,008	\$18,972,740	\$18,969,754
Total OTO	\$2,000,000	\$2,000,000	\$2,000,000	\$0	\$0

Program Description

The Montana Board of Crime Control (MBCC) is the state's designated agency for policy, planning, and program development in the areas of criminal and juvenile justice, victim assistance, resource development, and public safety. MBCC is administratively attached to the Department of Justice, with an 18-member quasi-judicial board appointed by the Governor.

The MBCC provides financial support, technical assistance, and supportive services to state and local criminal justice agencies. The board provides funding to local, regional, and statewide projects with the central goal of making Montana a safer state for all of its citizens. MBCC is the state administering agency for the US Department of Justice programs and the Omnibus Crime Control and Safe Streets Act. MBCC administers federal anti-drug and anti-crime grants, provides funding for juvenile justice programs, and provides assistance to victims of crime. The entity also houses the Statistical Analysis Center that collects and analyzes crime data from Montana law enforcement agencies and reports this data to the FBI Uniform Crime Reporting Program. The division is established in 2-15-2006, MCA.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

The FY 2024 modified HB 2 budget for the MBCC was 64.2% expended. Due to the large amount of federal funding in the program, under expending relates to the process for, and timing of, administering grants, which tends to lag behind typical expenditures. Personal service authority was 92.7% expended, and operating expenses were 41.3% expended.

FY 2024 Appropriations Compared to FY 2025 Appropriations

FY 2025 appropriations reflect an increase of nearly \$900,000 when compared to FY 2024. This increase is found primarily within grant authority. The MBCC received additional authority in FY 2025 as a result of transferring the Family Violence Prevention Services Act (FVSPA) grant from the Department of Health and Human Services to the MBCC. This became effective in October of 2024.

Program Personal Services

Personal services requested for the 2027 biennium total \$3.4 million which reflect an overall decrease of \$84,000 or 2.4% when compared to FY 2025 base appropriations. This reduction is found entirely within statewide present law adjustments to personal services and are primarily the result of changes to position benefits such as longevity.

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 2026-----						-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(43,466)	0	0	(43,466)	0.00	(40,713)	0	0	(40,713)
DP 2 - Fixed Costs	0.00	7,187	0	0	7,187	0.00	1,452	0	0	1,452
DP 3 - Inflation Deflation	0.00	11	0	0	11	0.00	7	0	0	7
Grand Total All Present Law Adjustments	0.00	(\$36,268)	\$0	\$0	(\$36,268)	0.00	(\$39,254)	\$0	\$0	(\$39,254)

***"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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Department of Justice Board of Crime Control FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$5,312
Management Decisions	(48,778)
Budget Modifications	-
Total	<u><u>(\$43,466)</u></u>

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: audit fees, Capitol complex rent, information technology services, 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 in-state state motor pool and motor pool leased vehicles.

New Proposals

The "New Proposals" table shows new proposals for spending.

New Proposals										
-----Fiscal 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 2102 - Move OTO VOCA funding to permanent.										
0.00	0	2,000,000	0	2,000,000		0.00	0	2,000,000	0	2,000,000
Total	0.00	\$0	\$2,000,000	\$0	\$2,000,000	0.00	\$0	\$2,000,000	\$0	\$2,000,000

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

DP 2102 - Move OTO VOCA funding to permanent. -

The executive requests state special revenue to makeup for reductions in federal VOCA funding for crime victims. This funding source is contingent upon additional legislation which seeks to create a new state special revenue account for this purpose.

LFD COMMENT

The Legislative Finance Committee recommends that subcommittees not pass contingent DPs until the corresponding bill has passed.

LFD COMMENT

The 2023 Legislature provided \$4.0 million in one-time-only general fund to offset reductions seen in federal funding received for victim services. This request looks to continue that funding and is contingent upon additional legislation creating the proposed state special revenue account.

PUBLIC SERVICE COMMISSION

Section D

JOINT SUBCOMMITTEE OF HOUSE APPROPRIATIONS AND SENATE FINANCE AND CLAIMS COMMITTEES

-----Agencies-----

Judicial Branch
Dept. of Justice
Public Service Commission

Office of Public Defender
Dept. of Corrections

-----Committee Members-----

House

Representative Fiona Nave (Chair)
Representative Thedis Crowe
Representative Donavon Hawk
Representative Anthony Nicastrò

Senate

Senator Shelley Vance (Vice Chair)
Senator Tom McGillvray
Senator Shane Morìgeau

-----Fiscal Division Staff-----

Walker Hopkins
Barb Wagner

Agency Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Agency Base Budget Comparison					
Budget Item	Base Budget	Requested Budget		Biennium Change from Base	
	FY 2025	FY 2026	FY 2027	Amount	Percent
PB	38.00	40.50	40.50	2.50	3.3%
State/Other Special Rev. Funds	5,302,697	5,948,511	5,693,838	1,036,955	9.8%
Federal Spec. Rev. Funds	273,760	273,760	273,760		0.0%
Total Funds	5,576,457	6,222,271	5,967,598	1,036,955	9.3%
Personal Services	4,231,891	4,551,679	4,557,058	644,955	7.6%
Operating Expenses	1,017,668	1,343,694	1,083,642	392,000	19.3%
Debt Service	326,898	326,898	326,898		0.0%
Total Expenditures	5,576,457	6,222,271	5,967,598	1,036,955	9.3%
Total Ongoing	5,576,457	6,222,271	5,967,598	1,036,955	9.3%
Total One-Time-Only					0.0%

Agency Highlights

Public Service Commission Major Budget Highlights
<p>The 2027 biennium budget request for the Public Service Commission is just over \$1.0 million or 9.3% greater than FY 2025 base appropriations. Significant changes include:</p> <ul style="list-style-type: none"> • Almost \$523,000 in statewide present law adjustments to personal services and fixed costs • \$316,000 state special revenue to support 2.50 new PB including 1.00 accounting technician and 1.50 administrative assistants • \$200,000 in one-time-only state special for the review of an upcoming and expected integrated resource plan

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Public Service Commission 2027 Biennium Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	0	5,302,697	273,760	5,576,457	89.6%	0	5,302,697	273,760	5,576,457	93.4%
Statewide PL										
Personal Services	0	169,251	0	169,251	2.7%	0	174,629	0	174,629	2.9%
Fixed Costs	0	115,194	0	115,194	1.9%	0	63,484	0	63,484	1.1%
Inflation Deflation	0	(1,109)	0	(1,109)	(0.0%)	0	(750)	0	(750)	(0.0%)
Total Statewide PL	0	283,336	0	283,336	4.6%	0	237,363	0	237,363	4.0%
Present Law (PL)	0	200,000	0	200,000	3.2%	0	0	0	0	0.0%
New Proposals	0	162,478	0	162,478	2.6%	0	153,778	0	153,778	2.6%
Total HB 2 Adjustments	0	645,814	0	645,814	10.4%	0	391,141	0	391,141	6.6%
Total Requested Budget	0	5,948,511	273,760	6,222,271		0	5,693,838	273,760	5,967,598	

Statewide Present Law Adjustment for Personal Services

In order to explain the factors influencing personal services changes, the proposed statewide personal services present law adjustment (DP1) has been broken down into three categories, as follows:

- Legislative changes - This category includes adjustments explicitly approved by the legislature, such as, changes to benefit rates, longevity adjustments required by statute, and changes in rates for workers' compensation and unemployment insurance
- Management changes - This category includes agency management decisions that adjust personal services related to changes in pay. This includes changes such as hiring positions budgeted (PB) at a lower rate to replace senior staff and broadband pay adjustments for recruitment and retention
- Budget modifications - This category includes other modifications to the FY 2025 personal services base budget such as management decisions to transfer personal services funding between programs within an agency or movement of personal services funding to or from another expenditure category (e.g. moving funding from operating expenses to personal services)

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

Public Service Commission FY 2026 Statewide Present Law Adjustment for Personal Services - DP1				
Program	Legislative Changes	Management Decisions	Budget Modifications	Total DP1
01 Public Service Regulation	154,932	14,319	-	169,251
Total	\$154,932	\$14,319	-	\$169,251

Statewide present law adjustments to personal services are primarily comprised of legislative changes and some smaller management changes. Legislative changes are primarily due to increased retirement and social security benefits, as well as an elected position pay adjustment. Management changes are due to increased pay for adjustments such as retention, market, etc.

Funding

The following table shows proposed agency funding for all sources of authority.

Total Public Service Commission Funding by Source of Authority 2027 Biennium Budget Request						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
02281 Public Service Commission	11,642,349				11,642,349	95.5%
State Special Revenue Total	11,642,349		-	-	11,642,349	95.5%
03011 Natural Gas Safety Pgm	547,520				547,520	4.5%
Federal Special Revenue Total	547,520		-	-	547,520	4.5%
Proprietary Fund Total	-	-	-	-	-	0.0%
Total of All Funds	12,189,869	-	-	-	12,189,869	
Percent of All Sources of Authority	100.0%	0.0%	0.0%	0.0%		

The PSC is funded with a combination of state and federal special revenue. State special revenue comprises 95.4% of the PSC HB 2 request for the 2027 biennium. The figure below shows the fund balance for the PSC state special revenue account. The revenue in the PSC account is derived from a fee levied on regulated companies.

Public Service Commission Account (02281) 2027 Biennium Fund Balance Projection				
	Actual FY 2024	Appropriated FY 2025	Proposed FY 2026	Proposed FY 2027
Beginning Fund Balance	\$2,914,871	\$3,437,750	\$2,847,580	\$1,836,669
Revenues	6,369,694	4,936,100	4,937,600	4,938,100
Expenditures	5,860,066	5,526,270	5,948,511	5,693,838
Prior Period Adjustments	13,251	0	0	0
Ending Fund Balance	\$3,437,750	\$2,847,580	\$1,836,669	\$1,080,931

The amount of the fee is calculated by the Department of Revenue and is based on the annual level of appropriation, which is adjusted for the ending fund balance. The fee is charged as a percentage of the gross operating revenue from all activities in companies regulated by the PSC for the calendar quarter of operation, as outlined in 69-1-402, MCA.

Proposed expenditures for the 2027 biennium total \$11.6 million. Expected revenues for the biennium total nearly \$9.9 million. The ending fund balance is expected to decrease over the next few fiscal years and is projected to end the 2027 biennium with a balance of approximately \$1.1 million.

Agency Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	38.00	38.00	40.50	40.50
Personal Services	3,885,902	4,156,998	4,231,891	4,551,679	4,557,058
Operating Expenses	550,925	1,079,994	1,017,668	1,343,694	1,083,642
Debt Service	285,415	304,376	326,898	326,898	326,898
Total Expenditures	\$4,722,242	\$5,541,368	\$5,576,457	\$6,222,271	\$5,967,598
State/Other Special Rev. Funds	4,576,454	5,267,608	5,302,697	5,948,511	5,693,838
Federal Spec. Rev. Funds	145,788	273,760	273,760	273,760	273,760
Total Funds	\$4,722,242	\$5,541,368	\$5,576,457	\$6,222,271	\$5,967,598
Total Ongoing	\$4,721,996	\$5,461,143	\$5,576,457	\$6,222,271	\$5,967,598
Total OTO	\$246	\$80,225	\$0	\$0	\$0

Agency Description

The Public Service Commission (PSC) is comprised of a 5-member elected Public Service Commission supported by a professional staff that provide expert legal, regulatory, public policy, consumer relations, and operational support.

The mission of the agency is to ensure that ratepayers have continued access to utility services that are affordable, reliable, and sustainable for the long-term. It is the duty of the PSC to supervise and regulate the operations of public utilities, common carriers, railroads, and other regulated industries listed in Title 69 (MCA). Such regulation and supervision is limited by, and shall be in conformance, with Title 69.

Please refer to the agency profile at [Public Service Commission - Montana Legislature](#) for additional information about the agency's organization structure, historical expenditures, goals and objectives, and recent studies and audits.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

The PSC expended 85.2% of its modified HB 2 budget in FY 2024. Personal service authority was 93.5% expended, and operating expenses were 51.0% expended. Operating expenses in FY 2024 included \$170,000 for licensing fees for the replacement of the electronic database for docket information (REDDI), which saw about \$144,000 in expenditures. Unexpended personal service authority primarily relates to anticipated retirement payouts totaling just over \$80,000. This authority was not expended but was made biennial and is available in FY 2025.

FY 2024 Appropriations Compared to FY 2025 Appropriations

When compared to FY 2024 appropriations, amounts in FY 2025 increase by just over \$35,000 or 0.6%. Additional personal service authority is attributable to additional HB 13 pay plan funding in FY 2025, and a small decrease in operating expenses is primarily the result of fixed costs adjustments being higher for the first year of the 2027 biennium.

Agency Personal Services

Total personal services requested for the 2027 biennium total \$9.1 million which reflects an increase of 645,000 or 7.6% when compared to the FY 2025 base budget. Increases are related to statewide present law adjustments to personal services for reasons discussed prior. These increases total nearly \$340,000. The additional increase is attributed to requests for 2.50 new PB.

Comparison of FY 2025 Legislative Budget to FY 2025 Base

The figure below illustrates the beginning FY 2025 budget as adopted by the 2023 Legislature compared to the FY 2025 base budget, which includes modifications as approved by the approving authority (as authorized in statute) during the interim. The FY 2025 base budget was agreed upon by the Office of Budget and Program Planning and the Fiscal Division to be the point from which any changes would be recorded for the 2027 biennium budgeting process.

Public Service Commission				
Comparison of the FY 2025 Legislative Budget to the FY 2025 Base Budget				
	Legislative Budget	Executive Modifications	Base Budget	% Change
01 PUBLIC SERVICE REGULATION PROG				
61000 Personal Services	4,231,891		4,231,891	0.0%
62000 Operating Expenses	1,017,668		1,017,668	0.0%
69000 Debt Service	326,898		326,898	0.0%
Total	5,576,457		5,576,457	0.0%
Agency Total	5,576,457		5,576,457	0.0%

As seen in the table above, the executive did not make modifications to the legislative budget from the 2023 Session.

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 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services										
0.00	0	169,251	0	169,251		0.00	0	174,629	0	174,629
DP 2 - Fixed Costs										
0.00	0	115,194	0	115,194		0.00	0	63,484	0	63,484
DP 3 - Inflation Deflation										
0.00	0	(1,109)	0	(1,109)		0.00	0	(750)	0	(750)
DP 4 - IRP Contract (OTO)										
0.00	0	200,000	0	200,000		0.00	0	0	0	0
Grand Total All Present Law Adjustments										
0.00	\$0	\$483,336	\$0	\$483,336		0.00	\$0	\$237,363	\$0	\$237,363

*"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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 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, information technology services, 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 in-state state motor pool and motor pool leased vehicles.

DP 4 - IRP Contract (OTO) -

The executive requests one-time-only state special revenue for consulting services in connection with the review of an expected integrated resource plan (IRP) expected to be submitted sometime in FY 2026.

New Proposals

The "New Proposals" table shows new proposals for spending.

New Proposals										
-----Fiscal 2026-----						-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 100 - 1.00 PB Accounting Technician 2	1.00	0	60,174	0	60,174	1.00	0	57,275	0	57,275
DP 200 - 1.00 PB Administrative Assistant 3	1.00	0	67,518	0	67,518	1.00	0	64,617	0	64,617
DP 300 - 0.50 PB Administrative Assistant 1	0.50	0	34,786	0	34,786	0.50	0	31,886	0	31,886
Total	2.50	\$0	\$162,478	\$0	\$162,478	2.50	\$0	\$153,778	\$0	\$153,778

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

DP 100 - 1.00 PB Accounting Technician 2 -

The executive requests 1.00 PB for an additional accounting technician to support accounts payable, accounts receivable, payroll, travel, and fiscal year end functions.

DP 200 - 1.00 PB Administrative Assistant 3 -

The executive requests 1.00 PB for an additional administrative assistant position to cover document processing for the entire agency such as research, formulating responses, and entry into a database which is currently being performed by a paralegal position.

DP 300 - 0.50 PB Administrative Assistant 1 -

The executive requests an additional 0.50 PB for an administrative assistant position to assist with the increased public comments received.

