

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 53rd LEGISLATURE - REGULAR SESSION

JOINT SUBCOMMITTEE ON GENERAL GOVERNMENT & TRANSPORTATION

Call to Order: By REP. MARY LOU PETERSON, CHAIRMAN, on January 20, 1993, at 9:15 AM.

ROLL CALL

Members Present:

Rep. Mary Lou Peterson, Chair (R)
Sen. Harry Fritz, Vice Chair (D)
Rep. Marjorie Fisher (R)
Sen. Gary Forrester (D)
Rep. Joe Quilici (D)
Sen. Larry Tveit (R)

Members Excused: None

Members Absent: None

Staff Present: Jon Moe, Legislative Fiscal Analyst
Clayton Schenck, Legislative Fiscal Analyst
John Patrick, Office of Budget & Program Planning
Elaine Benedict, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing: DEPARTMENT OF JUSTICE
Executive Action: NONE

Discussion/Announcements:

Tape No. 1:A:000

CHAIRMAN MARY LOU PETERSON stated that the subcommittee is charged by the House Appropriations Committee to achieve \$13.5 million in budget reductions.

CHAIRMAN PETERSON, at the request of Mr. Jess Munro, Deputy Director, Family Services, distributed the telephone number at which Mr. Munro could be reached so that he could provide information about mandates to which he must adhere with regard to the State Motor Pool.

REP. JOE QUILICI stated that, due to the large amount of reductions to be made, programs must be eliminated. He feels it only fair to make reductions from the top down in certain instances.

SEN. GARY FORRESTER stated that, although the resolution was not created by the Senate, the Senate must adhere to the resolution and, therefore, the figures must be precise and justified.

REP. QUILICI stated that, in reducing budgets, the subcommittee must be aware of statute limitations, or necessary changes, and must also be aware of the effect the reduction or elimination of particular services will have on the state.

SEN. HARRY FRITZ stated that movement toward flexibility within agencies is a positive aspect of reinventing government.

HEARING ON DEPARTMENT OF JUSTICE

Tape No. 1:A:358

LEGAL SERVICES

Informational Testimony:

Mr. Clayton Schenck, Legislative Fiscal Analyst, reviewed the budget for the division. **EXHIBITS 1 and 2**

Mr. Chris Tweeten, Chief Deputy Attorney General, submitted testimony and issues concerning the division. **EXHIBITS 3, 4 and 5**

LAW ENFORCEMENT ACADEMY

Tape No. 1:B:160

Informational Testimony:

Mr. Schenck reviewed the budget for the division. **EXHIBIT 6**

Mr. Gregory Noose, Division Administrator, presented testimony and issues concerning the division. **EXHIBITS 7-11**

Mr. Dave Pruitt, Chairman of Gallatin County Commission, expressed support for the construction of a new facility. Gallatin County is willing to contract a 10-year general obligation bond on the county's property, with the stipulation that the state of Montana will pay rent on the building for 10 years, which would pay the bond. The ground is already available and is inexpensive in comparison with surrounding land.

Questions, Responses, and Discussion:

REP. MARJORIE FISHER asked how much money the academy brings in. **Mr. Noose** answered that the academy currently brings in approximately \$100,000 in fees. Fees for programs that are mandated by law are less than fees for advanced programs.

Informational Testimony:

Chief Jim Oberhofer, Chief of Police in Missoula and President of Montana Organization Chiefs of Police, supported the academy's need for upgraded facilities and training. The improvements will reduce litigation against law enforcement and reduce the need for out of state training.

Sheriff Bill Slaughter, stated that the future of law enforcement lies with ability of the academy to adequately train officers. He reiterated the need to avoid liability lawsuits. Budget reductions will jeopardize the most basic elements of officer training.

Mr. Jerry Williams, Montana Police Protective Association, spoke on behalf of the association to oppose budget reductions for the academy.

Tape No. 2:A:000

Mr. Clifford Brophy, Sheriff of Stillwater County, reiterated the points made by the previous law enforcement personnel and supported the budget requests of the academy. EXHIBIT 12

Mr. John Strandell, Under-Sheriff of Cascade County, supported the requests of the academy and stated that a reduced number of officers have to accommodate an increased work load, making adequate training more crucial now than ever.

REP. FISHER presented a letter from Chief William LaBrie of the Whitefish Police Department. EXHIBIT 13

Questions, Responses, and Discussion:

SEN. FORRESTER asked what suggestions the division has concerning the goal to be met by the subcommittee. Mr. Noose answered that the reductions cannot be made in the department because the services are essential to public safety.

SEN. FORRESTER asked if the division can live within the executive level recommendation. Mr. Noose responded that reductions would eliminate the ability to have a professional police officer, or a facilitator with expertise in the field, to oversee the course training.

CHAIRMAN PETERSON asked the age of the academy's newest building. Mr. Noose answered that the newest buildings are mobile homes, put on the grounds in 1978. The floors of the bathrooms in the buildings have already required replacement.

GAMBLING CONTROL DIVISION

Tape No. 2:A:150

Informational Testimony:

Mr. Schenck reviewed the budget for the division. EXHIBIT 14

Ms. Janet Jessup, Administrator of the Gambling Control Division, presented testimony and issues concerning the division. **EXHIBITS 15-18.** She distributed the biennial report for the division. **EXHIBIT 19**

Mr. Larry Akey, Montana Coin Machine Operators Association, Video Lottery Technologies and Montana Tavern Association, supported the budget requests of the division. He specifically supported the modification request because of the increased work load faced by the division. On behalf of the Coin Machine Operators Assoc., he supported the funding for testing of new machines and of modifications to existing machines.

Ms. Gloria Hermanson, Don't Gamble With the Future, opposed the funding requests of the division.

Questions, Responses, and Discussion:

SEN. FORRESTER asked if the reported opposition to the investigators by the associations still exists. **Mr. Akey** responded that the agency he represents does not oppose the investigations and believes the modification request is appropriate.

REP. QUILICI asked if the addition of the 5 FTE requested would cause an increase in fees. **Ms. Jessup** answered that none of the proposals of the division would cause fee increases.

ADJOURNMENT

Adjournment: 12:00 PM.



REP. MARY LOU PETERSON, Chair



ELAINE BENEDICT, Secretary

MLP/EB

HOUSE OF REPRESENTATIVES

Gen. Gov. & Hwys.

SUB-COMMITTEE

ROLL CALL

DATE

1/20/93

NAME	PRESENT	ABSENT	EXCUSED
Rep. Mary Lou Peterson Chair	X		
Sen. Harry Fritz Vice Chair	X		
Rep. Marjorie Fisher	X		
Sen. Gary Forrester	X		
Rep. Joe Quilici	X		
Sen. Larry Tveit	X		

4110 01 00000

DEPARTMENT OF JUSTICE
Program Summary

Legal Services Division

HB

Budget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995
FTE	26.50	26.50	25.50	26.50	(1.00)	25.50	26.50	(1.00)
Personal Services	1,063,715	962,007	1,106,079	1,140,131	(34,052)	1,108,450	1,142,820	(34,370)
Operating Expenses	189,874	200,655	291,997	293,255	(1,258)	194,066	195,382	(1,316)
Equipment	13,399	12,704	15,437	6,799	8,638	15,437	15,559	(122)
Debt Service	4,497	0	4,497	4,497	0	4,497	4,497	0
Total Costs	\$1,271,486	\$1,175,366	\$1,418,010	\$1,444,682	(\$26,672)	\$1,322,450	\$1,358,258	(\$35,808)
Fund Sources								
General Fund	889,475	936,923	1,418,010	1,444,682	(26,672)	1,322,450	1,358,258	(35,808)
State Revenue Fund	382,011	238,443	0	0	0	0	0	0
Total Funds	\$1,271,486	\$1,175,366	\$1,418,010	\$1,444,682	(\$26,672)	\$1,322,450	\$1,358,258	(\$35,808)

Page References

LFA Budget Analysis (Vol. I), A 95-96
 Stephens Executive Budget, A43

Current Level Differences

5 PERCENT PERSONAL SERVICES REDUCTION— The Executive eliminated 1.0 FTE (Agency Counsel) in compliance with Section 13, House Bill 2 requiring a 5 percent personal services reduction in the 1995 biennium budget. The position is included in LFA current level. The Joint Committee on Appropriations and Finance and Claims recommended that the 5 percent reductions be permanently eliminated from the budget.

(34,321) (34,637)

COMPUTER REPLACEMENT CYCLE— The LFA current level does not include funding in fiscal 1994 for replacement personal computers that are in the Executive Budget. The executive funding provides for a 4-year replacement cycle for the computers.

8,700 0

INFLATION DIFFERENCES

(166) (284)

MINOR DIFFERENCES (NET)

(885) (887)

TOTAL CURRENT LEVEL DIFFERENCES

(26,672) (35,808)

Budget Modifications**EXECUTIVE BUDGET MODIFICATIONS:**

MAJOR LITIGATION COSTS— The Executive Budget includes a general fund budget modification for costs associated with major litigation the state may have in the 1995 biennium. A biennial appropriation for the same amount was approved in the 1991 session. The executive is requesting a \$1,159,200 supplemental to the 1993 biennium litigation costs appropriation (House Bill 77). See LFA Vol. I, page A-90.

400,000

Note: In addition to the \$400,000 for litigation costs included in this budget modification, there is a biennial appropriation of \$100,000 in current level for contingency litigation costs. The legislature may wish to consider combining the contingency appropriations into one appropriation.

ELECTED OFFICIAL BUDGET MODIFICATIONS:

ADDITIONAL ATTORNEY— The Attorney General is requesting general fund for an additional attorney to handle an increasing number of death penalty cases. See LFA Vol. I, page A-91.

51,000 51,000

RESTORE 5 PERCENT REDUCTION— This budget modification would restore the 1.0 FTE deleted in the Executive Budget in accordance with section 13 of House Bill 2. This position handles appeals of all civil commitment and juvenile cases. Funding for the position is included in LFA current level. The joint committee recommended permanent elimination of the 5 percent reductions. See LFA Vol. I, page A-91.

34,321 34,321

Language

Case-related travel of \$9,500 each year and the legal fees and expert witness contingency appropriation of \$100,000 were line-itemed in the 1993 biennium appropriations act.

Language was included in the 1993 biennium appropriations act stating that the contingency appropriations discussed above for legal fees and expert witnesses (\$100,000) and litigation costs (\$400,000) were biennial appropriations, as follows:

"Items xx and xx are biennial appropriations."

The 1993 biennium appropriations act also included the following language (adjusted for reference to fiscal year) regarding the line-item appropriation for litigation costs:

"The legislature recognizes that costs associated with the Crow coal case, water rights, and tribal litigation may exceed the appropriation in item xx, and in that event, the department will need to request a supplemental appropriation from the 1995 legislature to adequately represent the state."