OFFICE OF PUBLIC DEFENDER

Section D

JOINT SUBCOMMITTEE OF HOUSE APPROPRIATIONS AND SENATE FINANCE AND CLAIMS COMMITTEES

-----Agencies-----

Judicial Branch
Dept. of Justice
Public Service Commission

Office of Public Defender
Dept. of Corrections

-----Committee Members-----

House

Representative Fiona Nave (Chair)
Representative Thedis Crowe
Representative Donavon Hawk
Representative Anthony Nicastrò

Senate

Senator Shelley Vance (Vice Chair)
Senator Tom McGillvray
Senator Shane Morìgeau

-----Fiscal Division Staff-----

Walker Hopkins
Barb Wagner

Agency Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Agency Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget		Biennium Change from Base	
		FY 2026	FY 2027	Amount	Percent
PB	310.44	343.50	351.50	41.06	6.6%
General Fund	48,317,060	64,356,568	65,748,059	33,470,507	34.6%
Total Funds	48,317,060	64,356,568	65,748,059	33,470,507	34.6%
Personal Services	34,558,672	39,228,249	40,462,811	10,573,716	15.3%
Operating Expenses	13,758,388	24,859,866	25,075,456	22,418,546	81.5%
Equipment & Intangible Assets		186,000	42,000	228,000	0.0%
Debt Service		82,453	167,792	250,245	0.0%
Total Expenditures	48,317,060	64,356,568	65,748,059	33,470,507	34.6%
Total Ongoing	48,317,060	63,909,968	65,441,859	32,717,707	33.9%
Total One-Time-Only	1,050,000	446,600	306,200	(1,347,200)	(64.2%)

Agency Highlights

Office of Public Defender Major Budget Highlights

The 2027 biennium request for the Office of Public Defender is \$33.5 million or 34.6% higher than FY 2025 base appropriations. Significant changes include:

- \$13.1 million general fund including \$12.5 million to cover the department's upcoming FY 2025 supplemental request and \$600,000 to fund OTO contracted attorney costs provided for the 2025 biennium
- \$8.6 million for 33.06 new PB in FY 2026 and 41.06 new PB in FY 2027
- \$6.2 million general fund to increase the contracted attorney pay rate from \$71.00 to \$90.00 per hour
- \$1.5 million to continue OTO funding in Yellowstone County
- \$980,000 in statewide present law adjustments to personal services and fixed costs

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Office of State Public Defender 2027 Biennium Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	48,317,060	0	0	48,317,060	75.1%	48,317,060	0	0	48,317,060	73.5%
Statewide PL										
Personal Services	183,118	0	0	183,118	0.3%	333,932	0	0	333,932	0.5%
Fixed Costs	226,516	0	0	226,516	0.4%	237,988	0	0	237,988	0.4%
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	409,634	0	0	409,634	0.6%	571,920	0	0	571,920	0.9%
Present Law (PL)	15,429,874	0	0	15,429,874	24.0%	16,659,079	0	0	16,659,079	25.3%
New Proposals	200,000	0	0	200,000	0.3%	200,000	0	0	200,000	0.3%
Total HB 2 Adjustments	16,039,508	0	0	16,039,508	24.9%	17,430,999	0	0	17,430,999	26.5%
Total Requested Budget	64,356,568	0	0	64,356,568		65,748,059	0	0	65,748,059	

Statewide Present Law Adjustment for Personal Services

In order to explain the factors influencing personal services changes, the proposed statewide personal services present law adjustment (DP1) has been broken down into three categories, as follows:

- Legislative changes - This category includes adjustments explicitly approved by the legislature, such as, changes to benefit rates, longevity adjustments required by statute, and changes in rates for workers' compensation and unemployment insurance
- Management changes - This category includes agency management decisions that adjust personal services related to changes in pay. This includes changes such as hiring positions budgeted (PB) at a lower rate to replace senior staff and broadband pay adjustments for recruitment and retention
- Budget modifications - This category includes other modifications to the FY 2025 personal services base budget such as management decisions to transfer personal services funding between programs within an agency or movement of personal services funding to or from another expenditure category (e.g. moving funding from operating expenses to personal services)

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

Office of Public Defender FY 2026 Statewide Present Law Adjustment for Personal Services - DP1				
Program	Legislative Changes	Management Decisions	Budget Modifications	Total DP1
01 Public Defender Division	\$149,553	\$50,558	\$36,088	\$236,199
02 Appellate Defender Division	12,845	(31,551)	-	(18,706)
03 Conflict Defender Division	21,719	(129,525)	(3,558)	(111,363)
04 Central Services Division	59,431	57,943	(40,386)	76,988
Total	\$243,549	(\$52,575)	(\$7,856)	\$183,118

Personal services requested for the 2027 biennium are \$79.7 million which is an increase of \$10.6 million or 15.3% when compared to base appropriations. Nearly all this increase is attributed to requests for new positions for the 2027 biennium, which equal 33.06 PB in FY 2026 and 41.06 PB in FY 2027. As seen in the table above, a small portion of this increase can be attributed to statewide present law adjustments to personal services.

This increase primarily results from career ladder pay changes and adjustments to market rates and through additional legislative changes such as retirement and social security benefits. In some instances, negative management changes can be attributed to not fully utilizing all personal service appropriations.

Present Law Adjustments

In addition to statewide present law adjustments to personal services, inflation/deflation, and fixed costs, an additional request that is common to all programs in the Office of Public Defender (OPD) is a request for 22.06 additional PB. The OPD utilized these as modified positions and is asking they be made permanent. However, the OPD is requesting full personal service appropriations for these positions without reducing any existing resources. This would free up resources currently used to pay these positions for other functions. The executive has expressed their ability to hire these positions during the interim was due to its exemption from vacancy savings. These positions are as follows:

- Public Defender Division – 13.00 PB
 - 10.00 public defenders
 - 2.00 legal support staff
 - 1.00 office manager
- Appellate Defender Division – 1.00 PB legal support staff
- Conflict Defender Division – 3.00 PB public defenders
- Central Services Division – 5.06 PB
 - 1.00 bureau chief
 - 1.00 contracts program officer
 - 1.00 program planner
 - 2.00 public defenders

New Proposals

The executive is requesting one item that is common among all divisions in the OPD. This request looks to consolidate all funding for contracted attorneys and other operations into one area of the agency (Central Services Division). This request nets to zero dollars at the agency level but moves approximately \$22.5 million from the Public Defender, Appellate Defender, and Conflict Defender Division to the Central Services Division.

Funding

The following table shows proposed agency funding for all sources of authority.

Total Office of State Public Defender Funding by Source of Authority 2027 Biennium Budget Request						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	129,351,827	752,800			130,104,627	100.0%
State Special Revenue Total	-	-	-	-	-	0.0%
Federal Special Revenue Total	-	-	-	-	-	0.0%
Proprietary Fund Total	-	-	-	-	-	0.0%
Total of All Funds	129,351,827	752,800	-	-	130,104,627	
Percent of All Sources of Authority	99.4%	0.6%	0.0%	0.0%		

The OPD budget is funded exclusively with general fund and does not contain any non-budgeted proprietary programs or statutory appropriations.

Agency Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	310.44	310.44	343.50	351.50
Personal Services	32,366,522	33,720,311	35,308,672	39,228,249	40,462,811
Operating Expenses	16,925,321	17,024,901	14,008,388	24,859,866	25,075,456
Equipment & Intangible Assets	50,000	50,000	50,000	186,000	42,000
Debt Service	2,097,158	2,178,493	0	82,453	167,792
Total Expenditures	\$51,439,001	\$52,973,705	\$49,367,060	\$64,356,568	\$65,748,059
General Fund	51,439,001	52,973,705	49,367,060	64,356,568	65,748,059
Total Funds	\$51,439,001	\$52,973,705	\$49,367,060	\$64,356,568	\$65,748,059
Total Ongoing	\$49,867,600	\$51,323,705	\$48,317,060	\$63,909,968	\$65,441,859
Total OTO	\$1,571,401	\$1,650,000	\$1,050,000	\$446,600	\$306,200

Agency Description

The mission of the statewide public defender system is to provide effective professional legal services with equal access to quality client-centered representation. Please refer to the agency profile at [Office of Public Defender - Montana Legislature](#) for additional information about the agency’s organization structure, historical expenditures, and goals and objectives.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

In FY 2024, the OPD expended approximately \$51.4 million or 97.1% of its modified HB 2 budget. During FY 2024, the budget was increased due to the agency transferring \$5.3 million in operating expense authority from FY 2025 to cover shortfalls in paying contracted attorneys. More on this topic will be discussed within the Agency Discussion section of this report.

After accounting for modifications, the HB 2 budget for personal services totaled \$33.7 million and was expended at 96.0%, while operating expenses totaled \$17.0 million and were expended at 99.4%. Due to the OPD being biennially appropriated for the 2025 biennium, unexpended balanced of \$1.5 million can be continued into FY 2025 to help cover the deficit resulting from the original fiscal transfer. Had the fiscal transfer of authority not been performed, the OPD would have over expended total FY 2024 appropriations by 7.7%.

FY 2024 Appropriations Compared to FY 2025 Appropriations

When compared to FY 2024, appropriations in FY 2025 reflect a decrease of nearly \$3.6 million or approximately 6.8%. This is primarily the result of the fiscal transfer moving \$5.3 million to FY 2024 to cover contracted attorney shortfalls. This transfer effectively increased FY 2024 above FY 2025 levels.

The structure of appropriations between the two years changes as well. Personal services increase by \$1.6 million in FY 2025 as a result of an additional 4.0% for the pay plan, and operating expenses reflect a decrease of \$3.0 million as a result of the fiscal transfer of authority. Additionally, debt service authority is normally not budgeted, but rather, the department transferred authority to debt service during the fiscal year to record lease expenses per guidance from the Department of Administration.

LFD COMMENT	The Legislature may wish to establish debt service authority for the biennium eliminating the need to perform a budget modification during the interim.
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Comparison of FY 2025 Legislative Budget to FY 2025 Base

The figure below illustrates the beginning FY 2025 budget as adopted by the 2023 Legislature compared to the FY 2025 base budget, which includes modifications as approved by the approving authority (as authorized in statute) during the interim. The FY 2025 base budget was agreed upon by the Office of Budget and Program Planning and the Fiscal Division to be the point from which any changes would be recorded for the 2027 biennium budgeting process.

Office of Public Defender				
Comparison of the FY 2025 Legislative Budget to the FY 2025 Base Budget				
	Legislative Budget	Executive Modifications	Base Budget	% Change
01 PUBLIC DEFENDER DIVISION				
61000 Personal Services	26,486,137	(1,304,087)	25,182,050	-4.9%
62000 Operating Expenses	3,887,268		3,887,268	0.0%
Total	30,373,405	(1,304,087)	29,069,318	-4.3%
02 APPELLATE DEFENDER DIVISION				0.0%
61000 Personal Services	2,045,749	257,115	2,302,864	12.6%
62000 Operating Expenses	769,778		769,778	0.0%
Total	2,815,527	257,115	3,072,642	9.1%
03 CONFLICT DEFENDER DIVISION				0.0%
61000 Personal Services	3,472,136	120,372	3,592,508	3.5%
62000 Operating Expenses	6,701,118		6,701,118	0.0%
Total	10,173,254	120,372	10,293,626	1.2%
04 CENTRAL SERVICES DIVISION				0.0%
61000 Personal Services	2,554,650	926,600	3,481,250	36.3%
62000 Operating Expenses	2,400,223		2,400,223	0.0%
Total	4,954,873	926,600	5,881,473	18.7%
Agency Total	48,317,059	-	48,317,059	0.0%

The base budget in the 2027 biennium for the OPD is \$48.3 million. From the budget approved by the 2023 Legislature, the executive performed two program transfers which moved 12.00 total PB and associated personal service funding between different divisions in the agency. All these positions were transferred out of the Public Defender Division with the following distribution being made to other programs:

- The Appellate Defender Division received 2.00 PB
- The Conflict Defender Division received 1.00 PB
- The Central Services Division received 9.00 PB primarily due to the centralization of eligibility and contracting

Attorney Caseloads

Over the last few biennia, the OPD faced difficulties with backlogs in assigned cases. This began to show as the court system worked to clear their Covid related backlogs. This was aggravated by excessive vacancies in attorney positions in the OPD which reached 17.5% at its highest point. During the 2023 interim, the OPD worked with the executive to develop a new public defender pay scale. This initiative, along with new hiring and retention practices, has resulted in much lower position vacancies during the 2025 biennium.

The OPD received 8.00 additional attorney positions for the 2025 biennium and was able to fully staff these. While vacancies have fallen, the OPD still estimates a shortfall in terms of the number of PB that are needed to cover all newly received cases and cases that have been open for an extended period of time. Their current estimate sits at 45.00 PB. This shortfall is estimated by keeping the contracted attorney levels constant and viewing the resulting number of case hours and how many attorneys would be needed to cover these case hours.

Workload in the OPD, based on its ethical case management standards, considers 125 new case hours per month to an attorney as standard. The amount of matter weight hours (both newly assigned and existing cases) that could not be assigned to an in-house attorney based on these standards or assigned to the contracted market, are what drive this estimated shortfall. The OPD has received additional PB over the last few biennia, and has been able to fill these positions, but increasing caseloads and issues with assigning cases in the private attorney market drive requests for additional PB.

The contracted private attorney market has increased over the last few fiscal years. Currently, the state utilizes a pay rate to contracted attorneys of \$71.00 an hour. This rate was established in May of 2020, but was based off FY 2019 analyses. The private market for contracted attorneys increased substantially during Covid and has continued to rise since. These increases are the primary driver of the agency's upcoming supplemental request.

HB 2 Language -

All appropriations in the Office of State Public Defender are biennial.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget FY 2026 FY 2027		Biennium Change from Base Amount Percent	
PB	229.00	242.00	242.00	13.00	2.8%
General Fund	29,069,317	27,748,354	27,902,519	(2,487,761)	(4.3%)
Total Funds	29,069,317	27,748,354	27,902,519	(2,487,761)	(4.3%)
Personal Services	25,182,050	27,598,354	27,752,519	4,986,773	9.9%
Operating Expenses	3,887,267	150,000	150,000	(7,474,534)	(96.1%)
Total Expenditures	29,069,317	27,748,354	27,902,519	(2,487,761)	(4.3%)
Total Ongoing	29,069,317	27,748,354	27,902,519	(2,487,761)	(4.3%)
Total One-Time-Only	925,000			(1,850,000)	(100.0%)

Program Highlights

Public Defender Division Major Budget Highlights

The Public Defender Division's 2027 biennium budget request is 4.3% or \$2.5 million lower than the FY 2025 base. Significant differences include:

- \$2.9 million additional general fund for 13.00 PB to meet a need they have been covering through other budget resources
- \$1.5 million to continue OTO funding in Yellowstone County
- Nearly \$600,000 for statewide present law adjustments to personal services
- A decrease of \$7.4 million due to the consolidation of all contracted attorney costs under the Central Services Division

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Public Defender Division 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	29,069,317	0	0	29,069,317	104.8%	29,069,317	0	0	29,069,317	104.2%
Statewide PL										
Personal Services	236,198	0	0	236,198	0.9%	346,849	0	0	346,849	1.2%
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	236,198	0	0	236,198	0.9%	346,849	0	0	346,849	1.2%
Present Law (PL)	2,180,106	0	0	2,180,106	7.9%	2,223,620	0	0	2,223,620	8.0%
New Proposals	(3,737,267)	0	0	(3,737,267)	(13.5%)	(3,737,267)	0	0	(3,737,267)	(13.4%)
Total HB 2 Adjustments	(1,320,963)	0	0	(1,320,963)	(4.8%)	(1,166,798)	0	0	(1,166,798)	(4.2%)
Total Requested Budget	27,748,354	0	0	27,748,354		27,902,519	0	0	27,902,519	

Funding

The following table shows proposed program funding for all sources of authority.

Office of State Public Defender, 01-Public Defender 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	55,650,873	0	0	0	55,650,873	100.0%
State Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.0%
Total All Funds	\$55,650,873	\$0	\$0	\$0	\$55,650,873	

The Public Defender Division is funded exclusively with general fund.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	229.00	229.00	242.00	242.00
Personal Services	24,444,335	25,093,230	25,932,050	27,598,354	27,752,519
Operating Expenses	6,205,028	6,181,261	4,062,267	150,000	150,000
Debt Service	1,480,587	1,496,857	0	0	0
Total Expenditures	\$32,129,950	\$32,771,348	\$29,994,317	\$27,748,354	\$27,902,519
General Fund	32,129,950	32,771,348	29,994,317	27,748,354	27,902,519
Total Funds	\$32,129,950	\$32,771,348	\$29,994,317	\$27,748,354	\$27,902,519
Total Ongoing	\$30,904,950	\$31,546,348	\$29,069,317	\$27,748,354	\$27,902,519
Total OTO	\$1,225,000	\$1,225,000	\$925,000	\$0	\$0

Program Description

The Public Defender Division oversees services to qualifying clients by providing effective assistance of counsel to indigent criminal defendants and other persons in certain civil cases who are entitled by law to assistance of counsel.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

The Public Defender Division expended 98.0% of its \$32.7 million HB 2 modified budget in FY 2024. Personal services were 97.4% expended and operating expenses were 100.4% expended. The division's FY 2024 budget was increased by nearly \$2.3 million through a fiscal transfer of FY 2025 authority. This funding was allocated to operating expenses to cover shortfalls in paying contracted attorneys. Without the transfer of authority, the division's budget would have been 105.4% expended.