EXHIBIT 1
DATE 1/20/9
FB

4110 06 00000 DEPARTMENT OF JUSTICE Program Summary			Agency Legal Services					
Budget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995
FTE	13.50	13.50	12.50	13.50	(1.00)	12.50	13.50	(1.00)
Personal Services	448,648	497,050	488,857	527,740	(38,883)	490,201	529,116	(38,915)
Operating Expenses	67,928	114,863	76,903	76,903	0	78,274	78,274	0
Equipment	4,550	4,550	5,025	475	4,550	5,025	5,025	0
Debt Service	2,020	0	2,020	2,020	0	2,020	2,020	0
Total Costs	\$523,147	\$616,463	\$572,805	\$607,138	(\$34,333)	\$575,520	\$614,435	(\$38,915)
Fund Sources								
Proprietary Fund	<u>523,147</u>	<u>616,463</u>	<u>572,805</u>	<u>607,138</u>	<u>(34,333)</u>	<u>575,520</u>	<u>614,435</u>	<u>(38,915)</u>
Total Funds	\$523,147	\$616,463	\$572,805	\$607,138	(\$34,333)	\$575,520	\$614,435	(\$38,915)

Page References

LFA Budget Analysis (Vol. I), A 97
 Stephens Executive Budget, A44

Current Level Differences

5 PERCENT PERSONAL SERVICES REDUCTION—The executive eliminated 1.0 FTE (Agency Counsel) in accordance with Section 13, House Bill 2 requiring a 5 percent personal services reduction in the 1995 biennium budget. The position is included in LFA current level. The Joint Committee on Appropriations and Finance and Claims recommended the 5 percent reductions be permanently eliminated from the budget.

(38,883) (38,915)

COMPUTER REPLACEMENT CYCLE—The LFA current level does not include funding in fiscal 1994 for replacement personal computers that are in the Executive Budget. The executive funding provides for a 4-year replacement cycle for the computers.

4,550 0

TOTAL CURRENT LEVEL DIFFERENCES

(34,333) (38,915)

Budget Modification

RESTORE 5 PERCENT REDUCTION—This is an elected official budget modification to restore the 1.0 FTE deleted in the Executive Budget in accordance with section 13 of House Bill 2. This attorney position is funded by proprietary fund and handles agency caseloads. Funding for this position is included in LFA current level. The joint committee recommended permanent elimination of the 5 percent reductions. See LFA Vol. I, page A-92.

38,888 38,888

Language

None.

EXHIBIT 3
DATE 1/20/93
~~HB~~

BUDGET NARRATIVE
LEGAL SERVICES DIVISION
DEPARTMENT OF JUSTICE

1. Program Overview- The Legal Services Division is the in-house law firm for the State of Montana. It provides a variety of legal services to state and local government through three major programs-Appellate Legal Services, County Prosecutors Services, and Agency Legal Services. A brief description of each major program area follows.

Appellate Legal Services Bureau

Appellate Legal Services is the largest program in the Legal Services Division. It is authorized 26.5 FTE for FY 1993. Included in this number are ten appellate specialists, organized into two teams, whose primary responsibility is to represent the State of Montana in appeals of criminal cases before the Montana Supreme Court. In fiscal 1992, the appellate teams appeared in 92 such cases in the Montana Supreme Court. The appellate teams also represent the State in federal and state cases challenging the legality of criminal convictions arising in Montana courts. The appellate teams appeared in 86 such cases in fiscal year 1992, 49 in the Montana Supreme Court and the remainder in various federal trial and appellate courts.

The appellate teams, with assistance from the solicitor's office, represent the state in all litigation in death penalty cases once a death sentence is imposed in district court. There are currently eight death penalty cases involving Montana offenders in various stages of post-conviction review in state and federal

court. These cases are extraordinarily complex and time-consuming. To put the matter in context, one of the several attorney in Appellate Legal Services with responsibility for death penalty litigation reported that he was required to spend almost one thousand hours representing the state of Montana in the death penalty case for which he is responsible. That is nearly one-half of the 2080 hours allocated for payroll purposes to each FTE. The Appellate Legal Services Division also researches and investigates requests for formal written opinions of the Attorney General. Provision of such formal opinions is a statutory duty of the Attorney General under section 2-15-501(6), MCA. In the past two calendar years, the Attorney General has issued 47 formal written opinions in response to 103 requests for such services. The discrepancy between the number of opinions issued and requested reflects a small number of requests which were returned to the requesting party for further research and a larger number of requests which were submitted and researched by the Appellate Staff and then either withdrawn by the requesting party or deemed by the Attorney General to be an inappropriate basis for issuance of a formal opinion.

The attorneys in the Appellate Legal Services program also provide miscellaneous legal services within the Department of Justice and to other agencies of state and local government. For example, the Appellate Legal Services program provided attorneys to assist the County Prosecutors Bureau in the prosecution of the multiple deliberate homicide cases which arose from the 1992 prison riot. The Appellate Legal Services attorneys are responsible for

pursuing abandoned property for the benefit of the school trust. They provide advice and review services to local governments on bond issues. They also provide instruction in courses presented at the Montana Law Enforcement Academy.

Finally, the Appellate Legal Services attorneys occasionally are required to represent the State in miscellaneous civil cases in State and Federal Court, frequently in cases involving election law or challenges to the constitutionality of legislation passed by the Montana legislature.

Appellate Legal Services also includes the Indian Jurisdiction unit, made up of the State Solicitor and three other attorney positions. They represent the State in litigation involving issues of federal Indian law, including water rights and gaming regulation. This program also serves as a resource for attorneys for other state agencies and local governments, with respect to Indian law issues, some of which are in litigation and some of which are issues of regulatory jurisdiction. The Solicitor also represents the State in complex litigation on issues not involving questions of federal Indian law, such as the current school funding litigation and the lawsuit seeking restoration of the congressional seat lost through reapportionment after the 1990 census.

County Prosecutor Services

CPS provides assistance and training directly to county prosecutors. Its attorneys serve as special deputies to county attorneys throughout Montana at the request of the local prosecutor. CPS has represented the State of Montana in some of the most difficult and complex criminal cases prosecuted in the

State in the last biennium, including many of the deliberate homicide trials arising from the prison riots of 1992, and the Larry Moore murder case in Bozeman, in which, for the first time in Montana legal history, DNA evidence was admitted to prove guilt in a criminal trial.

The Bureau Chief of County Prosecutor Services Bureau also serves as the County Attorney Training Coordinator for the State of Montana. CPS sponsors two major training seminars each year, one in December and one in conjunction with the annual convention of the Montana County Attorneys Association. CPS attorneys also lecture in criminal procedure at the Montana Law Enforcement Academy.

One attorney in County Prosecutor Services is funded by a grant from the federal Drug Enforcement Administration. This grant allows CPS to provide prosecution services in cases developed by the drug enforcement task forces in Montana. These cases often result in forfeiture actions that produce much needed law enforcement revenue for local governments. This position is supervised by the County Prosecutors Bureau Chief but is administratively attached to the Law Enforcement Services Division.

Agency Legal Services

Agency Legal Services Bureau was created in the early 1980's to reduce the costs associated with the hiring of outside counsel by state agencies. It provides representation and advice to state agencies that have no in-house counsel or require the assistance of outside counsel due to the workload of an existing in-house legal staff. When such services are sought outside state

government, attorney fees can exceed \$100 per hour. ALSB provides high quality legal representation in such cases at the rate of \$53 per hour in the current biennium.

ALSB is a proprietary funded agency meaning its expenses are completely covered by the fees it charges. To again put the matter in perspective, ALSB billed 8043.4 hours to other agencies of state government in FY 1992 at the rate of \$53 per hour. If the agencies with which ALSB contracted had been required to seek outside counsel from private attorneys charging \$100 per hour¹, the cost to the State would have exceeded \$800,000. ALSB collected \$426,320.20 for those services, saving the State more than \$378,000 in legal fees.

2. Modifications.

A. Appellate Legal Services Attorney

The Attorney General seeks a budget modification to add one FTE to the Appellate Legal Services program. Death penalty litigation continues to grow in Montana, due to the extreme reluctance of the federal courts in the Ninth Circuit to allow states to conduct executions. Since 1975, Montana has seen ten offenders sentenced to death. Eight remain on death row. The other two had their sentences reduced in the federal court review process.

The Attorney General expects the time demands of this category of litigation to continue to grow in the upcoming biennium. Courts in Montana continue to impose death sentences when the facts

¹The agency which consumes the most outside counsel services is the Risk Management and Tort Defense Division of the Department of Administration. Figures provided by RMTDD show that its outside counsel costs for attorneys in private practice averaged \$100 per hour.

warrant, but the federal courts have yet to allow the execution of a death sentence in Montana. The number of capital cases in which the Attorney General must provide representation to the State thus will continue to grow. As noted above, these cases are extremely complex and time-consuming. An appellate attorney can spend as much as one-half of his or her time in a given year on a single death penalty case, while attempting to manage a caseload of other criminal appeal matters and attorney general opinion requests.

The result is that the current appellate legal services staff is required to incur substantial overtime to meet the caseload. The current legal staff in Appellate Legal Services accumulated over 1900 hours in compensatory time during the period from early January to early December, 1992, an average of 126.8 hours per attorney. 2080 hours is allocated by state personnel rules to each FTE employee. The accumulation of overtime hours indicates that the workload justifies addition of one FTE to the program.²

B. Complex Litigation Expenses

The Attorney General is required to defend the State of Montana in several cases each biennium which involve complex issues of fact. Examples of this category of cases include the pending suit by the Crow Tribe seeking restitution of more than \$200 million in coal tax collections and accrued interest from the Coal Tax Trust Fund, the pending suit challenging the method of funding adopted by the legislature for public schools, and the Blackfeet Tribe's claims for federally reserved water rights.

²State personnel law allocates 2080 hours per year to each FTE. See for example § 2-18-304, MCA.

Successful defense of these cases requires a substantial investment. The cases frequently involve claims by Indian tribes supported by the United States Departments of Justice and Interior. These federal agencies spare no expense in the pursuit of their trust responsibility toward Indian tribes. The Attorney General must retain expert witnesses in these cases to present an adequate defense for the State's interests. Such experts are very expensive.

The legislature appropriated \$400,000 for FY 1992 to defray these costs. Attorney General Racicot found it necessary to expend that appropriation and more in several complex cases during the biennium, resulting in a request for a supplemental appropriation of more than \$1 million to see the Department through the end of the current fiscal year. The Attorney General asks that a budget modification be adopted for the upcoming biennium making available to the Attorney General the same amount budgeted for FY 1992 for these costs---\$400,000.

There is no way to predict whether this amount will be sufficient to cover the expenses for complex litigation which will be incurred in the upcoming biennium. The Attorney General may find it necessary to return to the 1995 Legislature for a supplemental appropriation, as was necessary in the current session. The Attorney General requests that language be included in the budget bill similar to that which was included in HB 2 from the 1991 session, recognizing that a supplemental appropriation for these costs is appropriate.

3. Current Level Issues.

A. Agency Legal Services Attorney

One vacant ALSB attorney position was lost to the budget cuts imposed by the July special session. The Attorney General seeks restoration of this position. Since the position is funded proprietarily, it costs the general fund nothing to restore the position. If the position bills 1200 hours in each of the next two fiscal years, the position will produce revenue which exceeds the personnel costs for the position by almost \$50,000.³ Additional savings will occur because the attorney will be supplanting outside counsel from private law practice. Assuming that such outside counsel would have charged \$100 per hour, the savings realized from use of an additional Agency Legal Services attorney would be \$47 per hour, or a total of \$56,400 per year. This position should be restored because it will save the state general fund dollars.

B. Appellate Legal Services Attorneys

The Appellate Legal Services program has now lost two positions to budget cuts. One position was eliminated from current level as a result of the budget cuts imposed by the July special session. A second position is subject to the December 29, 1992, vacancy savings which has been imposed by the House Appropriations committee. Loss of these positions will severely impact the

³This assumes 1200 hours per year billed at \$53 per hour, and personnel costs of \$38,888 in the first year and \$38,920 in the second, including salary, benefits, and insurance. These are the personnel costs budgeted for the position in the 1993 biennium. Actual figures for the position in the 1995 biennium will depend on pay plan appropriations.

ability of the Appellate Legal Services Program to provide the current level of services.

Services have already been cut back in response to these personnel cuts. Prior to the budget cuts imposed by the July special session of the legislature, the Appellate Legal Services attorneys represented the State in appeals before the Montana Supreme Court in cases involving dependent and neglected children and civil commitments. The loss of one attorney position in those budget cuts has forced the Appellate Legal Services program to return this function to the local county attorneys, who now provide representation in such cases in addition to their other prosecutorial and civil duties. The Attorney General will be forced to make similar prioritizing decisions if these positions are not restored. The current case load will be scrutinized to determine if other classes of cases can be returned to county prosecutors for representation of the State. Additional delays in response to opinion requests will inevitably occur.

There is no means to reduce the number of legal matters which require the attention of the Appellate Legal Services attorneys. The public demands aggressive prosecution of criminal cases at the district court level, producing more appeals and other challenges to the legality of the convictions. The complexity of the public policy issues which the Legislature must confront every session produces complex legislation, requiring interpretation through Attorney General's opinions and producing lawsuits raising constitutional challenges to the Legislature's actions. These matters require adequate staff levels in the Appellate Legal

Services program. It is simply unfair to require a smaller staff to accrue inordinate amounts of overtime hours to meet this growing workload.

3. National Association Dues

The executive and LFA budgets understate by \$5000 the current level expenditures required for membership in the National Association of Attorneys General. Membership in this organization produces tangible benefits for the State of Montana. The National Association provides services in connection with appeals to the United States Supreme Court which are invaluable, in addition to the other membership services such as issue specific research assistance and sharing ideas with other Attorneys General regarding issues of importance to the State of Montana.

The State of Montana had ten cases in the United States Supreme Court, including two which were orally argued before the Court. One of these was the congressional reapportionment case, a case of critical interest to the State of Montana. Attorney General Racicot and his staff made good use of the services provided by the National Association in preparation for these hearings. \$5,000 should be added to the budget of the Legal Services Division to provide funds for continued participation by Attorney General Mazurek in this important organization.

EXHIBIT 4

DATE 1/20/93

HB

DEPARTMENT OF JUSTICE
LEGAL SERVICES DIVISION

CHIEF DEPUTY ATTORNEY GENERAL

SOLICITOR

Represents State in
Complex Civil
Litigation
Manages Indian
Jurisdiction Program

APPELATE LEGAL
SERVICES BUREAU

Conducts Legal
Research and Analysis
for the Attorney
General

AGENCY LEGAL
SERVICES BUREAU

Provides Legal
Assistance to State
Agencies

COUNTY PROSECUTOR
SERVICES BUREAU

Provides Assistance
to Prosecution of
Major Criminal Cases
at Trial Level

Trains County Attorneys

Acts as Legal
Counsel for the
Dept. of Justice

Interprets Laws for
State and Local
Officials

DEPARTMENT OF JUSTICE
LEGAL SERVICES DIVISION

SOLICITOR

Represents State in
Complex Civil
Litigation

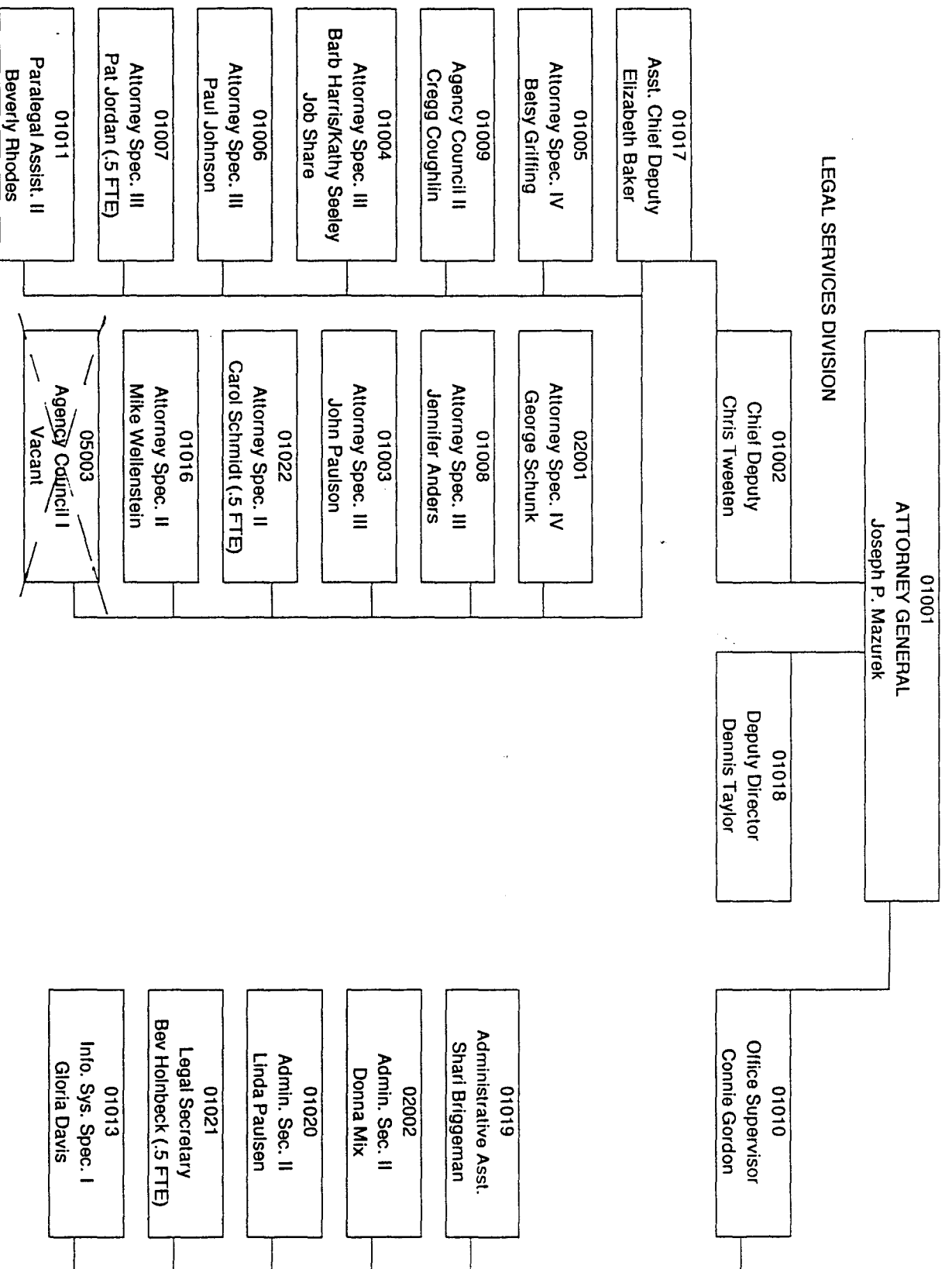
Manages Indian
Jurisdiction Program

05001
Attorney Supr. IV
Clay Smith

01030
Attorney Spec. IV
Harley Harris

01015
Attorney Spec. III
Vacant

02003
Attorney Spec. IV
Deanne Sandholm

EXHIBIT 4DATE 1/20/93HB**APPELATE LEGAL SERVICES**

Conducts Legal Research and Analysis for the Attorney General
 Handles all Criminal Appeals for the State
 Acts as Legal Counsel for Department of Justice
 Interprets Laws for State and Local Officials