Unexpended HB 2 authority of \$550,000 will carry into FY 2025 as the OPD is biennially appropriated. In addition to the HB 2 budget, the Public Defender Division also received and expended \$300,000 in authority provided through HB 16. This authority was split between personal services and operating expenses.

FY 2024 Appropriations Compared to FY 2025 Appropriations

Appropriations of \$30.0 million in FY 2025 reflect a decrease of approximately \$2.8 million or 8.5% when compared to FY 2024 appropriations. When disregarding the fiscal transfer which is included in both years of the table below to provide for direct comparisons to the FY 2025 base budget, the FY 2025 appropriation would have been only \$0.5 million lower than FY 2024. Personal services increases are a result of additional HB 13 pay plan authority. Additionally, debt service authority has not been budgeted and is normally established through an operating plan change during the interim to record lease expenses. This change generally moves operating expense authority to debt services.

Program Personal Services

Personal services requested for the 2027 biennium in the Public Defender Division are nearly \$55.4 million or \$5.0 million higher than the 2025 biennium. This reflects an increase of 9.9%. This is mainly attributed to requests for 13.00 PB for additional support staff and attorney positions costing \$2.9 million, a request for \$1.5 million personal services to continue one-time-only appropriations in Yellowstone County, and increases in statewide present statewide adjustments to personal services totaling \$580,000.

These adjustments in statewide present law are mainly caused by career ladder and market pay increases provided to employees by agency management. Additionally, some increases relate to position benefits for retirement and social security.

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 2026-----					-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services									
0.00	236,198	0	0	236,198	0.00	346,849	0	0	346,849
DP 101 - Sustain Exst Pub Def Svcs - PDD Current Modifieds									
13.00	1,430,106	0	0	1,430,106	13.00	1,473,620	0	0	1,473,620
DP 601 - Sustain Exst Pub Def Svcs - YC Funding Shift									
0.00	750,000	0	0	750,000	0.00	750,000	0	0	750,000
Grand Total All Present Law Adjustments									
13.00	\$2,416,304	\$0	\$0	\$2,416,304	13.00	\$2,570,469	\$0	\$0	\$2,570,469

**"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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Office of Public Defender	
Public Defender Division	
FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$149,553
Management Decisions	50,558
Budget Modifications	36,088
Total	<u>\$236,199</u>

DP 101 - Sustain Exst Pub Def Svcs - PDD Current Modifieds -

The executive is requesting funding for 13.00 total PB.

**LFD
COMMENT**

The Public Defender Division is currently utilizing 13.00 modified PB positions including ten public defenders, two legal support staff, and one office manager. During the 2025 interim, the OPD has been paying these positions out of existing resources. This request looks to fund those positions within the agency's HB 2 budget which should free up the resources currently used to pay these modified positions.

DP 601 - Sustain Exst Pub Def Svcs - YC Funding Shift -

The executive requests additional general fund to remedy case backlogs in Yellowstone County.

**LFD
COMMENT**

The Public Defender Division received ARPA grant funding to combat case buildup in Yellowstone County. As the funding expired, the 2023 Legislature provided this funding as OTO for the 2025 biennium, and this funding was utilized as personal services to pay modified positions. This request asks to continue that funding in an ongoing manner beginning in the 2027 biennium but does not request new PB.

New Proposals

The "New Proposals" table shows new proposals for spending.

New Proposals										
-----Fiscal 2026-----					-----Fiscal 2027-----					
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 2204 - Centralize External Pub Def Costs	0.00	(3,737,267)	0	0	(3,737,267)	0.00	(3,737,267)	0	0	(3,737,267)
Total	0.00	(\$3,737,267)	\$0	\$0	(\$3,737,267)	0.00	(\$3,737,267)	\$0	\$0	(\$3,737,267)

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

DP 2204 - Centralize External Pub Def Costs -

The executive requests moving all authority for contracting and operations into the Central Services Division.

**LFD
COMMENT**

This consolidation nets to \$0 across all programs.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget	Requested Budget		Biennium Change from Base	
	FY 2025	FY 2026	FY 2027	Amount	Percent
PB	18.50	19.50	19.50	1.00	2.7%
General Fund	3,072,642	2,356,785	2,376,179	(1,412,320)	(23.0%)
Total Funds	3,072,642	2,356,785	2,376,179	(1,412,320)	(23.0%)
Personal Services	2,302,864	2,356,785	2,376,179	127,236	2.8%
Operating Expenses	769,778			(1,539,556)	(100.0%)
Total Expenditures	3,072,642	2,356,785	2,376,179	(1,412,320)	(23.0%)
Total Ongoing	3,072,642	2,356,785	2,376,179	(1,412,320)	(23.0%)
Total One-Time-Only					0.0%

Program Highlights

Appellate Defender Division Major Budget Highlights
<p>The Appellate Defender Division's 2027 biennium budget request is 2.8% or 1.4 million lower than the 2025 base budget. Significant changes include:</p> <ul style="list-style-type: none"> • \$147,000 for 1.00 PB legal staff supporter • Decrease of \$19,000 related to statewide present law adjustments to personal services • A decrease of \$1.5 million due to the consolidation of all contracted attorney costs under the Central Services Division

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Appellate Defender Division 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	3,072,642	0	0	3,072,642	130.4%	3,072,642	0	0	3,072,642	129.3%
Statewide PL										
Personal Services	(18,705)	0	0	(18,705)	(0.8%)	(1,148)	0	0	(1,148)	(0.0%)
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	(18,705)	0	0	(18,705)	(0.8%)	(1,148)	0	0	(1,148)	(0.0%)
Present Law (PL)	72,626	0	0	72,626	3.1%	74,463	0	0	74,463	3.1%
New Proposals	(769,778)	0	0	(769,778)	(32.7%)	(769,778)	0	0	(769,778)	(32.4%)
Total HB 2 Adjustments	(715,857)	0	0	(715,857)	(30.4%)	(696,463)	0	0	(696,463)	(29.3%)
Total Requested Budget	2,356,785	0	0	2,356,785		2,376,179	0	0	2,376,179	

Funding

The following table shows proposed program funding for all sources of authority.

Office of State Public Defender, 02-Appellate Defender 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	4,732,964	0	0	0	4,732,964	100.0%
State Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.0%
Total All Funds	\$4,732,964	\$0	\$0	\$0	\$4,732,964	

The Appellate Defender Division is funded exclusively with general fund.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	18.50	18.50	19.50	19.50
Personal Services	1,901,914	2,193,102	2,302,864	2,356,785	2,376,179
Operating Expenses	836,658	852,283	769,778	0	0
Debt Service	107,737	110,504	0	0	0
Total Expenditures	\$2,846,309	\$3,155,889	\$3,072,642	\$2,356,785	\$2,376,179
General Fund	2,846,309	3,155,889	3,072,642	2,356,785	2,376,179
Total Funds	\$2,846,309	\$3,155,889	\$3,072,642	\$2,356,785	\$2,376,179
Total Ongoing	\$2,846,309	\$3,155,889	\$3,072,642	\$2,356,785	\$2,376,179
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Description

The Appellate Defender Division provides appellate services to qualifying clients and practices, almost exclusively, before the Montana Supreme Court and the United States Supreme Court. Most of the workforce is comprised of attorneys providing legal services. Legal assistants comprise the remaining portion of the workforce.

FY 2024 Appropriations Compared to FY 2024 Actual Expenditures

The Appellate Defender Division expended 90.2% of its \$3.2 million HB 2 modified budget in FY 2024. Personal services were 86.7% expended, and operating expenses were 98.2% expended. The budget in the division was increased by \$200,000 in FY 2024 through a fiscal transfer, and after this increase, total allocations within the division were 69.5% for personal services, 27.0% for operating expenses, and the remaining authority was for lease expenses recorded as debt service. Unexpended HB 2 authority of just over \$300,000 will carry into FY 2025 as the OPD is biennially appropriated.

FY 2024 Appropriations Compared to FY 2025 Appropriations

FY 2025 appropriations are very similar to FY 2024 reflecting a decrease of approximately \$80,000 or 2.7%. These numbers, however, include the transfer of \$200,000 authority from FY 2025 in both years of the table which does not accurately represent remaining authority for FY 2025. Actual remaining authority is approximately \$2.9 million reflecting an overall decrease of just over \$250,000 when compared to the FY 2024 modified budget.

Program Personal Services

Personal services requested for the 2027 biennium in the Appellate Defender Division are \$4.7 million or \$127,000 higher than the 2025 base budget. This reflects an increase of 2.8%. This is mainly attributed to requests for 1.00 additional support staff position costing \$140,000 which is partially offset by statewide present law reductions to personal services totaling \$20,000. These reductions are mainly caused by the executive not fully utilizing the full amount provided within the 2025 biennium's personal service budgets in a way that is captured in the snapshot and through rehiring vacant positions at lower rates than when the positions became vacant.

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 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(18,705)	0	0	(18,705)	0.00	(1,148)	0	0	(1,148)
DP 202 - Sustain Exst Pub Def Svcs - ADD Current Modifieds	1.00	72,626	0	0	72,626	1.00	74,463	0	0	74,463
Grand Total All Present Law Adjustments	1.00	\$53,921	\$0	\$0	\$53,921	1.00	\$73,315	\$0	\$0	\$73,315

**"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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Office of Public Defender	
Appellate Defender Division	
FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$12,845
Management Decisions	(31,551)
Budget Modifications	-
Total	<u>(\$18,706)</u>

DP 202 - Sustain Exst Pub Def Svcs - ADD Current Modifieds -

The executive requests funding for 1.00 additional PB pertaining to a legal support staff.

**LFD
COMMENT**

The Appellate Defender Division is currently utilizing 1.00 modified legal support staff position. During the 2025 interim, the OPD has been paying this position out of existing resources. This request looks to fund this PB within the agency's HB 2 budget which should free up the resources currently used to pay the position.

New Proposals

The “New Proposals” table shows new proposals for spending.

New Proposals										
-----Fiscal 2026-----						-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 2204 - Centralize External Pub Def Costs	0.00	(769,778)	0	0	(769,778)	0.00	(769,778)	0	0	(769,778)
Total	0.00	(\$769,778)	\$0	\$0	(\$769,778)	0.00	(\$769,778)	\$0	\$0	(\$769,778)

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

DP 2204 - Centralize External Pub Def Costs -

The executive requests moving all authority for contracting and operations into the Central Services Division.

LFD COMMENT

This consolidation nets to \$0 across all programs.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget		Biennium Change from Base	
		FY 2026	FY 2027	Amount	Percent
PB	30.00	33.00	33.00	3.00	5.0%
General Fund	10,293,627	3,855,478	3,869,997	(12,861,779)	(62.5%)
Total Funds	10,293,627	3,855,478	3,869,997	(12,861,779)	(62.5%)
Personal Services	3,592,508	3,855,478	3,869,997	540,459	7.5%
Operating Expenses	6,701,119			(13,402,238)	(100.0%)
Total Expenditures	10,293,627	3,855,478	3,869,997	(12,861,779)	(62.5%)
Total Ongoing	10,293,627	3,855,478	3,869,997	(12,861,779)	(62.5%)
Total One-Time-Only					0.0%

Program Highlights

Conflict Defender Division Major Budget Highlights

The Conflict Defender Division's 2027 biennium budget request is 62.5% or \$12.9 million lower than the FY 2025 base budget. Significant changes include the following:

- \$750,000 for the biennium for 3.00 PB
- A decrease of \$210,000 related to statewide present law adjustments to personal services
- A decrease of \$13.4 million for the biennium related to consolidating all external public defender costs to the Central Services Division

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Conflict Defender Division 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	10,293,627	0	0	10,293,627	267.0%	10,293,627	0	0	10,293,627	266.0%
Statewide PL										
Personal Services	(111,363)	0	0	(111,363)	(2.9%)	(102,297)	0	0	(102,297)	(2.6%)
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	(111,363)	0	0	(111,363)	(2.9%)	(102,297)	0	0	(102,297)	(2.6%)
Present Law (PL)	374,333	0	0	374,333	9.7%	379,786	0	0	379,786	9.8%
New Proposals	(6,701,119)	0	0	(6,701,119)	(173.8%)	(6,701,119)	0	0	(6,701,119)	(173.2%)
Total HB 2 Adjustments	(6,438,149)	0	0	(6,438,149)	(167.0%)	(6,423,630)	0	0	(6,423,630)	(166.0%)
Total Requested Budget	3,855,478	0	0	3,855,478		3,869,997	0	0	3,869,997	

Funding

The following table shows proposed program funding for all sources of authority.

Office of State Public Defender, 03-Conflict Defender 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	7,725,475	0	0	0	7,725,475	100.0%
State Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.0%
Total All Funds	\$7,725,475	\$0	\$0	\$0	\$7,725,475	

The Conflict Defender Division is funded exclusively with general fund.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	30.00	30.00	33.00	33.00
Personal Services	2,951,550	3,317,578	3,592,508	3,855,478	3,869,997
Operating Expenses	7,511,794	7,606,301	6,701,119	0	0
Debt Service	331,206	339,959	0	0	0
Total Expenditures	\$10,794,550	\$11,263,838	\$10,293,627	\$3,855,478	\$3,869,997
General Fund	10,794,550	11,263,838	10,293,627	3,855,478	3,869,997
Total Funds	\$10,794,550	\$11,263,838	\$10,293,627	\$3,855,478	\$3,869,997
Total Ongoing	\$10,573,149	\$10,963,838	\$10,293,627	\$3,855,478	\$3,869,997
Total OTO	\$221,401	\$300,000	\$0	\$0	\$0

Program Description

The Conflict Defender Division oversees services to qualifying clients by providing effective assistance of counsel to indigent criminal defendants and other persons in certain civil cases. This division represents only those clients, in circumstances where, because of a conflict of interest, the public defender division is unable to provide representation.

FY 2024 Appropriations Compared to FY 2024 Actual Expenditures

The Conflict Defender Division expended 95.8% of its FY 2024 modified HB 2 budget. Total appropriations for FY 2024 were increased by just under \$2.6 million through the fiscal transfer. After modifications, personal service budgets were spent at 89.0%, while operating expenses were expended at 98.8%. Without the transfer of authority from FY 2025, budgets would have been 23.9% over expended. Unexpended HB 2 authority of approximately \$470,000 (primarily in personal services) will be transferred back to FY 2025 as the OPD is biennially appropriated.

FY 2024 Appropriations Compared to FY 2025 Appropriations

FY 2025 appropriations reflect being approximately \$1.0 million or 8.6% lower than FY 2024. These numbers include about \$2.6 million of authority that was transferred to FY 2024 to cover shortfalls. This division is one of the greater drivers for the upcoming FY 2025 supplemental request. The agency has not yet transferred authority to debt service as seen in the table above. Personal service authority increased slightly due to the extra HB 13 pay plan authority.

Program Personal Services

Personal services requested for the 2027 biennium are \$7.7 million or \$540,000 higher than the 2025 base budget. This reflects an increase of 7.5%. This is mainly attributed to requests for 3.00 additional defender positions costing \$760,000 which is offset by statewide present law reductions to personal services totaling \$213,000. These reductions are mainly seen in legislative changes and are the primary result of how the snapshot calculates pay plan funding by position in addition to rehiring vacant positions at slightly lower rates.

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 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(111,363)	0	0	(111,363)	0.00	(102,297)	0	0	(102,297)
DP 303 - Sustain Exst Pub Def Svcs - CDD Current Modifieds	3.00	374,333	0	0	374,333	3.00	379,786	0	0	379,786
Grand Total All Present Law Adjustments	3.00	\$262,970	\$0	\$0	\$262,970	3.00	\$277,489	\$0	\$0	\$277,489

***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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Office of Public Defender Conflict Defender Division FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$21,719
Management Decisions	(129,525)
Budget Modifications	(3,558)
Total	(\$111,363)

DP 303 - Sustain Exst Pub Def Svcs - CDD Current Modifieds -

The executive is requesting 3.00 additional public defender positions.