EXHIBIT

DATE

1/20/93

HB

DEPARTMENT OF JUSTICE
LEGAL SERVICES DIVISION

AGENCY LEGAL
SERVICES BUREAU

Provides Legal Assistance to State Agencies

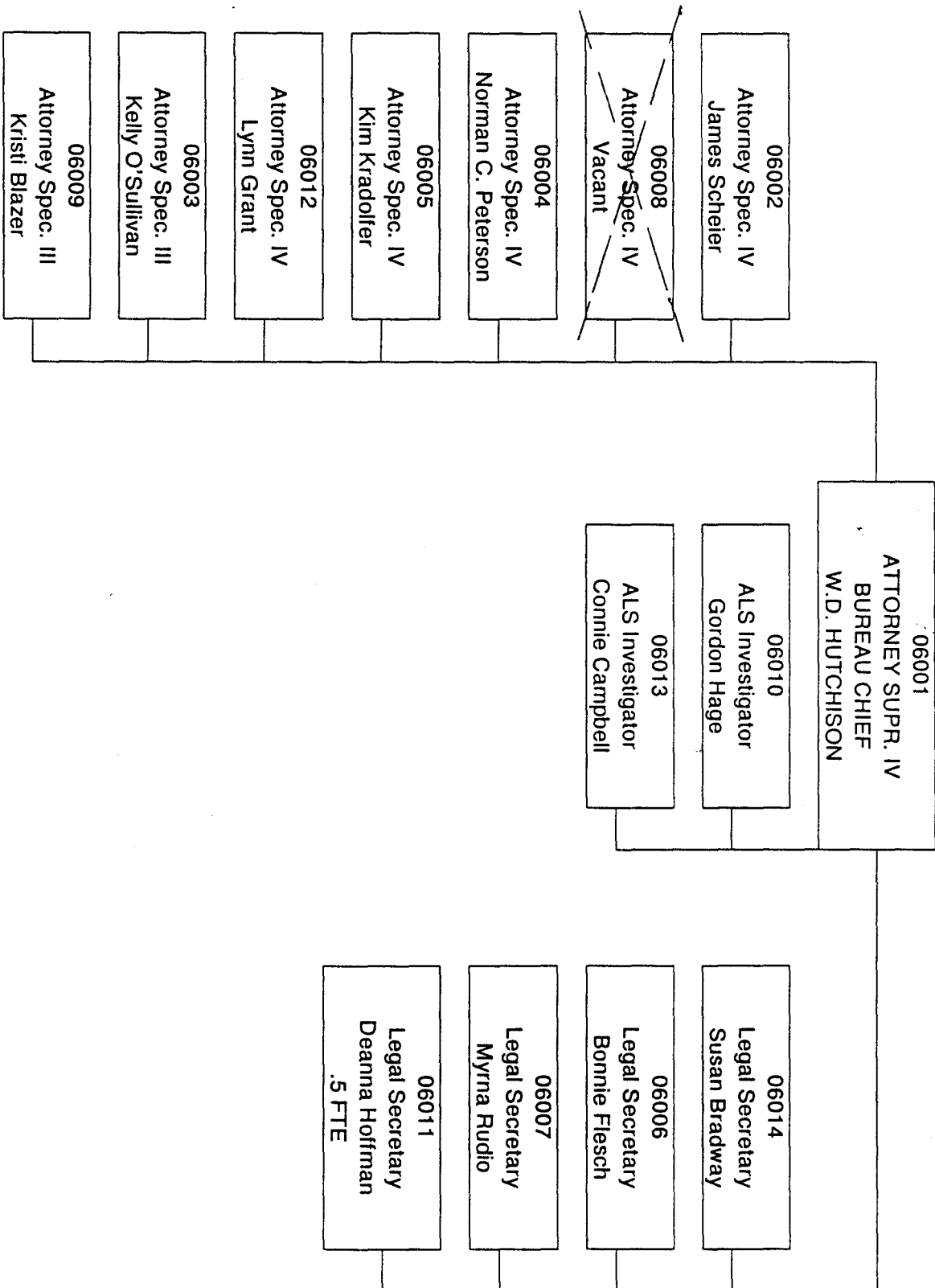


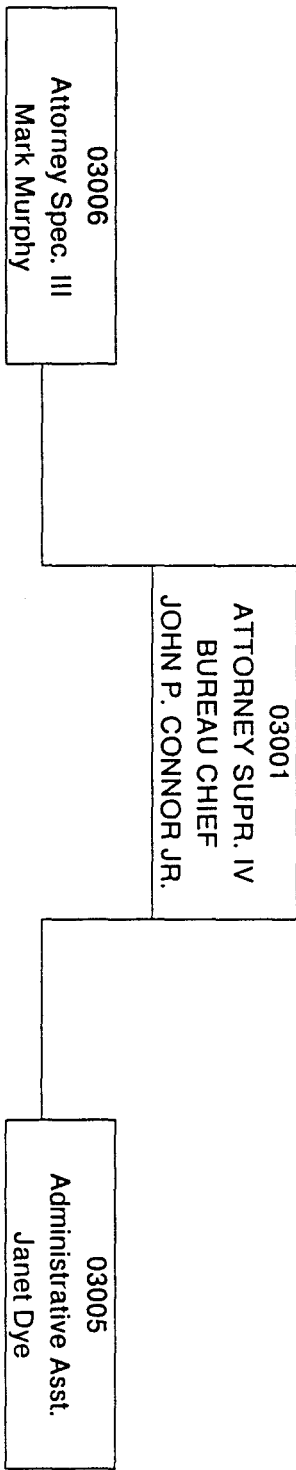
EXHIBIT 4
DATE 1/20/93
HB

DEPARTMENT OF JUSTICE
LEGAL SERVICES DIVISION

COUNTY PROSECUTOR
SERVICES BUREAU

Provides Assistance
to Prosecution of
Major Criminal Cases
at Trial Level

Trains County Attorneys



DEPARTMENT OF JUSTICE
1995 Biennium Budget Issues
LEGAL SERVICES DIVISION

19-Jan-93

EXHIBIT 5
DATE 1/20/93
HB

CURRENT LEVEL ISSUES:

	---FTE---		---COST---	
	FY94	FY95	FY94	FY95
Personal Services – Requested Increases:				
1. 5% cut eliminates one appellate lawyer. The workload of this section is ever-increasing in volume and complexity.	1.00	1.00	\$34,321	\$34,637

2. Vacant position list would reduce another appellate lawyer. This position was vacated in November.	1.00	1.00	38,740	38,740
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3. 5% eliminates one attorney from Agency Legal Services. This position is necessary to provide increased legal services to state agencies. No general fund.	1.00	1.00	\$38,888	\$38,888
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Operations – Requested Increases:

1. National Association of Attorneys General Dues – The assistance this Association provides Montana's AG is very important, especially in cases heard before the U.S. Supreme Court.			\$5,000	\$5,000
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Equipment – Requested Increases

1. The dependence on computers by the legal staff requires an on-going replacement cycle.			\$7,200	
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Funding :

1. Funding for the Agency Legal Services lawyer would come from the proprietary account.				
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2. Any other increases/reinstatements would be from the general fund.				
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MODIFICATIONS:

1. Major litigation – This biennial appropriation routinely comes before the legislature. Request language similar to last session should expenses exceed the appropriation.			\$400,000	
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2. Death Penalty Lawyer – The dramatic increase in this complex and time-consuming area is taking its toll on current staff. The amount of overtime worked is unacceptable & unhealthy.	1.00	1.00	\$51,000	\$51,000
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* Assume adoption of LFA base plus 5% and vacant listing reductions.

EX 6
10

EXHIBIT

Law Enforcement Academy Div

DATE 1/20/93

4110 22 00000

DEPARTMENT OF JUSTICE

Program Summary

Budget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995
FTE	10.50	10.50	8.50	10.50	(2.00)	8.50	10.50	(2.00)
Personal Services	333,118	328,106	298,013	371,873	(73,860)	298,893	373,031	(74,138)
Operating Expenses	252,790	259,357	246,696	263,470	(16,774)	254,645	272,848	(18,203)
Equipment	8,245	8,000	8,000	8,000	0	8,000	8,000	0
Debt Service	7,384	8,056	9,000	9,000	0	9,000	9,000	0
Total Costs	\$601,539	\$603,519	\$561,709	\$652,343	(\$90,634)	\$570,538	\$662,879	(\$92,341)
Fund Sources								
General Fund	601,539	603,519	561,709	652,343	(90,634)	570,538	662,879	(92,341)
Total Funds	\$601,539	\$603,519	\$561,709	\$652,343	(\$90,634)	\$570,538	\$662,879	(\$92,341)

Page References

LFA Budget Analysis (Vol. I), A-108
Stephens Executive Budget, A48

Current Level Differences

5 PERCENT PERSONAL SERVICES REDUCTION—The Executive Budget eliminated 0.5 FTE (training manager) in accordance with section 13, House Bill 2 requiring a 5 percent personal services reduction in the 1995 biennium current level budget. The position is included in LFA current level. The Joint Committee on Appropriations and Finance and Claims recommended the 5 percent reductions be permanent.

(21,876) (22,001)

REDUCE COURSES, 1.5 FTE—The Executive Budget eliminated 1.5 FTE as part of a recommended reduction in professional and specialized law enforcement courses at the academy.

(51,984) (52,137)

REDUCED PROFESSIONAL COURSES—The Executive Budget reduces current level operating expense funding for professional and specialized law enforcement courses.

(16,059) (17,015)

INFLATION DIFFERENCES

(715) (1,188)

TOTAL CURRENT LEVEL DIFFERENCES

(90,634) (92,341)

Elected Official Budget Modifications

ACADEMY FACILITY ENHANCEMENT—This budget modification will provide funding to remodel a portion of the academy and to lease additional space from Gallatin County. A portion of the modification is a one-time cost and part is an on-going expense. See LFA Vol. I, A93.

97,640 104,500

RESTORE 5 PERCENT AND CURRENT LEVEL FTE REDUCTIONS—The Executive Budget current level eliminated 2.0 FTE, including 0.5 FTE related to the 5 percent reduction and 1.5 FTE as part of a reduction of specialized courses at the academy. Funding for these positions is included in LFA current level. See LFA Vol. I, A-93.

73,857 73,857

Language

None.

Exec. Over(Under) LFA
Fiscal 1994 Fiscal 1995

Written Summary of Subcommittee Testimony

Gregory A. Noose, Division Administrator

Montana Law Enforcement Academy

January 17, 1993

EXHIBIT 7
DATE 1/20/93
HB _____

INTRODUCTION

I have a packet of handout material for you which matches the charts here on the table. I will go through all of this material page by page.

I. Agency Description

1. The Mission at the Montana Law Enforcement Academy is to provide a means of securing training in the field of law enforcement, constructed programs, contracted programs and regional programs that we facilitate and accredit. In all Academy operations, we answer to the POST Council, Peace Officers Standards and Training, an arm of the Board of Crime Control appointed by the Governor.
2. Efficiency improvements since 1989, (See Chart One - Each of these figures represents one person who works at the Academy). The legislature has recognized the importance of what we do by continuing to send us new student groups. When you recognize performance problems, you have sent students to us for training. I appreciate your confidence. We strive to live up to that.
3. Besides examining the volume of Academy activity, other important changes have affected the quality of our work.
 - a. At the same time that we have been able to increase hours of training, (103 weeks to 117 weeks), the percentage of our programs being taught by in-house staff has gone from 29% to 60%; consistency, cost-effectiveness, integrated programs.
 - b. We have increased the level of field experience among our staff members.
 - c. We have worked to coordinate the distinctions between the levels of advanced training being taught at MLEA and other programs being taught on a regional basis.

- d. Addition of realistic scenario-based education, graded practical exercises, developing our program as vocational-technical education.
- 4. The implementation of performance standards, until 1989, no one ever failed the Basic Course. Is everyone qualified to be a police officer? Today the Basic Course, over 120 recruits annually, is a tough intensive ten week 540 hour entry level training program for new police officers. Seven percent of students who attempt the course, fail.
 - a. Performance Objectives - course documentation
 - b. Fitness standards
 - c. Behavioral standards, conduct, dress, oral performance evaluations, the Academy is not a place for rest and relaxation, it is a place for intensive study and structured behavioral change.
- 5. Work groups at the Montana Law Enforcement Academy, (Chart One and Chart Two). The figures on these charts represent all Academy employees. We have a training staff of ten and a .5 FTE maintenance man.
 - a. Teachers
 - b. Today, we have NO traditional secretaries on staff at the Academy. All staff members have program responsibilities. The computers on our desks are the only secretaries that we have. We share the clerical and secretarial assignments that must be done.
 - c. Streamlined every aspect of MLEA operations in order to divert our resources directly to our mission and our students, reduced administrative overhead, half time maintenance, automation, clean our own offices. We have made hard decisions, in fact, in two cases, employees that would not adapt or contribute to changes in student groups and efficiency levels at MLEA are no longer with our agency. Those that remain are working harder than ever.

II. Budget Modification: Facility Enhancement (See One Page Summary). Reinventing government, not alone but together. A life span to 2010.

A Modification Request At The Montana Law Enforcement Academy

The Academy is requesting \$97,640 in FY 94 and \$104,500 in FY 95 in order to enter into a cooperative lease arrangement with Gallatin County and remodel existing state buildings. This plan will add 7,000 square feet to the facility now used for police and public safety training in Bozeman and expand and improve current quarters.

PROJECT BUDGET				
FY 94	\$44,640	LEASE	\$53,000 REMODELING	\$ 97,640 TOTAL
FY 95	\$59,500	LEASE	\$45,000 REMODELING	\$104,500 TOTAL
FY 96	\$59,500	LEASE	\$24,000 ROOFING	\$ 83,500 TOTAL
FY 97	\$59,500	LEASE	AS AN ANNUALIZED COST; REVIEW IN 2004	

This plan is **ESSENTIAL** to:

- Avoid a multimillion dollar crisis by 1999 when our county/state lease expires or our existing quarters completely deteriorate.
- Avoid high costs imposed by the university system or private property owners for the rental of training space or the purchase of meals.
- Accommodate increased student populations.
- Provide the space required for improved weaponless defensive tactics training, fitness assessment and scenario-based education.
- Eliminate serious problems caused by co-educational living quarters.

This plan **WILL**:

- Rehabilitate and improve student living quarters and conditions.
- Expand residential capacity from 64 to 76.
- Construct a women's dormitory.
- Add an aerobics-style defensive tactics room.
- Add a third classroom, expand the library and add scenario rooms.
- Add a multi-purpose room with service ports for contracted meals.
- Add an apartment for a resident assistant.

The **ADVANTAGES** of a cooperative County-State agreement are:

- State costs for architectural planning and design are minimized.
- All start-up costs and moving costs are avoided.
- There are **NO** interim service reductions or program interruptions.
- The existing lease is protected and the Academy has a home that will be adequate through the year 2010.
- The stage is set to use grants to enhance the project and further improve the Academy in small steps.
- The use of existing state buildings is maximized.
- Gallatin County is subsidizing the lease rate.

This is a **ONE TIME** opportunity that will not be available in the future!

III. Proposed Budget Cutbacks

1. The proposed 5% cutbacks and the cutbacks arising from the Governors budget proposal translate into a budget cut of \$90,000; over \$73,000 in salaries and \$17,000 in operational funding. At least two FTEs will have to be laid off.
2. The impacts of these cutbacks will be devastating to police training in Montana.
 - a. Loss of almost all programs beyond the most basic entry level certification training. Essential advanced training, (about 20 programs annually), would be unavailable to Montana police. We would lose; investigation training like fingerprinting, interview, photography, accident investigation; weaponless defensive tactics training; management and supervision training, all advanced drug investigation education, most instructor training and FTO programs, incident command system, arson investigation, civil process, tactical team training and other vitally important programs and program components.
 - b. Reliance on contracted programs, reduced quality assurance within regional training from training fees charged for these essential advanced.
 - c. All other programs are diminished.
 - d. Loss of about \$20,000 in revenue.

IV. Conclusion

I would like to assure you that if you are forced to enact these proposed cutbacks, those of us who remain at the Academy will do our best to try to ensure that we provide the highest level of service with the resources that you are able to make available. Our mission is important to us. We believe in the value of training and education, in the potential for change through interaction.

But the sad truth is that if these cutbacks are enacted, we will fail in our mission. When costs go up, once the university begins to charge us for facilities that we cannot manage without, important programs will simply end. Without our employees, many programs will be canceled and all of our programs will be diminished.

These cutbacks will have negative, detrimental effects. The deficit that you are now struggling to address is not only a result of uncontrolled spending or exponential growth. This deficit results in part from a failure to meet and address reasonable standards of performance. People have been harmed. Today, government is paying the cost.

-Officers have been hired and they have not been able to meet or maintain acceptable levels of fitness or physical ability and our system is drained by high levels of disability or medical retirement.

-A Sheriff or Chief does not know how to select the best officers to be hired and there is injury or misconduct.

-An untrained supervisor fails to intervene or is indifferent to a potential problem.

-An officer is left without options and uses an inappropriate level of force.

-A veteran resigns before the end of useful service because he or she has not been trained to recognize or manage the effects of stress.

EXHIBIT 7

DATE 1/20/93

~~HB~~ _____

Handwritten signature
L.R.

These problems are very real. Today, we have a chance to attend to that which has too often been neglected in the past. On this side of the deficit, you control the resources that we may expend. On the other side, you cannot control awards by the court, out-of-court settlements, disabilities, pensions. That aspect of this deficit can only be changed proactively, through training, through the promotion and maintenance of reasonable standards of performance and conduct.

Unless we act to control what goes into our system, we will never be able to affect the outcome. This deficit gap will continue to nag and haunt us. The legislature has frequently recognized this in the past through mandates which promote Academy training. I hope you recognize that once more here today.

Recently, I listened to one of my employees as she spoke during a promotional interview. She described the meaning of her work in terms of a circle; through service and individual effort, she felt that she could improve law enforcement and police response. That in turn would benefit Montana and our society. Those benefits are returned to her and the people she cares for.

For my part, my entire professional life has been dedicated to service in public safety and adult education. I believe in the positive effects of change through interaction, the value of improvements which can be obtained through education and training. I urge you to lend your support to our efforts by funding our agency as it exists today and enhancing the facilities that are available to us.

MONTANA LAW ENFORCEMENT ACADEMY

EXHIBIT 8
DATE 1/20/93
HB

TRAINING IMPACTS FY 89 TO FY 92

***PROGRAM TOTALS INCREASE FROM 24 TO 34**

***STUDENT TOTALS FROM 500 TO 900**

***REGIONAL PROGRAM TOTALS FROM 63 TO 97**

***800 OTHER INDIVIDUALS USE FACILITIES
(30 WEEKS OF USAGE)**

NEW STUDENT GROUPS

ASSIGNED BY THE LEGISLATURE

***CORONERS**

***DETENTION OFFICERS**

***PUBLIC SAFETY COMMUNICATORS**

***PROBATION/PAROLE OFFICERS**

***PARK RANGERS**

***JUVENILE PROBATION OFFICERS??**

OTHERS

***PRE-SERVICE (CIVILIANS)**

***PART TIME OFFICERS**

***RESERVE OFFICERS**

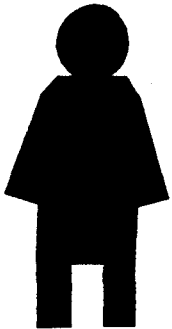
***ANIMAL CONTROL OFFICERS**

EXHIBIT 8
DATE 1/20/93
HB



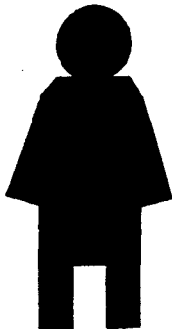
TRAINING STAFF

ADMINISTRATIVE AND LEGAL



DIVISION ADMINISTRATOR

**TEACHING, BUDGET AND EXPENDITURES,
PERSONNEL, PLANNING, OVERHEAD SERVICES,
CURRICULUM DEVELOPMENT AND DOCUMENTATION,
TESTING, LIBRARY AND OUTREACH**



ATTORNEY

**ALL LEGAL TRAINING,
SPECIALIZED LEGAL PROGRAMS,
EVIDENCE/FORENSIC SCIENCE,
CORONER ACCREDITATION,
COUNTY PROSECUTOR SERVICES**



ADMINISTRATIVE ASSISTANT

**PROGRAM SUPPORT (6), TEACHING,
RECEPTION, SUPPLIES, ALUMNI STORE,
ACCOUNTING, CLERICAL, SECRETARIAL**



TRAINING STAFF

BASIC PROGRAMS

10 PROGRAMS



BASIC PROGRAMS BUREAU CHIEF

***TEACHING, BASIC PROGRAMS DESIGN
AND DOCUMENTATION, RECRUITMENT,
SELECTION AND TESTING FOR CONTRACT
STAFF AND CIVILIAN STUDENTS,
PERSONNEL MANAGEMENT, EXPENDITURES***



TRAINING OFFICER

***TEACHING, COURSE
MANAGEMENT, SUPPORT
FOR CONTRACT INSTRUCTORS,
PERFORMANCE EVALUATIONS***



TRAINING OFFICER

***TEACHING, COURSE
MANAGEMENT, SUPPORT
FOR CONTRACT INSTRUCTORS,
PERFORMANCE EVALUATIONS***



ADMINISTRATIVE ASSISTANT

***TEACHING, COURSE SUPPORT,
SCHEDULING, RECORDSKEEPING,
ORDERING, ACCOUNTING,
CLERICAL, SECRETARIAL***

EXHIBIT 8
DATE 1/20/93
HB



TRAINING STAFF

PROFESSIONAL PROGRAMS

20 PROGRAMS



PROFESSIONAL PROGRAMS BUREAU CHIEF

*TEACHING, DESIGNING CONSTRUCTED
PROGRAMS, SELECTING AND MANAGING
CONTRACTED PROGRAMS, COURSE MONITORING,
STAFFING AND SCHEDULING, PERSONNEL
MANAGEMENT, EXPENDITURES*



*ADMINISTRATIVE
ASSISTANT*

*ACTOR, COURSE SUPPORT,
SCHEDULING, RECORDSKEEPING,
ORDERING, ACCOUNTING,
CLERICAL, SECRETARIAL*



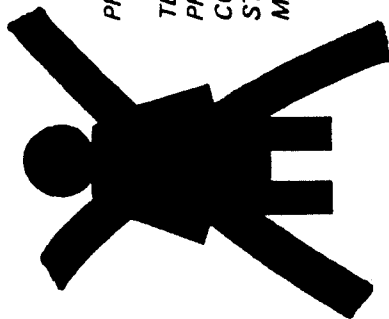
*PROGRAM
ASSISTANT*

*TEACHING,
ACCREDITATION
OF REGIONAL PROGRAMS,
HOSTED PROGRAMS,
SPECIAL PROJECTS*

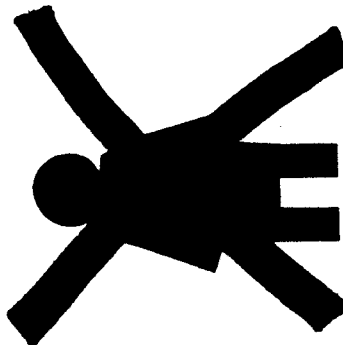
100 PROGRAMS

PROFESSIONAL PROGRAMS

20 PROGRAMS

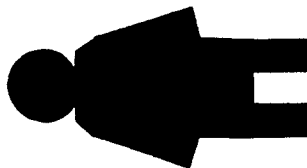


PROFESSIONAL PROGRAMS BUREAU CHIEF
TEACHING, DESIGNING CONSTRUCTED
PROGRAMS, SELECTING AND MANAGING
CONTRACTED PROGRAMS, COURSE MONITORING,
STAFFING AND SCHEDULING, PERSONNEL
MANAGEMENT, EXPENDITURES