LFD COMMENT

The Conflict Defender Division is currently utilizing 3.00 modified public defender positions. During the 2025 interim, the OPD has been paying these positions out of existing resources. This request looks to fund these PB within the agency's HB 2 budget which should free up the resources currently used to pay the positions.

New Proposals

The "New Proposals" table shows new proposals for spending.

New Proposals										
-----Fiscal 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 2204 - Centralize External Pub Def Costs	0.00	(6,701,119)	0	0	(6,701,119)	0.00	(6,701,119)	0	0	(6,701,119)
Total	0.00	(\$6,701,119)	\$0	\$0	(\$6,701,119)	0.00	(\$6,701,119)	\$0	\$0	(\$6,701,119)

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

DP 2204 - Centralize External Pub Def Costs -

The executive requests moving all authority for contracting and operations into the Central Services Division.

**LFD
COMMENT**

This consolidation nets to \$0 across all programs.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget		Biennium Change from Base	
		FY 2026	FY 2027	Amount	Percent
PB	32.94	49.00	57.00	24.06	36.5%
General Fund	5,881,474	30,395,951	31,599,364	50,232,367	427.0%
Total Funds	5,881,474	30,395,951	31,599,364	50,232,367	427.0%
Personal Services	3,481,250	5,417,632	6,464,116	4,919,248	70.7%
Operating Expenses	2,400,224	24,709,866	24,925,456	44,834,874	934.0%
Equipment & Intangible Assets		186,000	42,000	228,000	0.0%
Debt Service		82,453	167,792	250,245	0.0%
Total Expenditures	5,881,474	30,395,951	31,599,364	50,232,367	427.0%
Total Ongoing	5,881,474	29,949,351	31,293,164	49,479,567	420.6%
Total One-Time-Only	125,000	446,600	306,200	502,800	201.1%

Program Highlights

Central Services Division Major Budget Highlights

The Central Services Division's 2027 biennium budget request is \$50.2 million or 427.0% higher than the FY 2025 base budget. Significant biennial proposals include:

- \$22.4 million to consolidate all contracted attorney costs within the Central Services Division accompanied by decreases in all other divisions
- \$13.1 million general fund including \$12.5 million to cover the department's supplemental request and \$600,000 to fund OTO contracted attorney costs provided for the 2025 biennium
- Nearly \$6.2 million general fund to increase the contracted attorney pay rate from \$71.00 to \$90.00 per hour
- Almost \$3.1 million for 8.00 new attorney positions in FY 2026 and 16.00 new attorney positions in FY 2027
- \$1.2 million general fund to fund 5.06 additional FTE currently being utilized as modified positions
- \$1.0 million general fund for increased licensing costs

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Central Services Division 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	5,881,474	0	0	5,881,474	19.3%	5,881,474	0	0	5,881,474	18.6%
Statewide PL										
Personal Services	76,988	0	0	76,988	0.3%	90,528	0	0	90,528	0.3%
Fixed Costs	226,516	0	0	226,516	0.7%	237,988	0	0	237,988	0.8%
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	303,504	0	0	303,504	1.0%	328,516	0	0	328,516	1.0%
Present Law (PL)	12,802,809	0	0	12,802,809	42.1%	13,981,210	0	0	13,981,210	44.2%
New Proposals	11,408,164	0	0	11,408,164	37.5%	11,408,164	0	0	11,408,164	36.1%
Total HB 2 Adjustments	24,514,477	0	0	24,514,477	80.7%	25,717,890	0	0	25,717,890	81.4%
Total Requested Budget	30,395,951	0	0	30,395,951		31,599,364	0	0	31,599,364	

Funding

The following table shows proposed program funding for all sources of authority.

Office of State Public Defender, 04-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	61,242,515	752,800	0	0	61,995,315	100.0%
State Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.0%
Total All Funds	\$61,242,515	\$752,800	\$0	\$0	\$61,995,315	

The Central Services Division is funded exclusively with general fund.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	32.94	32.94	49.00	57.00
Personal Services	3,068,723	3,116,401	3,481,250	5,417,632	6,464,116
Operating Expenses	2,371,841	2,385,056	2,475,224	24,709,866	24,925,456
Equipment & Intangible Assets	50,000	50,000	50,000	186,000	42,000
Debt Service	177,628	231,173	0	82,453	167,792
Total Expenditures	\$5,668,192	\$5,782,630	\$6,006,474	\$30,395,951	\$31,599,364
General Fund	5,668,192	5,782,630	6,006,474	30,395,951	31,599,364
Total Funds	\$5,668,192	\$5,782,630	\$6,006,474	\$30,395,951	\$31,599,364
Total Ongoing	\$5,543,192	\$5,657,630	\$5,881,474	\$29,949,351	\$31,293,164
Total OTO	\$125,000	\$125,000	\$125,000	\$446,600	\$306,200

Program Description

Provides management of non-legal services, i.e., accounting, budgeting, IT, payroll, contracting, quality and performance controls to all programs. The oversight of the eligibility determination process, including verification of all hardship cases, is also a responsibility of this division.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

The Central Services Division expended 98.0% of its \$5.8 million HB 2 modified budget in FY 2024. Personal services were 98.5% expended, and operating expenses were 99.4% expended. This division's FY 2024 budget was increased by \$300,000 through the fiscal transfer, of which all was allocated to operating expenses. Without the transfer, the division's budget would have been 103.4% expended.

FY 2024 Appropriations Compared to FY 2025 Appropriations

When compared to FY 2024, appropriations in FY 2025 reflect an increase of \$220,000 or 3.9%. This includes the transfer of \$300,000 from FY 2025 to FY 2024 which is included in both years. Principally, authority between the two years is very similar. Small increases in personal services result from the pay plan authority for FY 2025.

Program Personal Services

Personal service authority requested for the 2027 biennium is \$11.9 million. This is an increase of \$4.9 million or 70.7% when compared to the FY 2025 base. Increases are attributed to the request for an additional 16.06 PB in FY 2024 and 24.06 PB in FY 2025. Additionally, statewide present law increases to personal services contribute a small amount and are mainly due to the agency rehiring vacant positions at higher rates than when the positions became vacant.

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 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services										
0.00	76,988	0	0	76,988		0.00	90,528	0	0	90,528
DP 2 - Fixed Costs										
0.00	226,516	0	0	226,516		0.00	237,988	0	0	237,988
DP 404 - Sustain Exst Pub Def Svcs - CSD Current Modifieds										
5.06	595,027	0	0	595,027		5.06	596,181	0	0	596,181
DP 504 - Sustain Exst Pub Def Svcs - Contract Svcs Overage										
0.00	6,550,000	0	0	6,550,000		0.00	6,550,000	0	0	6,550,000
DP 704 - Sustain Exst Pub Def Svcs - Contr Pub Def Rates										
0.00	3,177,586	0	0	3,177,586		0.00	3,177,586	0	0	3,177,586
DP 904 - Close Pub Def Shortfall - PB - Years 1-2										
8.00	1,016,638	0	0	1,016,638		16.00	2,048,428	0	0	2,048,428
DP 1104 - Sustain Exst Pub Def Svcs - Provider Rates										
0.00	171,139	0	0	171,139		0.00	350,835	0	0	350,835
DP 1204 - Sustain Exst Pub Def Svcs - Contracts Program										
3.00	281,329	0	0	281,329		3.00	272,929	0	0	272,929
DP 1304 - Sustain Eff Pub Def Supp - AI/Tech License										
0.00	500,000	0	0	500,000		0.00	500,000	0	0	500,000
DP 1504 - Sustain Eff Pub Def Supp - Computer Purch (BIEN, OTO)										
0.00	171,600	0	0	171,600		0.00	31,200	0	0	31,200
DP 1604 - Sustain Eff Pub Def Supp - Agency Training Events (OTO)										
0.00	150,000	0	0	150,000		0.00	150,000	0	0	150,000
DP 1704 - Sustain Eff Pub Def Supp - Client Comm/Access Tech (OTO)										
0.00	75,000	0	0	75,000		0.00	75,000	0	0	75,000
DP 1904 - Sustain Exst Pub Def Svcs - Lease Rates										
0.00	82,453	0	0	82,453		0.00	167,792	0	0	167,792
DP 2004 - Sustain Exst Pub Def Svcs - Court Report Rates										
0.00	8,025	0	0	8,025		0.00	8,025	0	0	8,025
DP 2104 - Sustain Exst Pub Def Svcs - Postage Inflation										
0.00	24,012	0	0	24,012		0.00	53,234	0	0	53,234
Grand Total All Present Law Adjustments										
16.06	\$13,106,313	\$0	\$0	\$13,106,313		24.06	\$14,309,726	\$0	\$0	\$14,309,726

***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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Office of Public Defender Central Services Division FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$59,431
Management Decisions	57,943
Budget Modifications	(40,386)
Total	<u>\$76,988</u>

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: audit fees, Capitol complex rent, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 404 - Sustain Exst Pub Def Svcs - CSD Current Modifieds -

The executive is requesting funding for 5.06 PB.

**LFD
COMMENT**

The Central Services Division is currently utilizing 5.00 modified positions that are assisting administrative and operational support of the agency. These PB comprise of one Bureau Chief, one program planner, one contracting program officer, and two public defender positions. Additionally, one position currently sits at 0.94 PB, and this request would take that position to 1.00 PB resulting in the increase of 5.06 PB. This request looks to fund these positions within the agency's HB 2 budget moving forward which would free up authority that is currently utilized to pay these modified positions for other purposes.

DP 504 - Sustain Exst Pub Def Svcs - Contract Svcs Overage -

The executive requests additional general fund for the 2027 biennium to cover 2025 biennium shortfalls related to contractor assignment and compensation.

**LFD
COMMENT**

As discussed earlier in the report, caseloads and the movement of rates in the private market increased beyond what was budgeted for in FY 2024. The agency utilized another \$5.3 million of their biennial appropriation that was budgeted in FY 2025, resulting not only in a hole to backfill in FY 2025, but leaving the agency short compared to FY 2024. This request is to have the agency's FY 2025 supplemental request of \$12.5 million funded as part of the base budget as well as \$600,000 to continue the OTO appropriation for contracted attorneys provided in the 2023 Session.

DP 704 - Sustain Exst Pub Def Svcs - Contr Pub Def Rates -

The executive requests general fund to increase the state's contract public defender payment rate from \$71.00 per hour to \$90.00 per hour.

DP 904 - Close Pub Def Shortfall - PB - Years 1-2 -

The executive is requesting 8.00 new public defender positions in FY 2026 and 16.00 new public defender positions in FY 2027.

DP 1104 - Sustain Exst Pub Def Svcs - Provider Rates -

The executive requests general fund for a 5.0% increase each year of the 2027 biennium for non-attorney contracted providers such as mental health and contract investigators. For contracted investigators, this request is intended to establish a payment rate of \$50 per hour, up from the \$41 established in 2018.

DP 1204 - Sustain Exst Pub Def Svcs - Contracts Program -

The executive requests 3.00 additional contracts program officers for the 2027 biennium.

DP 1304 - Sustain Eff Pub Def Supp - AI/Tech License -

The executive requests additional general fund to cover increased licensing costs related to artificial intelligence (AI), data, and technology tools.

DP 1504 - Sustain Eff Pub Def Supp - Computer Purch (BIEN, OTO) -

The executive requests additional one-time-only funding to replace computer systems on consistent schedules for the upcoming biennium.

**LFD
COMMENT**

Currently, this request would cover 138 computers needing end-of-life replacement in FY 2026, 21 computers needing replacement in FY 2027, and an estimated 5 computers each year needing replacement due to accidental loss or damage. According to state policy, replacement cycles of these systems are to be every five years. The OPD requests this funding be biennial to allow flexibility with the timing of these upgrades.

DP 1604 - Sustain Eff Pub Def Supp - Agency Training Events (OTO) -

The executive is requesting one-time-only funding to continue training events that were provided as one-time-only during the 2025 biennium.

DP 1704 - Sustain Eff Pub Def Supp - Client Comm/Access Tech (OTO) -

The executive is requesting funding to develop an incarcerated client communications plan that would provide hardware, software, and support to ensure clients are able to access their confidential information with the OPD and review filings and evidence.

DP 1904 - Sustain Exst Pub Def Svcs - Lease Rates -

The executive requests additional funding to cover lease escalations and renewals in the 2027 biennium. Overall rates are estimated to increase at 3.5% each year.

DP 2004 - Sustain Exst Pub Def Svcs - Court Report Rates -

The executive requests funding for increases in rates paid to official court reporters as outlined in statute. These rates are set by the Office of Court Administrator.

DP 2104 - Sustain Exst Pub Def Svcs - Postage Inflation -

The executive requests funding to cover an increase in costs for mailing of 21.7% per year.

New Proposals

The "New Proposals" table shows new proposals for spending.

New Proposals										
-----Fiscal 2026-----						-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1404 - Sustain Eff Pub Def Supp - AI/Data/Tech (OTO)	0.00	200,000	0	0	200,000	0.00	200,000	0	0	200,000
DP 2204 - Centralize External Pub Def Costs	0.00	11,208,164	0	0	11,208,164	0.00	11,208,164	0	0	11,208,164
Total	0.00	\$11,408,164	\$0	\$0	\$11,408,164	0.00	\$11,408,164	\$0	\$0	\$11,408,164

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

DP 1404 - Sustain Eff Pub Def Supp - AI/Data/Tech (OTO) -

The executive requests one-time-only general fund for the OPD to continue to develop its artificial intelligence (AI), data, and technology structures.

DP 2204 - Centralize External Pub Def Costs -

The executive requests moving all authority for contracting and operations into the Central Services Division.

**LFD
COMMENT**

This consolidation nets to \$0 across all divisions in the agency.

DEPARTMENT OF CORRECTIONS

Section D

JOINT SUBCOMMITTEE OF HOUSE APPROPRIATIONS AND SENATE FINANCE AND CLAIMS COMMITTEES

-----Agencies-----

Judicial Branch
Dept. of Justice
Public Service Commission

Office of Public Defender
Dept. of Corrections

-----Committee Members-----

House

Representative Fiona Nave (Chair)
Representative Thedis Crowe
Representative Donavon Hawk
Representative Anthony Nicaastro

Senate

Senator Shelley Vance (Vice Chair)
Senator Tom McGillvray
Senator Shane Morigeau

-----Fiscal Division Staff-----

Walker Hopkins
Barb Wagner

Agency Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Agency Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget FY 2026 FY 2027		Biennium Change from Base Amount Percent	
PB	1,280.67	1,305.67	1,305.67	25.00	1.0%
General Fund	274,448,008	294,969,467	296,257,551	42,331,002	7.7%
State/Other Special Rev. Funds	7,096,208	7,100,925	7,101,926	10,435	0.1%
Proprietary Funds	145,214	133,046	131,060	(26,322)	(9.1%)
Total Funds	281,689,430	302,203,438	303,490,537	42,315,115	7.5%
Personal Services	111,221,203	118,699,848	119,286,678	15,544,120	7.0%
Operating Expenses	168,299,624	179,778,319	180,478,598	23,657,669	7.0%
Equipment & Intangible Assets		1,129,000	1,129,000	2,258,000	0.0%
Transfers	503,739	503,739	503,739		0.0%
Debt Service	1,664,864	2,092,532	2,092,522	855,326	25.7%
Total Expenditures	281,689,430	302,203,438	303,490,537	42,315,115	7.5%
Total Ongoing	281,689,430	302,203,438	303,490,537	42,315,115	7.5%
Total One-Time-Only	4,754,980			(9,509,960)	(100.0%)

Agency Highlights

Department of Corrections Major Budget Highlights

The 2027 biennium HB 2 request for the Department of Corrections is \$605.7 million which reflects an increase of \$42.3 million or 7.5% when compared to FY 2025 base appropriations. More significant increases include:

- \$8.9 million in statewide present law adjustments to personal services and fixed costs
- \$6.2 million to increase base appropriations for reimbursing county jail holds
- Nearly \$4.1 million general fund for contract renewals and prover rate increases with existing contracted community corrections facilities
- Nearly \$2.8 million for increases in provider rates paid to contracted secure facilities and local detention centers
- \$2.7 million for increases in costs of contracted placements for juveniles and to fund caseworker services
- Almost \$2.5 million general fund for new equipment and technology purchases
- \$2.4 million general fund to support recruitment and retention efforts and to develop more formal field training

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Department of Corrections 2027 Biennium Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	274,448,008	7,096,208		0 281,689,430	93.2%	274,448,008	7,096,208		0 281,689,430	92.8%
Statewide PL										
Personal Services	4,020,664	4,974	0	4,025,638	1.3%	4,258,560	6,017	0	4,264,577	1.4%
Fixed Costs	309,041	(257)	0	296,616	0.1%	292,495	(299)	0	278,042	0.1%
Inflation Deflation	(35,882)	0	0	(35,882)	(0.0%)	(24,250)	0	0	(24,250)	(0.0%)
Total Statewide PL	4,293,823	4,717	0	4,286,372	1.4%	4,526,805	5,718	0	4,518,369	1.5%
Present Law (PL)	4,635,616	0	0	4,635,616	1.5%	5,701,995	0	0	5,701,995	1.9%
New Proposals	11,592,020	0	0	11,592,020	3.8%	11,580,743	0	0	11,580,743	3.8%
Total HB 2 Adjustments	20,521,459	4,717	0	20,514,008	6.8%	21,809,543	5,718	0	21,801,107	7.2%
Total Requested Budget	294,969,467	7,100,925		0 302,203,438		296,257,551	7,101,926		0 303,490,537	

Statewide Present Law Adjustment for Personal Services

In order to explain the factors influencing personal services changes, the proposed statewide personal services present law adjustment (DP1) has been broken down into three categories, as follows:

- Legislative changes - This category includes adjustments explicitly approved by the legislature, such as, changes to benefit rates, longevity adjustments required by statute, and changes in rates for workers' compensation and unemployment insurance
- Management changes - This category includes agency management decisions that adjust personal services related to changes in pay. This includes changes such as hiring positions budgeted (PB) at a lower rate to replace senior staff and broadband pay adjustments for recruitment and retention
- Budget modifications - This category includes other modifications to the FY 2025 personal services base budget such as management decisions to transfer personal services funding between programs within an agency or movement of personal services funding to or from another expenditure category (e.g. moving funding from operating expenses to personal services)

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

Department of Corrections FY 2026 Statewide Present Law Adjustment for Personal Services - DP1				
Program	Legislative Changes	Management Decisions	Budget Modifications	Total DP1
01 Director's Office / CSD	\$128,837	\$255,433	(\$89,293)	\$294,977
02 Public Safety Division	2,042,997	(240,658)	429,237	2,231,576
03 Rehabilitation and Programs	475,984	1,317,567	(272,637)	1,520,914
04 Board of Pardons and Parole	17,455	(39,284)	-	(21,829)
Total	\$2,665,273	\$1,293,058	\$67,307	\$4,025,638

Total personal services requested by the Department of Corrections for the 2027 biennium are \$238.0 million reflecting an increase of \$15.5 million or 7.0% when compared to FY 2025 base appropriations. Increases are the result of the following requests:

- A total of 25.00 requested PB for multiple different functions
- Statewide present law adjustments to personal services
- New standardized salary pay for nurses

Statewide present law adjustments are primarily the result of increases to position retirement and social security benefits, hiring vacant positions at a higher rate than when the position became vacant, and adjustments related to promotion or career ladders.

Funding

The following table shows proposed agency funding for all sources of authority.

Total Department of Corrections Funding by Source of Authority 2027 Biennium Budget Request						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	591,227,018				591,227,018	91.7%
02917 MSP Canteen Revolving Acct	9,527,162				9,527,162	1.5%
02261 P & P Supervisory Fee	2,266,566				2,266,566	0.4%
02345 Inmate Welfare Fund				1,410,030	1,410,030	0.2%
02689 Offender Restitution	937,763				937,763	0.1%
02927 PHS Donations/I & I	754,660				754,660	0.1%
Other State Special Revenue	716,700				716,700	0.1%
State Special Revenue Total	14,202,851	-	-	1,410,030	15,612,881	2.4%
Federal Special Revenue Total	-	-	-	-	-	0.0%
06573 MSP - Cook Chill	52,789		12,540,444		12,593,233	2.0%
06033 Prison Ranch	52,787		9,738,396		9,791,183	1.5%
06034 MSP Institutional Industries	52,787		7,732,086		7,784,873	1.2%
06011 License Plate Production	104,815		5,760,630		5,865,445	0.9%
06545 Prison Indust. Training Prog	928		1,613,805		1,614,733	0.3%
Proprietary Fund Total	264,106	-	37,385,361	-	37,649,467	5.8%
Total of All Funds	605,693,975	-	37,385,361	1,410,030	644,489,366	
Percent of All Sources of Authority	94.0%	0.0%	5.8%	0.2%		

The Department of Corrections is primarily funded with general fund at approximately 97.6% of requested HB 2 funds. The remaining amount is comprised of state special revenues with a small portion coming from budgeted proprietary funds. Some of the largest state special revenue funds are:

- The canteen revolving fund, which receives revenue from the sale of items to inmates
- Probation and parole supervision fees collected from offenders under the supervision of the department
- Pine Hills donations, interest, and income funds coming mostly from interest and income collected on school trust lands

There is approximately \$1.4 million in statutory appropriations (in state special revenue) over the 2025 biennium, which are used to support the Public Safety Division. This funding is for the Inmate Welfare Fund and is used to benefit inmates and their families per 53-1-109, MCA.

Additional authority is comprised of non-budgeted proprietary funds used to support programs at the Montana Correctional Enterprises. These programs are discussed more in the non-budgeted proprietary analysis for Section D agencies found at <https://archive.legmt.gov/content/Publications/fiscal/2027-Biennium/Budget-and-Revenue/Budget-Analysis/Section-D/Section-D-Non-Budgeted-Proprietary-27Bi.pdf> and are comprised of the following:

- Cook Chill Program
- Prison Ranch Program
- MSP Institutional Industries
- License Plate Production
- Industries Training Program

Agency Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	1,280.67	1,280.67	1,305.67	1,305.67
Personal Services	108,299,338	109,674,709	113,324,917	118,699,848	119,286,678
Operating Expenses	155,654,335	159,929,274	170,950,890	179,778,319	180,478,598
Equipment & Intangible Assets	480,838	938,552	0	1,129,000	1,129,000
Capital Outlay	0	20,773	0	0	0
Transfers	672,086	732,395	503,739	503,739	503,739
Debt Service	1,673,206	1,953,496	1,664,864	2,092,532	2,092,522
Total Expenditures	\$266,779,803	\$273,249,199	\$286,444,410	\$302,203,438	\$303,490,537
General Fund	261,038,855	266,029,717	279,202,988	294,969,467	296,257,551
State/Other Special Rev. Funds	5,622,145	7,100,679	7,096,208	7,100,925	7,101,926
Proprietary Funds	118,803	118,803	145,214	133,046	131,060
Total Funds	\$266,779,803	\$273,249,199	\$286,444,410	\$302,203,438	\$303,490,537
Total Ongoing	\$264,289,812	\$267,857,488	\$281,689,430	\$302,203,438	\$303,490,537
Total OTO	\$2,489,991	\$5,391,711	\$4,754,980	\$0	\$0

Agency Description

The Montana Department of Corrections provides services that impact every community in Big Sky Country. From assisting victims of crime; to providing support to offenders under supervision in Montana communities; to ensuring the incarcerated population is prepared to re-enter society successfully; the work of the department is wide and varied. The department aims to provide evidence-based programming in all aspects of our work as we move toward our goal of reducing recidivism and disrupting the cycle of incarceration. Please refer to the agency profile at <https://www.legmt.gov/lfd/committees/section-d/agency-profile-department-of-corrections/> for additional information about the agency's organization structure, historical expenditures, goals and objectives, and recent studies and audits.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

The Department of Corrections' FY 2024 modified HB 2 budget was \$269.2 million. Through the end of FY 2024, the department expended \$264.3 million or 98.2% leaving nearly \$5.0 million in unspent authority. At FYE 2024, the department performed a series of fiscal transfers which moved \$10.1 million from FY 2025 appropriations to FY 2024 to cover shortfalls in reimbursing county detention centers for holding convicted offenders, costs related to building emergencies, prescription drug costs, and costs due to the inability to access some contingent personal service appropriations.

Without these fiscal transfers, the department would have over expended its HB 2 budget by approximately \$5.1 million or 2.0%. As all HB 2 authority for the Director's Office, Public Safety Division, and Rehabilitation and Programs Division is biennial, the Department continued most of this unspent authority back to FY 2025. This should help decrease any supplemental request that may result from the initial \$10.1 million transfer of authority to FY 2024. Expenditures of 98.2% after the fiscal transfer were proportionally higher than the previous five-year average of 95.8%.

FY 2024 Appropriations Compared to FY 2025 Appropriations

When compared to FY 2024 appropriations, appropriations for FY 2025 increase by approximately \$13.2 million. Many changes have occurred so far in the 2025 biennium resulting in a different appropriation structure than that of the 2023 Session. Original FY 2025 appropriations were about \$6.0 million higher than FY 2024.

The changes in authority resulting in the appropriations in the table above are as follows:

- FY 2025 contains \$11.4 million in authority from HB 5 of the 2023 session. This authority is not found in FY 2024. Details are as follows:
 - \$7.2 million in contracted expenses to be paid for providers to build and operate a sex offender treatment unit. Amounts shown reflect annual numbers based on a 7-year contract
 - \$3.4 million in annual operating costs for a new pre-release center in Flathead County
 - \$800,000 for other ongoing maintenance and operating costs
- FY 2025 contains additional personal service pay plan funding over FY 2024 of \$4.0 million
- FY 2025 contains \$4.5 million additional operating expense authority over FY 2024 for provider rate increases in contracted facilities
- FY 2024 contains a partially offsetting fiscal transfer in of \$10.1 million

The increases in authority for FY 2025 are partially offset by the fiscal transfer increasing authority in FY 2024 by \$10.1 million result in the appropriation levels seen in the table above.

Comparison of FY 2025 Legislative Budget to FY 2025 Base

The figure below illustrates the beginning FY 2025 budget as adopted by the 2023 Legislature compared to the FY 2025 base budget, which includes modifications as approved by the approving authority (as authorized in statute) during the interim. The FY 2025 base budget was agreed upon by the Office of Budget and Program Planning and the Fiscal Division to be the point from which any changes would be recorded for the 2027 biennium budgeting process.

Department of Corrections				
Comparison of the FY 2025 Legislative Budget to the FY 2025 Base Budget				
	Legislative Budget	Executive Modifications	Base Budget	% Change
01 DIRECTOR'S OFFICE CSD				
61000 Personal Services	10,052,331	3,225,727	13,278,058	32.1%
62000 Operating Expenses	8,259,125	1,165,045	9,424,170	14.1%
68000 Transfers	100,000		100,000	0.0%
Total	18,411,456	4,390,772	22,802,228	23.8%
02 PUBLIC SAFETY				0.0%
61000 Personal Services	83,130,514	(6,855,358)	76,275,156	-8.2%
62000 Operating Expenses	64,033,932	(1,250,585)	62,783,347	-2.0%
63000 Equipment & Intangible Assets	152,852	(152,852)	-	-100.0%
64000 Capital Outlay	20,773	(20,773)	-	-100.0%
68000 Transfers	181,121	(12,499)	168,622	-6.9%
69000 Debt Service	953,706	634,258	1,587,964	66.5%
Total	148,472,898	(7,657,809)	140,815,089	-5.2%
03 REHABILITATION AND PROGRAMS				0.0%
61000 Personal Services	16,992,855	3,562,325	20,555,180	21.0%
62000 Operating Expenses	96,150,527	(191,691)	95,958,836	-0.2%
68000 Transfers	241,367	(6,250)	235,117	-2.6%
69000 Debt Service	117,347	(97,347)	20,000	-83.0%
Total	113,502,096	3,267,037	116,769,133	2.9%
04 BOARD OF PARDONS AND PAROLE				0.0%
61000 Personal Services	1,112,809		1,112,809	0.0%
62000 Operating Expenses	190,171	(56,900)	133,271	-29.9%
69000 Debt Service		56,900	56,900	100.0%
Total	1,302,980	-	1,302,980	0.0%
Agency Total	281,689,430	-	281,689,430	0.0%

The largest modification performed by the DOC during the 2025 interim was a reorganization. This reorganization was done to establish new bureaus and moved a total of 91.00 PB and associated funding in the amount of \$6.9 million in FY 2024 throughout the agency to align with current org chart structures. These positions all came from the Public Safety Division and were moved to the Director's Office and Rehabilitation and Programs Division at roughly a 50/50 split. An outline of the changes made within this reorganization include:

- All purchasing functions were consolidated to the Financial Services Bureau in the Director's Office
- All maintenance functions were consolidated to the Project Management Bureau within the Central Services Division
- All education services were combined into a newly created Education Services Bureau within the Rehabilitation and Programs Division

The Director's Office received additional operating expenses by moving authority provided for inflation in the 2025 biennium from the Public Safety Division and Rehabilitation and Programs Division.

Agency Discussion

The Department of Corrections (DOC) is charged with efficiently utilizing state resources to develop and maintain comprehensive adult and youth corrections services. The primary responsibility of DOC is to house and/or provide services to adults and youth who are sentenced to DOC or one of the facilities it operates. DOC is also responsible for adult probation and parole functions. However, juvenile probation and parole services are part of the District Court Operations Program within the Judicial Branch.

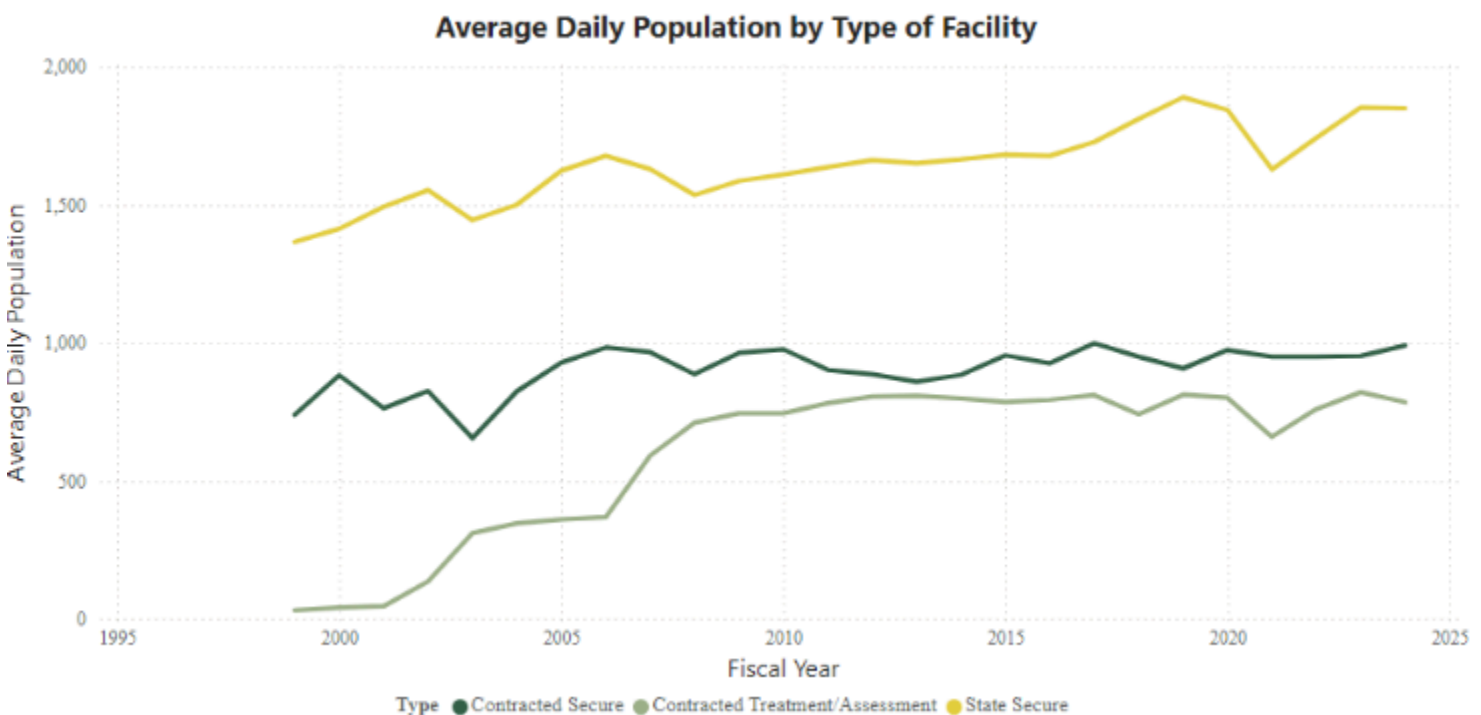
The Department of Corrections provides services through the operation of state institutions, with state employees and the purchase of incarceration and other services (such as community-based residential treatment programs) via contracts with local governments and private not-for-profit and for-profit businesses throughout the state. Overall costs and changes to the costs of the department are generally driven by several factors:

- Average daily populations/projections
- The level of supervision and/or treatment required and the availability of space in the appropriate settings
- Costs of contracts and state personnel
- Medical costs for offenders

Offender Populations

As seen in the list above, overall offender populations and the general makeup of these offenders are the largest drivers for overall agency costs. Historically, with the exception of a two-year period involving COVID, offender populations have increased year over year. This section of the budget analysis will split these populations into three categories: secure facilities, alternative facilities (excluding pre-release), and community supervision (pre-release included). Offender populations have increased primarily in the areas contracted treatment and assessment facilities. Both state-owned and contracted secure populations have not increased as quickly due to the slower growth in overall capacity within these facilities. Many contracted treatment and assessment centers were added around FY 2007, and much of the additional capacity seen over the last few decades has been obtained in these areas and in pre-release centers.