ADMINISTRATIVE
ASSISTANT

ACTOR, COURSE SUPPORT,
SCHEDULING, RECORDSKEEPING,
ORDERING, ACCOUNTING,
CLERICAL, SECRETARIAL



PROGRAM
ASSISTANT

TEACHING,
ACCREDITATION
OF REGIONAL PROGRAMS,
HOSTED PROGRAMS,
SPECIAL PROJECTS

REGIONAL PROGRAMS

-A BUDGET CUT OF \$90,000

-\$73,000 IN SALARIES

-\$17,000 IN OPERATIONAL FUNDING

-AT LEAST TWO FTEs LAID OFF

-LOSING ALMOST ALL ADVANCED TRAINING

-RELiance ON CONTRACTED PROGRAMS

-OTHER PROGRAMS DIMINISHED

EXHIBIT 8
DATE 1/20/93
HB

**A Modification Request
At The
Montana Law Enforcement Academy**

EXHIBIT 9
DATE 1/20/9
HB

The Academy is requesting \$97,640 in FY 94 and \$104,500 in FY 95 in order to enter into a cooperative lease arrangement with Gallatin County and remodel existing state buildings. This plan will add 7,000 square feet to the facility now used for police and public safety training in Bozeman and expand and improve current quarters.

PROJECT BUDGET				
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FY 97	\$59,500	LEASE	AS AN ANNUALIZED COST; REVIEW IN 2004	

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- Provide the space required for improved weaponless defensive tactics training, fitness assessment and scenario-based education.
- Eliminate serious problems caused by co-educational living quarters.

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- Gallatin County is subsidizing the lease rate.

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EXHIBIT 10
DATE 1/20/93
~~HB~~

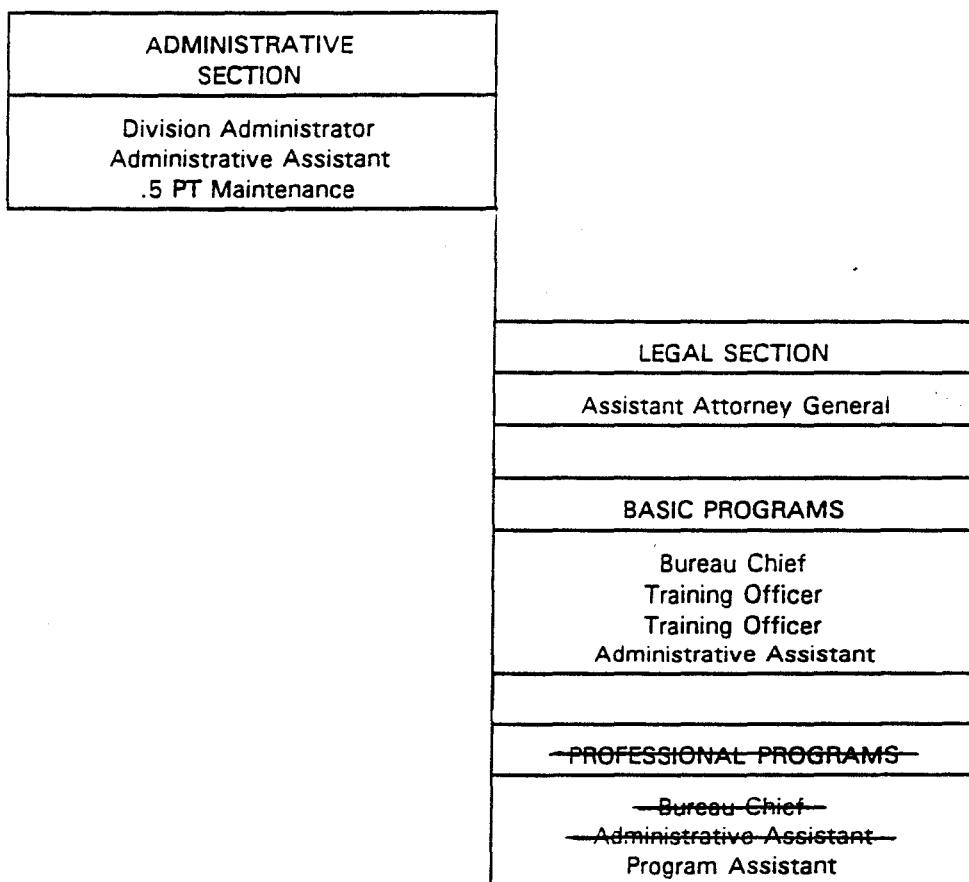
**ORGANIZATIONAL CHART
AT THE
MONTANA LAW ENFORCEMENT ACADEMY**

10.5 FTEs

ADMINISTRATIVE SECTION	Division Administrator Administrative Assistant .5 PT Maintenance	LEGAL SECTION	
		Assistant Attorney General	
		BASIC PROGRAMS	
		Bureau Chief Training Officer Training Officer Administrative Assistant	
		PROFESSIONAL PROGRAMS	
		Bureau Chief Administrative Assistant Program Assistant	

**THE EFFECTS OF OBP AND GOVERNOR'S BUDGET CUTS
UPON THE
ORGANIZATIONAL CHART
AT THE
MONTANA LAW ENFORCEMENT ACADEMY**

8.5 FTEs



REGIONAL PROGRAMS ONLY

19-Jan-93

DEPARTMENT OF JUSTICE
1995 Biennium Budget Issues
LAW ENFORCEMENT ACADEMY

EXHIBIT 11
DATE 1/20/93
~~HB~~

CURRENT LEVEL ISSUES:

-----FTE-----
FY94 FY95
-----COST-----
FY94 FY95

Personal Services - Requested Increases:

1. 5% cut eliminates half of a training manager. This person is integral to the advance/ professional courses taught at the Academy. The position is filled.	.50	.50	\$21,876	\$22,001
---	-----	-----	----------	----------

2. The OBPP eliminates an additional 1.5 FTE. This reduction would totally eliminate the advanced training component at the Academy. Both positions are filled.	1.50	1.50	51,984	52,137
--	------	------	--------	--------

Operations - Requested Increases:

1. The OBPP eliminates operating expenses related to the professional/advanced training component.			\$16,059	\$17,015
---	--	--	----------	----------

Equipment - No Issues

Funding - General Fund

MODIFICATIONS:

1. Facility remodeling/expansion - Increased usage and demands on the present facility from increasing student registrations necessitates some basic remodeling and expansion to accommodate the classes and students.			\$97,640	\$104,500
--	--	--	----------	-----------

* Assume adoption of LFA base plus 5% and vacant listing reductions.

HOUSE OF REPRESENTATIVES

WITNESS STATEMENT

EXHIBIT 12
DATE 1/19/93

~~HB~~

PLEASE PRINT

NAME Clifford Brophy Sheriff BILL NO. N/A

ADDRESS Columbus DATE 1-20-93

WHOM DO YOU REPRESENT? MLEAD

SUPPORT Yes OPPOSE _____ AMEND _____

COMMENTS: _____

No reductions



EXHIBIT

13

DATE

1/20/93

WHITEFISH POLICE DEPARTMENT HB

131 Baker Ave.
Whitefish, Montana 59937
(406) 862-2521
FAX (406) 862-3099

Chief William J. LaBr

FAX MESSAGE COVER SHEET

1-18-93

DATE

TO:

REPRESENTATIVES MARJORIE FISHER DISTRICT 3
MONTANA HOUSE OF REPRESENTATIVES
CAPTOL STATION

FAX NO.

444-4105

FROM:

CHIEF WILLIAM J. LABR
WHITEFISH POLICE DEPT.

FAX NO. (406) 862-3099

SUBJECT:

MONTANA LAW ENFORCEMENT ACADEMY TRAINING STAFF

No. of Pages:

2

(Including This Page)

Special Instructions:

PLEASE DELIVER ASAP.

Transmitted:

A.M.

P.M.

By:

**WHITEFISH POLICE DEPARTMENT**

131 Baker Ave.
Whitefish, Montana 59937
(406) 862-2521
FAX (406) 862-3099

Chief William J. LaBrie

January 18, 1993

Ms. Marjorie I. Fisher
Montana House of Representatives
Capitol Station
Helena, Montana 59620

Re: Proposed legislation to cut Law Enforcement
Academy Training Staff

Dear Marj,

Mr. Gregory Noose, Administrator of the Montana Law Enforcement Academy has indicated to me that there is a proposal by the State of Montana to cut his working budget, hence, dismissing two (2) permanent Staff Instructors.

Marj, this would be disastrous to Montana Law Enforcement Agencies. The problem is not the training of the Basic Law Enforcement Classes, but the In-service advanced training of those Officers that have been on the streets for years. The very need for advanced traiping in Montana is already critical and in my opinion needs to be expanded, not reduced. We need to have training for Field Training Officers, (those Officers who train the new people), we need advanced training in Criminal Investigative Techniques, such as Fingerprint School, Narcotics School, Arson Schools, Communication Schools, First Line Supervisor Schools, Critical Incident schools, Mid-Management Schools, Electronic and Surveillance Schools, Officer Safety & Survival Schools, Coroner Schools, Crime Scene Investigation Schools, and the list goes on.

It is my information that any reduction of Instructor Staff at the Academy would result in a negative impact on the advanced training currently available to the Law Enforcement Officers of the State, and Whitefish. I am sure that you want the Whitefish Police Officers to have the best training available so that they might Serve and Protect the Citizens of Whitefish as those Citizens so deserve.

Thank you for your time and understanding. If you have any questions, please feel free to contact me.