The chart below describes the average daily population by facility type between 1999 and 2024. One thing to note is data in the chart below looking at historical timelines was taken from the first quarter of FY 2024 and does not include newly obtained capacity at Saguaro Correctional Facility in Arizona which totals 245 beds currently. Therefore, the slope of the trend related to contracted secure capacity is understated. Only population in facilities (no community supervision) are included in the chart below.



Secure Facilities

Montana currently has six adult secure facilities, which includes three state-owned facilities and three contracted facilities. These facilities, along with individuals on probation and parole, comprise the offender population overseen by the Public Safety Division. These facilities, including their capacity and recent average daily population (ADP) numbers, are shown in the table below. Also included are jail holds for those waiting for only a secure prison placement. Jail holds for those awaiting a different placement are included in the next section.

Current Secure Capacity Utilized for MT Offenders			
Facility	Operational Capacity	ADP*	% of Operational Capacity
Montana State Prison	1,526	1,662	108.9%
Riverside Special Needs	25	26	104.0%
Crossroads Correctional Center	753	762	101.2%
Saguaro Correctional Center	240	245	102.1%
Dawson County Correctional	135	124	91.9%
Secure Jail Holds	-	80	
Male Total	2,679	2,899	108.2%
Montana Women's Prison	240	247	102.9%
Secure Jail Holds	-	55	
Female Total	240	302	125.8%
* ADP numbers reflect information from November 1, 2024			

The majority of secure facility capacity (approximately 91.4%) is used to house male offenders. As seen in the table above, the department is currently utilizing all capacity in secure facilities. One recent addition to secure capacity comes in the form of additional secure facility beds at the Saguaro Correctional Facility in Arizona secured by a contract with Core Civic. The department began utilizing 120 beds in November 2023, and all 120 beds are currently being utilized. This capacity was increased to 240 inmates in August of 2024. This increase was a decision made by the executive to quickly combat issues that arose with lost capacity at the Missoula Assessment and Sanction Center (MASC). The DOC was unable to renegotiate a new contract with the Missoula Assessment and Sanction Center which resulted in the need for immediate additional capacity in Arizona.

The population in jail holds is another area worth noting. Due to facilities being at capacity, the DOC contracts with local county detention centers to house offenders who have been sentenced and are waiting a placement within a secure facility. As of October 2024, 144 offenders were currently in these local detention placements awaiting for a placement within a secure prison facility. Jail holds have increased over the interim indicating a need for additional capacity. Jail hold counts got as high as 450-470 daily in the 4th quarter of FY 2024 and have been averaging approximately 350 for the 2025 biennium so far.

Alternative to Secure Facilities and Community Supervision

There are other types of facilities within the Montana offender system that are utilized as alternative placement options to incarceration in a secure facility. These facilities can be separated into three main categories representing pre-release centers (also included within community supervision number below), assessment/sanction centers, and centers for the treatment of substance use disorders. These are all contracted facilities, and capacity available to the Department of Corrections is based on contracted amounts and facility availability. Not all inmates can use these types of capacity, which explains some of the current utilization amounts below. Alternative population placements in Montana as of October 2024 include the following:

Current Alternative to Secure Capacity for MT Offenders				
Facility Type	Gender	Contracted Capacity	ADP*	% of Available Contracted Capacity
Contracted Treatment	Male	336	339	100.9%
	Female	128	123	96.1%
Total		464	462	99.6%
Contracted Assessment	Male	196	192	98.0%
	Female	72	62	86.1%
Total		268	254	94.8%
Contracted Pre-release	Male	754	685	90.8%
	Female	209	218	104.3%
Total		963	903	93.8%
Community Supervision Population	All		10,180	
*ADP numbers reflect information from November 1, 2024				

Contracted assessment and sanction centers act as housing for offenders awaiting a bed placement at another facility or to house offenders serving sanctions for disciplinary actions. Offenders will participate in an assessment process which includes mental health evaluations, chemical dependency evaluations, and more. Contracted treatment centers offer more intensive residential inpatient treatment for substance use disorder. These facilities can be split into three different purposes: DUI treatment, 90-day substance use disorder treatment, and long-term treatment.

Contracted pre-release centers make up the remainder of alternative facility capacity in Montana. Pre-release facilities serve two purposes. First, pre-release centers act as an alternative to traditional incarceration for some offenders. Second, these facilities serve to assist offenders transitioning from a secure facility back into the community. These tend to be six-month programs in which offenders will live at the facility but work in the community.

HB 2 Language -

All appropriations for the Director's Office and Central Services Division, the Public Safety Division, and the Rehabilitation and Programs Division are biennial.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget		Biennium Change from Base	
		FY 2026	FY 2027	Amount	Percent
PB	148.31	149.31	149.31	1.00	0.3%
General Fund	22,196,065	22,473,647	22,482,486	564,003	1.3%
State/Other Special Rev. Funds	460,949	471,253	472,100	21,455	2.3%
Proprietary Funds	145,214	133,046	131,060	(26,322)	(9.1%)
Total Funds	22,802,228	23,077,946	23,085,646	559,136	1.2%
Personal Services	13,278,058	13,686,557	13,712,260	842,701	3.2%
Operating Expenses	9,424,170	9,291,389	9,273,386	(283,565)	(1.5%)
Transfers	100,000	100,000	100,000		0.0%
Total Expenditures	22,802,228	23,077,946	23,085,646	559,136	1.2%
Total Ongoing	22,802,228	23,077,946	23,085,646	559,136	1.2%
Total One-Time-Only	147,147			(294,294)	(100.0%)

Program Highlights

Director's Office / CSD Major Budget Highlights
<p>The Director's Office's 2027 biennium HB 2 request is \$45.9 million which reflects an increase of \$560,000 or 1.2% when compared to the FY 2025 base budget. Significant changes include:</p> <ul style="list-style-type: none"> Nearly \$330,000 for statewide present law increases Nearly \$230,000 for 1.00 additional PB

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Director's Office and Central Services Division 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	22,196,065	460,949	0	22,802,228	98.8%	22,196,065	460,949	0	22,802,228	98.8%
Statewide PL										
Personal Services	284,416	10,561	0	294,977	1.3%	309,229	11,450	0	320,679	1.4%
Fixed Costs	(118,627)	(257)	0	(131,052)	(0.6%)	(135,163)	(299)	0	(149,616)	(0.6%)
Inflation Deflation	(1,729)	0	0	(1,729)	(0.0%)	(1,168)	0	0	(1,168)	(0.0%)
Total Statewide PL	164,060	10,304	0	162,196	0.7%	172,898	11,151	0	169,895	0.7%
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	113,522	0	0	113,522	0.5%	113,523	0	0	113,523	0.5%
Total HB 2 Adjustments	277,582	10,304	0	275,718	1.2%	286,421	11,151	0	283,418	1.2%
Total Requested Budget	22,473,647	471,253	0	23,077,946		22,482,486	472,100	0	23,085,646	

Funding

The following table shows proposed program funding for all sources of authority.

Department of Corrections, 01-Director's Office and 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	44,956,133	0	0	0	44,956,133	97.4%
02689 Offender Restitution	937,763	0	0	0	937,763	99.4%
02917 MSP Canteen Revolving Acct	5,590	0	0	0	5,590	0.6%
State Special Total	\$943,353	\$0	\$0	\$0	\$943,353	2.0%
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
06011 License Plate Production	104,815	0	0	0	104,815	39.7%
06033 Prison Ranch	52,787	0	0	0	52,787	20.0%
06034 MSP Institutional Industries	52,787	0	0	0	52,787	20.0%
06545 Prison Indust. Training Prog	928	0	0	0	928	0.4%
06573 MSP - Cook Chill	52,789	0	0	0	52,789	20.0%
Proprietary Total	\$264,106	\$0	\$0	\$0	\$264,106	0.6%
Total All Funds	\$46,163,592	\$0	\$0	\$0	\$46,163,592	

The majority of funding for the Director's Office comes from the general fund. There is a small amount of funding for this program that comes from state special revenues, primarily from fees charged for collection of restitution from offenders. The remaining portion of funding comes from proprietary funds such as prison ranch, industries program, cook chill operation, and license plate production. Most authority in these proprietary programs is not budgeted by the legislature in HB 2 and will be discussed in a separate analysis, but small portions of these programs are budgeted in HB 2 as seen in the table above.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	148.31	148.31	149.31	149.31
Personal Services	12,676,273	12,735,414	13,425,205	13,686,557	13,712,260
Operating Expenses	7,519,715	7,682,126	9,424,170	9,291,389	9,273,386
Transfers	144,416	144,416	100,000	100,000	100,000
Total Expenditures	\$20,340,404	\$20,561,956	\$22,949,375	\$23,077,946	\$23,085,646
General Fund	19,733,880	19,897,780	22,343,212	22,473,647	22,482,486
State/Other Special Rev. Funds	487,721	545,373	460,949	471,253	472,100
Proprietary Funds	118,803	118,803	145,214	133,046	131,060
Total Funds	\$20,340,404	\$20,561,956	\$22,949,375	\$23,077,946	\$23,085,646
Total Ongoing	\$20,200,848	\$20,407,400	\$22,802,228	\$23,077,946	\$23,085,646
Total OTO	\$139,556	\$154,556	\$147,147	\$0	\$0

Program Description

The Director's Office and the Central Services Division include the following bureaus: the Legal Bureau, the Communications Bureau, the Financial Services Bureau, Central Services Operations, the Information Technology Bureau, the Human Resources Bureau, the Records Management Bureau, the Research & Analytics Bureau, and the Project Management Bureau. This program provides services to the department and the public in the areas of public information, human resource management, information technology, legal support, research and statistics, project management, payroll, contract development, federal grants management, victim restitution, supervision fee collection, and various administrative and management support functions.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

In FY 2024, expenditures within the Director's Office and Central Services Division totaled 99.0% of its modified HB 2 budget. Personal services were expended at 99.7%, while operating expenses were expended at 97.9%. The majority of unexpended funds relate to legislative audit costs and will carry forward into FY 2025. Expenses in FY 2024 followed anticipated trends.

FY 2024 Appropriations Compared to FY 2025 Appropriations

When compared to FY 2024 amounts, appropriations in FY 2025 reflect an increase of approximately \$2.4 million or 11.4% with about \$700,000 of this increase being within personal services and \$1.7 million being in operating expenses. The amount for FY 2025 in the table above includes a one-time-only reduction of \$1.8 million for Risk Management and Tort Defense. This reduction was added back into FY 2025 amounts to provide a direct comparison to the base budget.

Operating expense authority in FY 2025 is practically identical to FY 2024 budgets when ignoring this one-time-only reduction. Increases in personal services can be mainly attributed to additional pay plan funding provided for the second year of the 2025 biennium.

Program Personal Services

Requested personal services for the 2027 biennium total \$27.4 million and reflect an increase of \$843,000 or 3.2% when compared to FY 2025 base appropriations. Increases are attributed to statewide present law adjustments to personal services and a request for 1.00 additional PB for a position that was provided as OTO in the 2025 biennium. Statewide present law adjustments are primarily comprised of increases in position retirement pay, hiring vacant positions at a higher rate than when the position became vacant, and adjustments related to position benefits such as retirement and social security.

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 2026-----						-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	284,416	10,561	0	294,977	0.00	309,229	11,450	0	320,679
DP 2 - Fixed Costs	0.00	(118,627)	(257)	0	(131,052)	0.00	(135,163)	(299)	0	(149,616)
DP 3 - Inflation Deflation	0.00	(1,729)	0	0	(1,729)	0.00	(1,168)	0	0	(1,168)
Grand Total All Present Law Adjustments	0.00	\$164,060	\$10,304	\$0	\$162,196	0.00	\$172,898	\$11,151	\$0	\$169,895

**"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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Department of Corrections	
Director's Office / CSD	
FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$128,837
Management Decisions	255,433
Budget Modifications	(89,293)
Total	\$294,977

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: audit fees, Capitol complex rent, information technology services, 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 in-state state motor pool and motor pool leased vehicles.

New Proposals

The “New Proposals” table shows new proposals for spending.

New Proposals										
-----Fiscal 2026-----						-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 175 - Correction of Error - Make OTO PB Permanent	1.00	113,522	0	0	113,522	1.00	113,523	0	0	113,523
Total	1.00	\$113,522	\$0	\$0	\$113,522	1.00	\$113,523	\$0	\$0	\$113,523

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

DP 175 - Correction of Error - Make OTO PB Permanent -

The executive is requesting 1.00 additional position.

LFD COMMENT	The 2023 Legislature provided 13.00 PB to the DOC for the 2025 biennium but made the appropriation one-time-only for these positions. All positions were provided to the Public Safety Division but were moved during the interim. This proposal would continue this position along with new authority to pay associated costs.
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Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget	Requested Budget		Biennium Change from Base	
	FY 2025	FY 2026	FY 2027	Amount	Percent
PB	903.86	916.86	916.86	13.00	0.7%
General Fund	138,946,126	153,762,517	154,121,753	29,992,018	10.8%
State/Other Special Rev. Funds	1,868,963	1,868,963	1,868,963		0.0%
Total Funds	140,815,089	155,631,480	155,990,716	29,992,018	10.6%
Personal Services	76,275,156	80,414,638	80,579,187	8,443,513	5.5%
Operating Expenses	62,783,347	71,923,081	72,117,768	18,474,155	14.7%
Equipment & Intangible Assets		1,129,000	1,129,000	2,258,000	0.0%
Transfers	168,622	168,622	168,622		0.0%
Debt Service	1,587,964	1,996,139	1,996,139	816,350	25.7%
Total Expenditures	140,815,089	155,631,480	155,990,716	29,992,018	10.6%
Total Ongoing	140,815,089	155,631,480	155,990,716	29,992,018	10.6%
Total One-Time-Only	1,809,373			(3,618,746)	(100.0%)

Program Highlights

Public Safety Major Budget Highlights

The 2027 biennium request for the Public Safety Division is approximately \$311.6 million which reflects an increase of \$30.0 million or 10.6% when compared to the FY 2025 base budget. Most significant changes include:

- \$6.2 million to increase base appropriations for reimbursing county jail holds
- \$5.4 million in statewide present law adjustments to personal services and fixed costs
- Nearly \$2.8 million for increases in provider rates paid to contracted secure facilities and local detention centers
- \$2.7 million for increases in costs of contracted placements for juveniles and to fund caseworker services
- Almost \$2.5 million general fund for new equipment and technology purchases
- \$2.4 million general fund to support recruitment and retention efforts and to develop more formal field training
- \$1.6 million general fund for performance and other incentive-based adjustments to employee salaries
- \$1.5 million for 9.00 new PB

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Public Safety Division 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	138,946,126	1,868,963	0	140,815,089	90.5%	138,946,126	1,868,963	0	140,815,089	90.3%
Statewide PL										
Personal Services	2,231,576	0	0	2,231,576	1.4%	2,392,111	0	0	2,392,111	1.5%
Fixed Costs	408,175	0	0	408,175	0.3%	408,175	0	0	408,175	0.3%
Inflation Deflation	(32,635)	0	0	(32,635)	(0.0%)	(22,057)	0	0	(22,057)	(0.0%)
Total Statewide PL	2,607,116	0	0	2,607,116	1.7%	2,778,229	0	0	2,778,229	1.8%
Present Law (PL)	4,635,616	0	0	4,635,616	3.0%	5,701,995	0	0	5,701,995	3.7%
New Proposals	7,573,659	0	0	7,573,659	4.9%	6,695,403	0	0	6,695,403	4.3%
Total HB 2 Adjustments	14,816,391	0	0	14,816,391	9.5%	15,175,627	0	0	15,175,627	9.7%
Total Requested Budget	153,762,517	1,868,963	0	155,631,480		154,121,753	1,868,963	0	155,990,716	

Funding

The following table shows proposed program funding for all sources of authority.

Department of Corrections, 02-Public Safety 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	307,884,270	0	0	0	307,884,270	98.4%
02033 Pine Hills Vocational Program	200,000	0	0	0	200,000	3.9%
02034 Earmarked Alcohol Funds	51,046	0	0	0	51,046	1.0%
02261 P & P Supervisory Fee	2,266,566	0	0	0	2,266,566	44.0%
02339 Inmate Welfare/Inmate Pay	200,000	0	0	0	200,000	3.9%
02345 Inmate Welfare Fund	0	0	0	1,410,030	1,410,030	27.4%
02916 PHS-Canteen	7,046	0	0	0	7,046	0.1%
02927 PHS Donations/I & I	754,660	0	0	0	754,660	14.7%
02970 Juvenile Plcmnt Cost of Care	258,608	0	0	0	258,608	5.0%
State Special Total	\$3,737,926	\$0	\$0	\$1,410,030	\$5,147,956	1.6%
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.0%
Total All Funds	\$311,622,196	\$0	\$0	\$1,410,030	\$313,032,226	

Nearly all the division's funding comes from the general fund. The remaining funding comes from state special revenues. The largest portion of these state special funds are collected from offenders who are required to pay supervision fees related to probation and parole. Interest and income related to Pine Hills school lands primarily make up additional state special revenue and are used for additional support related to direct and non-direct care costs in the Pine Hills Correctional Facility.

The inmate welfare state special revenue fund is used to fund activities and basic needs of inmates and is comprised of revenue from the sales of contraband and confiscated items, as well as proceeds from inmate canteen purchases from the state prison. Most authority from the state special revenue inmate welfare fund is statutorily appropriated.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	903.86	903.86	916.86	916.86
Personal Services	74,448,501	75,698,492	78,084,529	80,414,638	80,579,187
Operating Expenses	63,539,134	65,834,898	62,783,347	71,923,081	72,117,768
Equipment & Intangible Assets	480,838	938,552	0	1,129,000	1,129,000
Capital Outlay	0	20,773	0	0	0
Transfers	190,491	346,612	168,622	168,622	168,622
Debt Service	1,596,814	1,779,249	1,587,964	1,996,139	1,996,139
Total Expenditures	\$140,255,778	\$144,618,576	\$142,624,462	\$155,631,480	\$155,990,716
General Fund	139,141,472	142,829,607	140,755,499	153,762,517	154,121,753
State/Other Special Rev. Funds	1,114,306	1,788,969	1,868,963	1,868,963	1,868,963
Total Funds	\$140,255,778	\$144,618,576	\$142,624,462	\$155,631,480	\$155,990,716
Total Ongoing	\$139,547,279	\$142,003,862	\$140,815,089	\$155,631,480	\$155,990,716
Total OTO	\$708,499	\$2,614,714	\$1,809,373	\$0	\$0

Program Description

The Public Safety Division oversees secure correctional facilities across the state. This includes three state-owned secure facilities (Montana State Prison, Montana Women's Prison, and Riverside Special Needs Unit), as well as contracted services through CoreCivic for facilities in Arizona and Shelby, MT and Dawson County Correctional Facility. Through the Probation and Parole Bureau, this division provides community supervision services to offenders across the state. Also housed in this division are the Investigations Bureau and various support functions to include staff development and quality assurance.

FY 2024 Appropriations Compared to FY 2024 Actual Expenditures

In FY 2024, expenditures within the Public Safety Division totaled 98.0% of its modified HB 2 budget. This modified budget includes the transfer of approximately \$5.0 million in authority from FY 2025 to FY 2024 which was intended to cover shortfalls in reimbursement for county jail holds and the inability to access restricted appropriations in FY 2025. Without the movement of this authority, the Public Safety Division's budget would have been over expended by 1.5% in FY 2024. After accounting for modifications, personal services were expended at 98.3%, while operating expenses were expended at 98.7%.

The majority of unexpended funds relate to the following items:

- \$1.5 million in operating expense authority for 120 contracted secure beds was unexpended due to these beds not being available until midway through FY 2024
- \$1.3 million in contingent personal service appropriations for paying correctional officers was unexpended due to the inability to access these funds in FY 2024
- \$650,000 for equipment and vehicle upgrades was unexpended

Appropriations in the Public Safety Division are biennially appropriated and unexpended authority can be spent in FY 2025.

FY 2024 Appropriations Compared to FY 2025 Appropriations

When compared to FY 2024 amounts, appropriations for FY 2025 in the table above reflect a decrease of approximately \$2.0 million or 1.4%. This is the result of multiple changes:

- A total of \$5.0 million was moved to FY 2024 from FY 2025 to cover shortfalls and was comprised of roughly 50.0% personal services and 50.0% operating costs
- FY 2025 contains an additional \$2.8 million in HB 13 pay plan

Differences in operating expenses are the result of changes made to the budget at FYE 2024 that increased operating expense authority by \$2.9 million and decreased authority in personal services and other accounts. Most of these changes happened to tie out fiscal year expenditures and have not occurred in FY 2025.

One additional change worth noting to overall appropriation levels for both years comes in the form of the reorganization done in FY 2024 as described earlier in the report. This change moved a total of 91.00 PB and associated funding in the amount of \$7.0 million in FY 2024 and \$7.3 million in FY 2025 from the PSD to other divisions in the agency. Roughly 50.0% went to the Director's Office and the other 50.0% went to the Rehabilitation and Programs Division.

Program Personal Services

Requested personal services for the 2027 biennium total \$161.0 million and reflect an increase of \$8.4 million or 5.5% when compared to FY 2025 base appropriations. Increases are attributed to multiple requests for new PB, standardizing pay for nurses, and in statewide present law adjustments to personal services.

Statewide present law adjustments comprise the largest portion of the increase at \$4.6 million. These adjustments are primarily comprised of changes to position retirement and social security and through budget modification which moved more personal service authority from the division than was needed to cover PB that were transferred to other divisions. This difference fills back during the snapshot.

New positions requested by the executive total 13.00 PB and \$2.2 million for the biennium. These positions include:

- 9.00 additional PB which have been utilized as modified positions for an extended period - provided as OTO for the 2025 biennium
- 4.00 additional PB for a new K-9 program

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 2026					Fiscal 2027					
PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds	
DP 1 - Personal Services	0.00	2,231,576	0	0	2,231,576	0.00	2,392,111	0	0	2,392,111
DP 2 - Fixed Costs	0.00	408,175	0	0	408,175	0.00	408,175	0	0	408,175
DP 3 - Inflation Deflation	0.00	(32,635)	0	0	(32,635)	0.00	(22,057)	0	0	(22,057)
DP 204 - MCE Rate Changes - Impact to MSP	0.00	550,000	0	0	550,000	0.00	615,000	0	0	615,000
DP 209 - Secure Facility Rate Increases	0.00	920,647	0	0	920,647	0.00	1,860,373	0	0	1,860,373
DP 210 - Leased Vehicle Funding - Existing	0.00	82,325	0	0	82,325	0.00	82,325	0	0	82,325
DP 280 - Increase County Jail Hold	0.00	3,082,644	0	0	3,082,644	0.00	3,144,297	0	0	3,144,297
Grand Total All Present Law Adjustments	0.00	\$7,242,732	\$0	\$0	\$7,242,732	0.00	\$8,480,224	\$0	\$0	\$8,480,224

**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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Department of Corrections	
Public Safety	
FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$2,042,997
Management Decisions	(240,658)
Budget Modifications	429,237
Total	<u>\$2,231,576</u>

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: audit fees, Capitol complex rent, information technology services, 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 in-state state motor pool and motor pool leased vehicles.

DP 204 - MCE Rate Changes - Impact to MSP -

The executive requests additional general fund to cover projected increases in costs due to rate changes for services provided by the Montana Correctional Enterprises to other areas of the department. These areas pertain to laundry services, food factory, and motor vehicle maintenance.

DP 209 - Secure Facility Rate Increases -

The executive requests general fund to cover rate increases for contracted secure facilities. In accordance with 7-32-2242, MCA, increases to the rate for Crossroads Correctional Center will also increase the daily rate for county detention centers.

**LFD
COMMENT**

According to 7-32-2242, MCA, rates for reimbursing local detention centers are to be equal to the rate paid to Core Civic for inmates being housed at Crossroads Correctional Center (CCC) minus 10.0%. The 2023 Legislature approved funding which placed daily per diem rates at CCC at \$92.00. Corresponding rates for jail holds have been set at \$82.80. Increasing rates to Core Civic will increase jail hold reimbursement as outlined in statute. Both initiatives are included in this decision package.

DP 210 - Leased Vehicle Funding - Existing -

The executive requests general fund to cover the increased cost of 22 existing leased vehicles in the Probation & Parole Bureau.

DP 280 - Increase County Jail Hold -

The executive requests general fund to increase base funding for jail hold reimbursement costs to be based off an ADP of 350.

**LFD
COMMENT**

Current base level funding provided to reimburse count jail holds for holding DOC inmates was calculated based off average daily populations in FY 2022. In FY 2022, the department was able to keep jail hold populations around an average of 250. During the 2025 biennium, jail holds have been averaging around 350 with numbers reaching their highest in Q4 of FY 2024 totaling over 450. This decision package does not look to increase rates but instead seeks to establish funding levels based on realized increases in terms of jail hold ADP.

New Proposals

The "New Proposals" table shows new proposals for spending.

New Proposals										
-----Fiscal 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 201 - Recruitment & Retention - Invest in Employee Training										
0.00	1,200,000	0	0	1,200,000		0.00	1,200,000	0	0	1,200,000
DP 202 - Public Safety Security Equipment & Licenses										
0.00	1,650,000	0	0	1,650,000		0.00	800,000	0	0	800,000
DP 203 - Performance Advancement Wage Scale										
0.00	800,000	0	0	800,000		0.00	800,000	0	0	800,000
DP 205 - Assistance for Youth Population										
0.00	1,352,500	0	0	1,352,500		0.00	1,352,500	0	0	1,352,500
DP 206 - K-9 Program										
4.00	478,801	0	0	478,801		4.00	447,800	0	0	447,800
DP 207 - Vehicle Replacement										
0.00	668,000	0	0	668,000		0.00	668,000	0	0	668,000
DP 208 - Secure Facility Equipment										
0.00	461,000	0	0	461,000		0.00	461,000	0	0	461,000
DP 211 - Leased Vehicle Funding - new										
0.00	203,676	0	0	203,676		0.00	203,676	0	0	203,676
DP 275 - Correction of Error - Make OTO PB Permanent										
9.00	759,682	0	0	759,682		9.00	762,427	0	0	762,427
Total	13.00	\$7,573,659	\$0	\$0	\$7,573,659	13.00	\$6,695,403	\$0	\$0	\$6,695,403

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

DP 201 - Recruitment & Retention - Invest in Employee Training -

The executive requests general fund authority to support ongoing recruitment and retention efforts and to aide in conducting formal training to develop field training officers, account for increased cost for officers to travel to and attend the Montana Law Enforcement Academy and adequately provide training supplies and equipment.

DP 202 - Public Safety Security Equipment & Licenses -

The executive requests additional general fund for new equipment and technology.

**LFD
COMMENT**

Initiatives in this proposal include firearm purchasing and replacement, the replacement of other equipment like breathalyzers, metal detectors, and tool cribs, and the purchasing of additional technology for perimeter security.

DP 203 - Performance Advancement Wage Scale -

The executive requests general fund to incentivize skills and training by rewarding extra duties and certifications for employees.

DP 205 - Assistance for Youth Population -

The executive requests general fund to provide for increases in costs of contracted placements for juveniles and to fund caseworker services for young adults who are being released from the juvenile system.

DP 206 - K-9 Program -

The executive requests general fund for 4.00 new PB, to support the implementation of a K-9 program that would consist of four officers who utilize trained dogs to search for narcotics.

DP 207 - Vehicle Replacement -

The executive requests general fund to cover the cost of establishing an ongoing replacement cycle for current vehicles.

DP 208 - Secure Facility Equipment -

The executive requests general fund to allow for the purchase or replacement of heavy equipment utilized for building and road maintenance, such as forklifts, manlifts, graders, and excavators and to establish an ongoing lease/replacement cycle for these items.

DP 211 - Leased Vehicle Funding - new -

The executive requests general fund to increase the number of leased vehicles in the division by 25.

**LFD
COMMENT**

This decision package is closely aligned with DP 210 seen above which covers lease increases for existing needed vehicles. This proposal adds authority for 25 total additional leases. These new vehicles would support the Transportation Unit, Investigations Unit, and Probation & Parole Bureau.

DP 275 - Correction of Error - Make OTO PB Permanent -

The executive is requesting 9.00 additional employee positions.

**LFD
COMMENT**

The 2023 Legislature provided 13.00 PB to the DOC for the 2025 biennium but made the appropriation one-time-only for these positions. These positions have been utilized as modified positions for an extended period of time. All positions were provided to the Public Safety Division, but some were around during the 2025 interim. This proposal would continue these positions along with new authority to pay associated costs.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget FY 2026 FY 2027		Biennium Change from Base Amount Percent	
PB	217.50	227.50	227.50	10.00	2.3%
General Fund	112,002,837	117,375,007	118,291,702	11,661,035	5.2%
State/Other Special Rev. Funds	4,766,296	4,760,709	4,760,863	(11,020)	(0.1%)
Total Funds	116,769,133	122,135,716	123,052,565	11,650,015	5.0%
Personal Services	20,555,180	23,430,261	23,823,612	6,143,513	14.9%
Operating Expenses	95,958,836	98,430,845	98,954,353	5,467,526	2.8%
Transfers	235,117	235,117	235,117		0.0%
Debt Service	20,000	39,493	39,483	38,976	97.4%
Total Expenditures	116,769,133	122,135,716	123,052,565	11,650,015	5.0%
Total Ongoing	116,769,133	122,135,716	123,052,565	11,650,015	5.0%
Total One-Time-Only	2,709,863			(5,419,726)	(100.0%)

Program Highlights

Rehabilitation and Programs Major Budget Highlights
<p>The 2027 biennium request for the Rehabilitation and Programs Division is nearly \$11.7 million or 5.0% higher when compared to FY 2025 base appropriations. Significant changes include:</p> <ul style="list-style-type: none"> • Nearly \$4.1 million general fund for contract renewals and provider rate increases with existing contracted facilities • \$3.1 million general fund for statewide present law adjustments to personal services and fixed costs with personal services accounting for \$2.6 million • \$1.4 million general fund to standardize pay across all facilities for nurse positions • Just over \$960,000 general fund for 1.00 additional pharmacy staff and additional medical solutions and equipment • \$940,000 general fund to support 4.00 additional victim services liaisons and associated operating expenses

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Rehabilitation and Programs Division 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	112,002,837	4,766,296	0	116,769,133	95.6%	112,002,837	4,766,296	0	116,769,133	94.9%
Statewide PL										
Personal Services	1,526,501	(5,587)	0	1,520,914	1.2%	1,575,821	(5,433)	0	1,570,388	1.3%
Fixed Costs	19,493	0	0	19,493	0.0%	19,483	0	0	19,483	0.0%
Inflation Deflation	(1,251)	0	0	(1,251)	(0.0%)	(845)	0	0	(845)	(0.0%)
Total Statewide PL	1,544,743	(5,587)	0	1,539,156	1.3%	1,594,459	(5,433)	0	1,589,026	1.3%
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	3,827,427	0	0	3,827,427	3.1%	4,694,406	0	0	4,694,406	3.8%
Total HB 2 Adjustments	5,372,170	(5,587)	0	5,366,583	4.4%	6,288,865	(5,433)	0	6,283,432	5.1%
Total Requested Budget	117,375,007	4,760,709	0	122,135,716		118,291,702	4,760,863	0	123,052,565	

Funding

The following table shows proposed program funding for all sources of authority.