Sincerely,

Bill
William J. La Brie
Chief of Police

DARE



4110 07 00000

DEPARTMENT OF JUSTICE
Program Summary

Gambling Control Division

EXHIBIT

EX 14
14

DATE 1/20/93

Budget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995
FTE	31.00	36.00	29.00	31.00	(2.00)	29.00	31.00	(2.00)
Personal Services	1,035,884	1,177,725	1,027,415	1,081,896	(54,481)	1,031,945	1,086,577	(54,632)
Operating Expenses	280,782	462,779	332,803	300,663	32,140	336,835	306,286	30,549
Equipment	117,345	63,700	50,359	50,614	(255)	50,359	50,862	(503)
Total Costs	\$1,434,012	\$1,704,204	\$1,410,577	\$1,433,173	(\$22,596)	\$1,419,139	\$1,443,725	(\$24,586)
Fund Sources								
State Revenue Fund	1,434,012	1,704,204	1,410,577	1,433,173	(22,596)	1,419,139	1,443,725	(24,586)
Total Funds	\$1,434,012	\$1,704,204	\$1,410,577	\$1,433,173	(\$22,596)	\$1,419,139	\$1,443,725	(\$24,586)

Page ReferencesLFA Budget Analysis (Vol. I), A 98-99
Stephens Executive Budget, A44**Current Level Differences**

5 PERCENT PERSONAL SERVICES REDUCTION—The Executive Budget eliminated 2.0 FTE in compliance with Section 13, House Bill 2 requiring a 5 percent personal services reduction in the 1995 biennium budget. The position is included in LFA current level. The Joint Committee on Appropriations and Finance and Claims recommended the 5 percent reductions be permanently eliminated from the budget.

(54,481) (54,632)

COST ANNUALIZATION AND REORGANIZATION—The Executive Budget includes increases in operating expenses based on short staffing in fiscal 1992, and also included increases for a reorganization to move personnel to field offices. The LFA current level provides only limited increases over fiscal 1992 on the premise that it represented a normal year of operations, and did not included increases due to reorganization since it is not a current level service and has not had legislative review.

26,385 26,385

OFFICE RENT—The Executive Budget provides funding for increases due to decentralization, resulting in new field offices and upgraded spaces. The LFA current level provides for a 4 percent rent increase for existing offices.

5,310 3,190

INFLATION DIFFERENCES

27 308

MINOR DIFFERENCES (NET)

163 163

TOTAL CURRENT LEVEL DIFFERENCES

(22,596) (24,586)

Budget Modifications**EXECUTIVE BUDGET MODIFICATION:**

RETAIN GAMBLING EXPANSION STAFF—This budget modification would retain 5.0 FTE in the Gambling Control Division that were approved as a one-time budget modification for the 1993 biennium. It would be funded from the gambling fees state special revenue account. See LFA Vol. I, page A-90.

207,331 207,478

ELECTED OFFICIAL BUDGET MODIFICATION:

RESTORE 5 PERCENT REDUCTION—This budget modification would restore the 2.0 FTE deleted in the Executive Budget in accordance with section 13 of House Bill 2. These FTE are used for the issuance of gaming licenses and permits. Funding for these positions is included in LFA current level. See LFA Vol. I, page A-92.

61,872 61,872

Language

The 1993 biennium appropriations act included the following language related to this program:

"In implementing the appropriations under item xx, the legislature urges the department and indian tribes to negotiate in good faith in order to reach, on a temporary basis, the status quo for indian and non-indian gaming operators. The department and indian tribes are urged to enter into long-term agreements to implement the federal indian gaming laws for the benefit of tribal and state government."

Gambling Control Division, Department of Justice
Budget Presentation

EXHIBIT 15

DATE 1/20/93

General Introduction

~~#B~~

Just as its name suggests, the Gambling Control Division regulates most forms of gambling in Montana. The only two types of gambling we don't oversee are the Montana Lottery and horse racing.

The Gambling Control Division has a total of 36 employees in five key units which are organized to reflect our major areas of responsibility and our staff are located in the Helena central office with field offices in Missoula, Butte, Kalispell, Glasgow, Billings, Great Falls, and Bozeman. Our Investigation Bureau, with 15.5 employees, is responsible for regulatory and criminal investigations; last year the bureau completed 3,842 investigations including background investigations, premises inspections, and criminal investigations, as well as issuing 176 civil corrections or violation notices. Most investigators are located in the field offices.

The Licensing Section has five FTE's located in Helena; they are responsible for processing and issuing both gambling licenses and permits. Last year a total of 2,450 licenses were issued and 14,972 permits were issued. In addition, the section collects fees and provides assistance to applicants. The Tax and Audit Section, with seven FTE's, is responsible for field and desk audits related to license applications and for the collection and distribution of taxes. In the last fiscal year, this staff completed 460 financial reviews of renewals, 389 financial reviews of new applicants, 1,365 desk audits, and 24 field audits. In addition, this unit is responsible for verifying that taxes paid are correct, an important function since these taxes are a major source of income for state and local government.

The Technical Services Section, or the testing lab, has 3.5 FTE's who evaluate and test gambling machines and manage the Division's computer system. Last year this section tested seven new models of machines and 229 modifications; field tests of machines run an average of 550 per year. Finally, the Administrative Unit, with five FTE's, is responsible for general operations, public information, administrative hearings, administrative rules, and state-tribal compact negotiations. This unit also provides clerical support for the entire Division.

The Division not only licenses operators of gambling establishments, card dealers, and card room contractors, but also license the makers of gambling devices, sports tab cards, and electronic live bingo and keno equipment. We license antique slot machine dealers and the manufacturers of gambling devices that are made or modified in Montana but are shipped out of Montana to states where their use is legal. We also provide technical backup to counties who are responsible for permitting amusement games.

Gambling has been a growth industry since Montana first started the statewide licensing of video poker machines in fiscal year 1986. Here are some figures that demonstrate this growth:

* In FY92, nearly \$413 million was wagered on legal forms of gambling -- up 39 percent from two year earlier, when \$296 million was wagered. 87% of this total comes from video gambling machines.

* the number of video gambling machines licensed has increased remarkably since 1986. That fiscal year, the state issued 2,210 permits for video poker machines -- the only type of machines we licensed then. In FY92, we licensed nearly 7,910 video poker machines, as well as 6,455 video keno machines, for a total of 14,365 machines. Of these total permits, nearly 13,000 reported income, indicating how many machines are active in the state. So far this fiscal year, permit applications are running ahead of the number at the same time last year.

This increase has benefited the state in many ways. The state and local governments split the tax revenue from the machines. One-third of the tax on proceeds goes to the state's

general fund, while the remainder goes to the local government in which the machines are located. In FY88, the tax raised a total of \$10.5 million. In two years, by FY92, that amount had more than doubled to \$24.2 million. This translates into \$8.1 million for the State's General Fund and \$16.1 million for local governments. Permit and license fees are another source of revenue, split almost equally between local governments and the Gambling Control special revenue account. These fees support the Gambling Control Division's operations; in other words, we are self-supporting from the fees assessed to the industry and do not require any subsidy from other revenue sources.

EXHIBIT 15
DATE 1/20/93

FY92-FY93 Staff Additions

4B

The growth in gambling tax and fee revenues has been remarkable, but these increases in revenues have a price. As gambling activity has increased, so has the licensing and investigative activity of our division. I'd like to address our staffing and workload situation. As some of you will recall, in 1991 we asked the legislature for 23 additional staff persons; this number was cut to five FTE. Since it was not known at that time if the Division's workload would continue to be high, the Legislature asked us to come back this year and report on our progress.

These five staff persons are now on board and working. We have added two field investigators and one revenue agent, putting into effect the regional plan to assist licensing in a given geographic area. In addition, a Gambling Device Inspector was added to the testing lab and a clerical position was added to support both the lab and the Investigation Bureau.

These five positions have enabled the Division to respond more efficiently and effectively to a backlog of applications and machine testing requests, and to address inspection and audit needs on a regional basis. Let me give you some examples. An investigations field office was opened in Kalispell to serve that area, and another investigator was transferred to Billings where the workload has increased substantially. A new investigator added in 1991, has completed 50 operator license investigations and 16 investigations related to other types of licenses, issued 53 corrections or warnings, closed 103 administrative cases and 108 criminal cases, inspected 113 premises, and completed 83 machine inspections. This is what one individual has done since we were able to add investigators; in addition, by increasing the field staff, we have been able to decrease travel time and coordinate investigative activity on site.

A revenue agent was hired and located in Missoula, again improving our audit activity in the field and overall efficiency in the section. The number of completed financial reviews has increased 14% over the past year, desk audits have increased 40%, and field audits have increase 22%. The total number of tax audits completed in the first two quarters of FY93 have surpassed the total for all of FY92. The staff person in the Missoula office also acts as backup for the Helena staff during periods of excessive workload or during vacations.

The Gambling Device Inspector has allowed the Division to complete more field tests of machines and has taken this burden from the investigators. As a result, field tests will increase from approximately 556 per year to 1,920 per year at the present rate. Even so, we will only inspect each device in the state once every 7 years, as opposed to once in 26 years before the position was added. Finally, the clerical position has provided much needed support in the lab and in investigations; for example we are filling criminal and licensing reports faster and are able to keep up with transcribing needs. These duties enhance our ability to complete testing and investigations in a more timely manner.

In justifying the retention of these positions, it should be pointed out that the Gambling Control Special Revenue Fund has sufficient funds to maintain our present staffing level of 36 FTE's. Much of the Division's increased work measurements over the past year can be attributed to the additional staff. But the higher level of gambling activity is putting increasing pressure on the existing staff. Without these five positions, we will not be able to respond to the industry's concern for timely processing of applications and out ability to protect the

public's interest in enforcing gambling laws will be hindered. I would like to point out that our investigators currently spend 80% of their time on cases related to applications. Because of staffing limitations -even with these additional positions - the Division can only react to investigative and criminal matters, not initiate them.

EXHIBIT 15

DATE 1/20/93

~~HB~~

Five-Percent Reductions

The Division's five-percent reduction in personnel would have to be accomplished by eliminating two positions in the Licensing Section. Only one is currently vacant. This reduction would reduce the section from a total of five positions to three: the supervisor and two licensing Specialists, with no clerical support. It would substantially increase the amount of time it takes for the processing of applications and permits; in the past year we have been able to reduce processing and forwarding time from the Licensing Section to the Tax and Audit Section for a completed application from as much as 10 days down to two days; without these two positions, this improvement would be reversed. Last year, at the full staffing level of five FTE's, the Licensing Section issued or renewed 1,708 operator licenses, 499 card dealer's licenses, nine card room contractor's licenses, 174 manufacturer-distributor licenses, as well as several miscellaneous licenses.