Department of Corrections, 03-Rehabilitation and Programs 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	235,666,709	0	0	0	235,666,709	83.4%	
02917 MSP Canteen Revolving Acct	9,521,572	0	0	0	9,521,572	100.0%	
State Special Total	\$9,521,572	\$0	\$0	\$0	\$9,521,572	3.4%	
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.0%	
06011 License Plate Production	0	0	5,760,630	0	5,760,630	15.4%	
06033 Prison Ranch	0	0	9,738,396	0	9,738,396	26.0%	
06034 MSP Institutional Industries	0	0	7,732,086	0	7,732,086	20.7%	
06545 Prison Indust. Training Prog	0	0	1,613,805	0	1,613,805	4.3%	
06573 MSP - Cook Chill	0	0	12,540,444	0	12,540,444	33.5%	
Proprietary Total	\$0	\$0	\$37,385,361	\$0	\$37,385,361	13.2%	
Total All Funds	\$245,188,281	\$0	\$37,385,361	\$0	\$282,573,642		

The Rehabilitation and Programs Division is comprised mostly of general fund (96.0%) and state special revenues (4.0%) within HB 2. These state special funds are from the inmate canteen state special fund which receives revenues from the sale of products to inmates and is paid by inmates through inmate wages and money received from family members.

Additional funding supports functions related to Montana Correctional Enterprises (MCE), now located within the Rehabilitation and Programs Division. Non-budgeted proprietary funds such as license plate productions, prison ranch, and cook chill operations make up the largest portion of funding for the MCE. These programs will be discussed within a separate proprietary analysis found at <https://archive.legmt.gov/content/Publications/fiscal/2027-Biennium/Budget-and-Revenue/Budget-Analysis/Section-D/Section-D-Non-Budgeted-Proprietary-27Bi.pdf>.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	217.50	217.50	227.50	227.50
Personal Services	20,076,564	20,106,055	20,628,777	23,430,261	23,823,612
Operating Expenses	84,532,293	86,322,530	98,595,102	98,430,845	98,954,353
Transfers	337,179	241,367	235,117	235,117	235,117
Debt Service	19,493	117,347	20,000	39,493	39,483
Total Expenditures	\$104,965,529	\$106,787,299	\$119,478,996	\$122,135,716	\$123,052,565
General Fund	100,945,411	102,020,962	114,712,700	117,375,007	118,291,702
State/Other Special Rev. Funds	4,020,118	4,766,337	4,766,296	4,760,709	4,760,863
Total Funds	\$104,965,529	\$106,787,299	\$119,478,996	\$122,135,716	\$123,052,565
Total Ongoing	\$103,351,334	\$104,249,648	\$116,769,133	\$122,135,716	\$123,052,565
Total OTO	\$1,614,195	\$2,537,651	\$2,709,863	\$0	\$0

Program Description

The Rehabilitation and Programs Division (RPD) is comprised of the Community Corrections Facilities and Programs Bureau, the Health Services Bureau, Montana Correctional Enterprises, the Evidence-Based Programming and Practices Quality Assurance Bureau, the Education Services Bureau, and the Victim Services Bureau.

The Community Corrections Facilities and Programs Bureau provides community corrections programs including chemical dependency treatment programs; DUI treatment facilities, methamphetamine treatment facilities; assessment, sanction, and revocation centers; and various other prison diversion programs. The department contracts with nonprofit entities in Great Falls, Missoula, Billings, Bozeman, Butte, and Helena for prerelease services. The Health Services Bureau provides medical, dental, and mental health care to inmates in DOC's secure facilities and oversees the provision of these services in contracted facilities. Montana Correctional Enterprises (MCE) operates the department's correctional industries program. The Evidence-Based Programming and Practices Quality Assurance Bureau provides quality assurance services, reviewing programming options offered across the department. The Education Services Bureau provides general and vocational education opportunities to offenders in the department's care. The Victim Services Bureau provides crucial support and assistance to victims across the state.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

In FY 2024, expenditures within the Rehabilitation and Programs Division totaled 98.3% of its modified HB 2 budget. These modifications include the transfer of \$5.1 million in authority from FY 2025 to FY 2024 to cover shortfalls in areas of building emergencies and costs for prescription drugs. Without this transfer of authority, the division's HB 2 budget would have been over expended by 3.2%.

Total personal services were expended at 99.9%, while operating expenses were expended at 97.9%. All appropriations were almost fully expended with the exception of two areas. Approximately \$750,000 of the \$4.8 million appropriated from the inmate canteen state special fund was not expended. Additionally, the Department received \$1.0 million in general fund to begin transitioning offenders to the community from pre-release if they are deemed appropriate. Only \$76,000 was spent in FY 2024.

FY 2024 Appropriations Compared to FY 2025 Appropriations

When compared to FY 2024 appropriations, FY 2025 reflects an increase of \$12.7 million or 11.9% with nearly \$12.3 million of this difference in operating expenses. This increase can be outlined in the following manner:

HB 5 provided an additional \$11.0 million in authority which includes ongoing operation and maintenance funding for many projects

- Nearly \$7.2 million for the operations of a new sex offender treatment unit
- Approximately \$3.4 million for the operations of a new pre-release center in Flathead County

FY 2025 also contained approximately \$4.3 million in additional general fund for increased provider rates in FY 2025 over FY 2024. General provider rate increases of 10.0% in FY 2025 were provided versus 6.0% in FY 2024. Additional rates were provided for a \$2.00/hr pay increase among contracted providers compared to a \$1.00/hr pay increase in FY 2024.

Additional changes in operating expenses relate to a program transfer performed in FY 2024 to tie out expenditures. This change moved \$1.3 million in operating expense authority to the Director's Office which has not occurred in FY 2025. Additional personal service authority in FY 2025 comes from the pay plan.

Appropriation increases in FY 2025 are partially offset by the transfer described in the previous section totaling \$5.1 million. All of this authority is within operating expenses.

LFD COMMENT

The DOC has not yet finalized the location of the new pre-release center in Flathead County. Additionally, the amounts for the new sex offender treatment unit provided above are based off one year's estimates of a seven-year contract and cover both operations and construction for the facility.

Program Personal Services

Requested personal services in the RPD for the 2027 biennium total \$47.3 million and reflect an increase of \$6.1 million or 14.9% when compared to FY 2025 base appropriations. Increases are attributed to requests for 10.00 new PB and to statewide present law adjustments to personal services.

Statewide present law adjustments total \$3.1 million for the biennium and are primarily comprised of changes to position retirement, hiring vacant positions at a higher rate than when the position became vacant, career ladder changes, and due to budget modifications. When PB and personal service authority is moved between divisions, if the amount of authority moved does not directly match the salary and benefits

New positions requested by the executive include funding of \$1.7 million. These positions include:

- 4.00 additional victim services liaisons
- 2.00 teacher positions at the MWP - these are modified positions and no additional funding is requested
- 1.00 pharmacy staff
- 1.00 PB for the CAMMP MT program
- 2.00 additional PB for positions provided as OTO in the 2025 biennium

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 2026-----					-----Fiscal 2027-----					
PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds	
DP 1 - Personal Services	0.00	1,526,501	(5,587)	0	1,520,914	0.00	1,575,821	(5,433)	0	1,570,388
DP 2 - Fixed Costs	0.00	19,493	0	0	19,493	0.00	19,483	0	0	19,483
DP 3 - Inflation Deflation	0.00	(1,251)	0	0	(1,251)	0.00	(845)	0	0	(845)
Grand Total All Present Law Adjustments	0.00	\$1,544,743	(\$5,587)	\$0	\$1,539,156	0.00	\$1,594,459	(\$5,433)	\$0	\$1,589,026

**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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Department of Corrections Rehabilitation and Programs FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$475,984
Management Decisions	1,317,567
Budget Modifications	(272,637)
Total	<u>\$1,520,914</u>

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: audit fees, Capitol complex rent, information technology services, 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 in-state state motor pool and motor pool leased vehicles.

New Proposals

The "New Proposals" table shows new proposals for spending.

New Proposals										
-----Fiscal 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 303 - Respond to Increased Complexity of Medical/Pharmacy Needs										
1.00	489,541	0	0	489,541		1.00	474,541	0	0	474,541
DP 304 - Respond to Increase in Number of Registered Victims										
4.00	471,800	0	0	471,800		4.00	466,800	0	0	466,800
DP 306 - Tattoo Removal Program										
0.00	250,000	0	0	250,000		0.00	250,000	0	0	250,000
DP 307 - Parenting Program										
1.00	120,000	0	0	120,000		1.00	120,000	0	0	120,000
DP 310 - Make Modified Teacher Positions Permanent at MWP										
2.00	0	0	0	0		2.00	0	0	0	0
DP 375 - Correction of Error - Make OTO PB Permanent										
2.00	212,608	0	0	212,608		2.00	212,608	0	0	212,608
DP 380 - Community Correctional Facility Rate Adjustments										
0.00	1,767,130	0	0	1,767,130		0.00	2,310,234	0	0	2,310,234
DP 385 - Equalize Nurse Pay										
0.00	516,348	0	0	516,348		0.00	860,223	0	0	860,223
Total	10.00	\$3,827,427	\$0	\$0	\$3,827,427	10.00	\$4,694,406	\$0	\$0	\$4,694,406

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

DP 303 - Respond to Increased Complexity of Medical/Pharmacy Needs -

The executive requests general fund for 1.00 additional pharmacy staff and authority for an automated remote pharmacy solution and for the replacement of some outdated medical equipment.

DP 304 - Respond to Increase in Number of Registered Victims -

The executive requests general fund to support 4.00 additional victim services liaisons and associated operating expenses.

DP 306 - Tattoo Removal Program -

The executive requests general fund to allow the department to contract with an external entity to provide tattoo-removal services to offenders interested in the service.

DP 307 - Parenting Program -

The executive requests general fund for the continuation of the Connecting Adults and Minors through Positive Parenting (CAMMP) MT program and one new PB to oversee the program.

LFD COMMENT

This program focuses on evidence-based programming for inmates that also offers resources and support for families. This program had been funded by federal grant funding which is slated to end in September of 2025. This proposal would transition that program to the general fund beginning in the 2027 biennium.

DP 310 - Make Modified Teacher Positions Permanent at MWP -

The executive requests 2.00 additional teacher positions at the Montana Women's Prison with no additional funding.

LFD COMMENT

The department has been utilizing these positions as modified positions although they were originally contracted with the Billings School District. Therefore, funding for these positions already exists in the base budget for the agency and no additional authority is being requested. There is a requested change in this decision package to move approximately \$183,000 to personal services to pay PB instead of operating expenses to cover contracted costs.

DP 375 - Correction of Error - Make OTO PB Permanent -

The executive is requesting 2.00 additional positions.

**LFD
COMMENT**

The 2023 Legislature provided 13.00 PB to the DOC for the 2025 biennium but made the appropriation one-time-only for these positions. All positions were provided to the Public Safety Division but were moved during the interim. This proposal would continue these positions along with new authority to pay associated costs.

DP 380 - Community Correctional Facility Rate Adjustments -

The executive requests general fund to cover contract renewals with existing pre-release centers that are expiring and to cover provider rate increases for community corrections facilities.

DP 385 - Equalize Nurse Pay -

The executive requests general fund to standardize nurse position wages among all facilities in the Department.

**LFD
COMMENT**

Retention and recruitment for nurse positions has proven difficult during the 2025 biennium. This initiative aims to prevent facilities from competing with one another for qualified nurse positions due to pay reasons.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget		Biennium Change from Base	
		FY 2026	FY 2027	Amount	Percent
PB	11.00	12.00	12.00	1.00	4.5%
General Fund	1,302,980	1,358,296	1,361,610	113,946	4.4%
Total Funds	1,302,980	1,358,296	1,361,610	113,946	4.4%
Personal Services	1,112,809	1,168,392	1,171,619	114,393	5.1%
Operating Expenses	133,271	133,004	133,091	(447)	(0.2%)
Debt Service	56,900	56,900	56,900		0.0%
Total Expenditures	1,302,980	1,358,296	1,361,610	113,946	4.4%
Total Ongoing	1,302,980	1,358,296	1,361,610	113,946	4.4%
Total One-Time-Only	88,597			(177,194)	(100.0%)

Program Highlights

Board of Pardons and Parole Major Budget Highlights	
The 2027 biennium budget request for the Board of Pardons and Parole is approximately \$114,000 or 4.4% greater than the FY 2025 base budget. This increase is attributed to a request for 1.00 additional PB which is partially offset by statewide present law reductions totaling \$41,000.	

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Board of Pardons and Parole 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	1,302,980	0	0	1,302,980	95.9%	1,302,980	0	0	1,302,980	95.7%
Statewide PL										
Personal Services	(21,829)	0	0	(21,829)	(1.6%)	(18,601)	0	0	(18,601)	(1.4%)
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	(267)	0	0	(267)	(0.0%)	(180)	0	0	(180)	(0.0%)
Total Statewide PL	(22,096)	0	0	(22,096)	(1.6%)	(18,781)	0	0	(18,781)	(1.4%)
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	77,412	0	0	77,412	5.7%	77,411	0	0	77,411	5.7%
Total HB 2 Adjustments	55,316	0	0	55,316	4.1%	58,630	0	0	58,630	4.3%
Total Requested Budget	1,358,296	0	0	1,358,296		1,361,610	0	0	1,361,610	

Funding

The following table shows proposed program funding for all sources of authority.

Department of Corrections, 04-Board of Pardons and Parole Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	2,719,906	0	0	0	2,719,906	100.0%
State Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.0%
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.0%
Total All Funds	\$2,719,906	\$0	\$0	\$0	\$2,719,906	

The Board of Pardons and Parole is fully funded by the general fund.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	11.00	11.00	12.00	12.00
Personal Services	1,098,000	1,134,748	1,186,406	1,168,392	1,171,619
Operating Expenses	63,193	89,720	148,271	133,004	133,091
Debt Service	56,899	56,900	56,900	56,900	56,900
Total Expenditures	\$1,218,092	\$1,281,368	\$1,391,577	\$1,358,296	\$1,361,610
General Fund	1,218,092	1,281,368	1,391,577	1,358,296	1,361,610
Total Funds	\$1,218,092	\$1,281,368	\$1,391,577	\$1,358,296	\$1,361,610
Total Ongoing	\$1,190,351	\$1,196,578	\$1,302,980	\$1,358,296	\$1,361,610
Total OTO	\$27,741	\$84,790	\$88,597	\$0	\$0

Program Description

The Board of Pardons and Parole, as an essential part of the criminal justice process, serves all Montana citizens by administering a parole system that is balanced with public safety, offender accountability and rehabilitation, as well as protecting the interests of victims and communities, with the goal of successfully reintegrating merited offenders back into society through a reentry process.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

In FY 2024, expenditures within the Public Safety Division totaled 95.1% of its modified HB 2 budget. Personal services were expended at 96.8%, while operating expenses were expended at 70.4%. Operating expenses for FY 2024 for the Board comprised a very low portion of the HB 2 budget, and expenditures followed anticipated trends.

FY 2024 Appropriations Compared to FY 2025 Appropriations

When compared to FY 2024 amounts, appropriations in FY 2025 for the Board increase by approximately \$110,000 or approximately 8.6%. This difference is split between personal service and operating expenses. The main cause for the increase relates to additional HB 13 funding in FY 2025 for personal services.

Program Personal Services

Personal Services requested for the 2025 biennium total \$2.3 million and reflect an increase of \$114,000 or 5.1% when compared to FY 2025 base personal service appropriations. This increase is the result of 1.00 newly requested PB and in statewide present law adjustments to personal services. These adjustments result from the DOC hiring vacant positions at a different rate than the rate that was associated with the position when it became vacant.

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 2026					Fiscal 2027					
PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds	
DP 1 - Personal Services	0.00	(21,829)	0	0	(21,829)	0.00	(18,601)	0	0	(18,601)
DP 3 - Inflation Deflation	0.00	(267)	0	0	(267)	0.00	(180)	0	0	(180)
Grand Total All Present Law Adjustments	0.00	(\$22,096)	\$0	\$0	(\$22,096)	0.00	(\$18,781)	\$0	\$0	(\$18,781)

***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:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Department of Corrections Board of Pardons and Parole FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$17,455
Management Decisions	(39,284)
Budget Modifications	-
Total	(\$21,829)

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 in-state state motor pool and motor pool leased vehicles.

New Proposals

The "New Proposals" table shows new proposals for spending.

New Proposals										
-----Fiscal 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 475 - Correction of Error - Make OTO PB Permanent										
1.00	77,412	0	0	77,412		1.00	77,411	0	0	77,411
Total	1.00	\$77,412	\$0	\$0	\$77,412	1.00	\$77,411	\$0	\$0	\$77,411

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

DP 475 - Correction of Error - Make OTO PB Permanent -

The executive is requesting 1.00 additional position.

**LFD
COMMENT**

The 2023 Legislature provided 13.00 PB to the DOC for the 2025 biennium but made the appropriation one-time-only for these positions. All positions were provided to the Public Safety Division but were moved during the interim. This proposal would continue these positions along with new authority to pay associated costs.