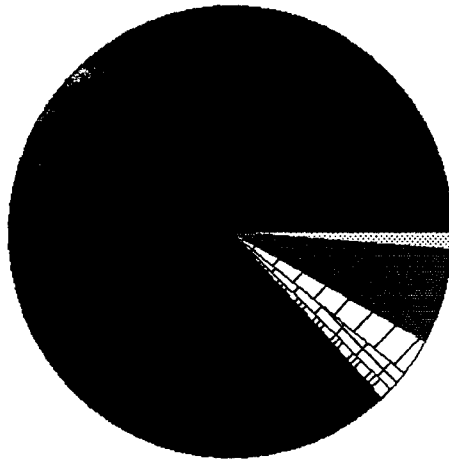
As you can see from the growth in gambling activity, the need for investigation and audit activity will not decrease in the future. As an enforcement agency, we must maintain staffing in these areas to ensure consistent and accurate evaluations and collections. Therefore, any staff reductions will have to come in the processing area. Again, it should be noted that the Division does not need any General Fund monies to subsidize our operations, and the funding in our Special Revenue fund is sufficient to cover these two licensing positions as well as the five positions added after the 1991 legislative session.







The Division has demonstrated its ability to conduct its operations in a fiscally responsible manner, and to use its resources wisely. For example, during the last minute deliberations in the conference committee of the Appropriations bill, the staffing level request was decreased to five positions; however, there was insufficient time to cut operations expenses accordingly. We used only the budget authority we needed to support the five new staff positions. This is why our budget request is actually \$100,000 less than the previous level; we have asked only for what we need to operate at the staffing level of 36 positions. However, we are asking that you add \$32,000 in operating expenditure authority as shown in the Budget Office's calculations for operations and maintenance needs. Because it took a while to hire the specialized personnel needed for investigations and machine testing, our current level funding calculated by the LFA is lower than the amount we actually need when fully staffed. These expenses are necessary to support our field operations. Again, the Division's current funding level from the special revenue fund can accommodate this addition.

We will continue to evaluate our operations to find additional ways to streamline activities without decreasing our enforcement level. The Division and the Attorney General have been given the responsibility to enforce Montana gambling laws, and we must have the resources to carry out this responsibility and to protect the public's interests. Our goal is to perform our duties in a fair, consistent, and timely manner; I hope you will consider these requests in that light.

EXHIBIT 16
DATE 1/20/93
~~HBF~~

DEPARTMENT OF JUSTICE – GAMBLING CONTROL DIVISION
DOLLARS WAGERED FISCAL YEAR 1992 – EXHIBIT 1



 VG machs. \$358.8 mil	 Simulcast \$3.7 mil	 Live keno \$6.1 mil
 Live bingo \$11.1 mil	 Lottery \$28.0 mil	 Horse racing \$5.2 mil

**DEPARTMENT OF JUSTICE – GAMBLING CONTROL DIVISION
ANNUAL MACHINE PERMITS – EXHIBIT 2**

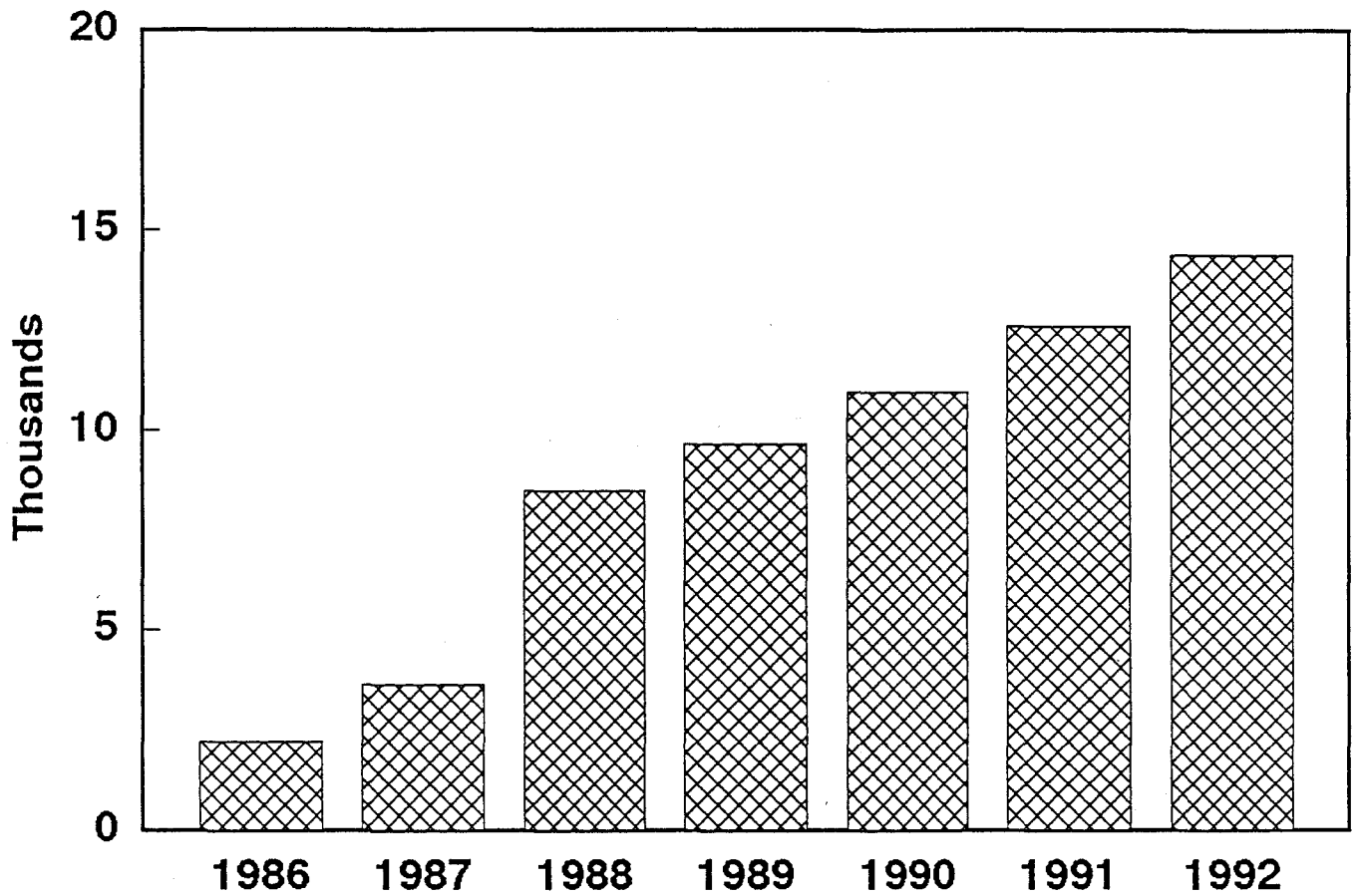
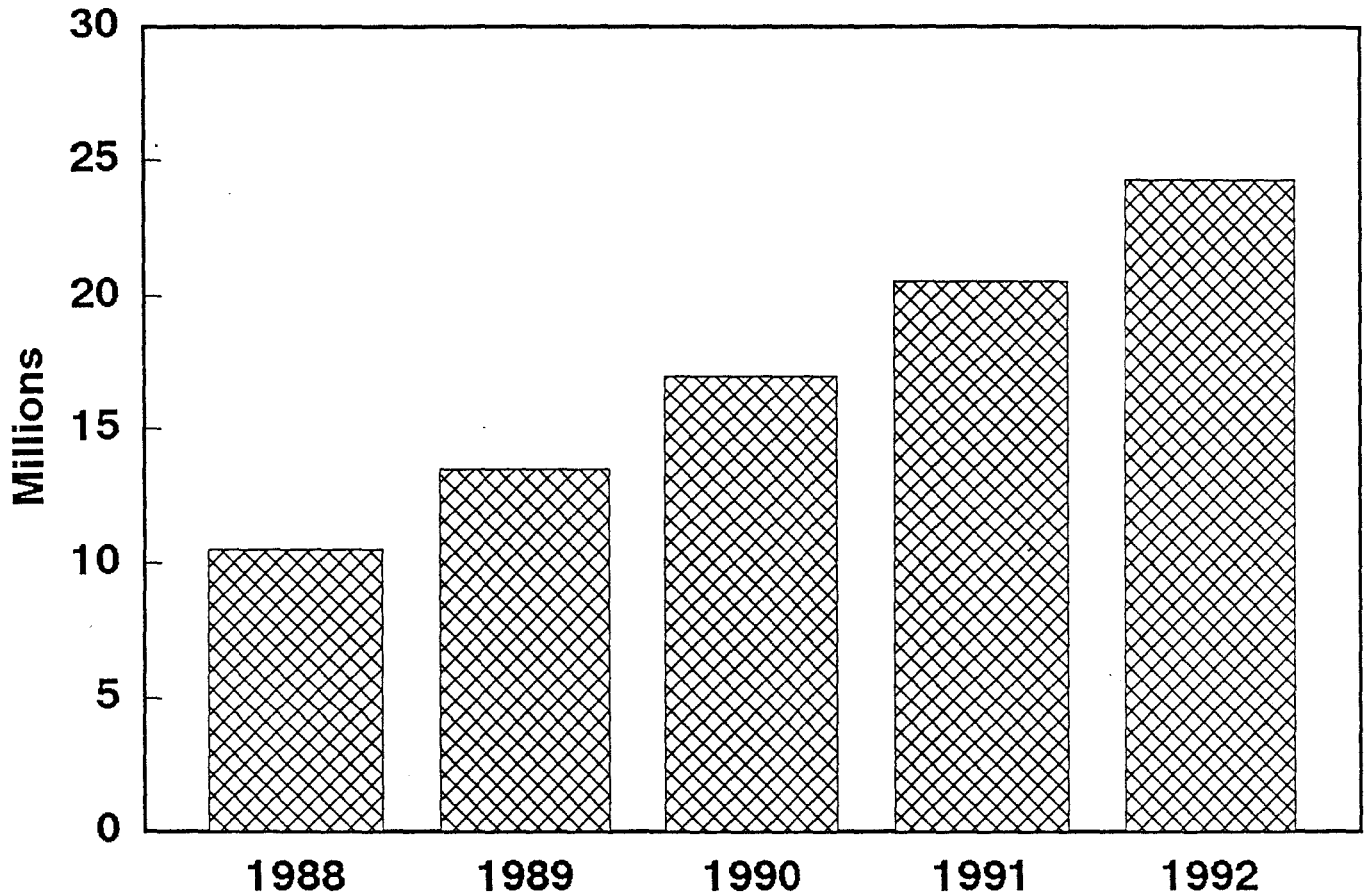


EXHIBIT 16
DATE 1/20/93
~~HB~~

**DEPARTMENT OF JUSTICE – GAMBLING CONTROL DIVISION
ANNUAL MACHINE TAX REVENUE – EXHIBIT 3**



DEPARTMENT OF JUSTICE
GAMBLING CONTROL DIVISION

EXHIBIT 4

DISTRIBUTION OF GAMBLING REVENUES
(FY 92)

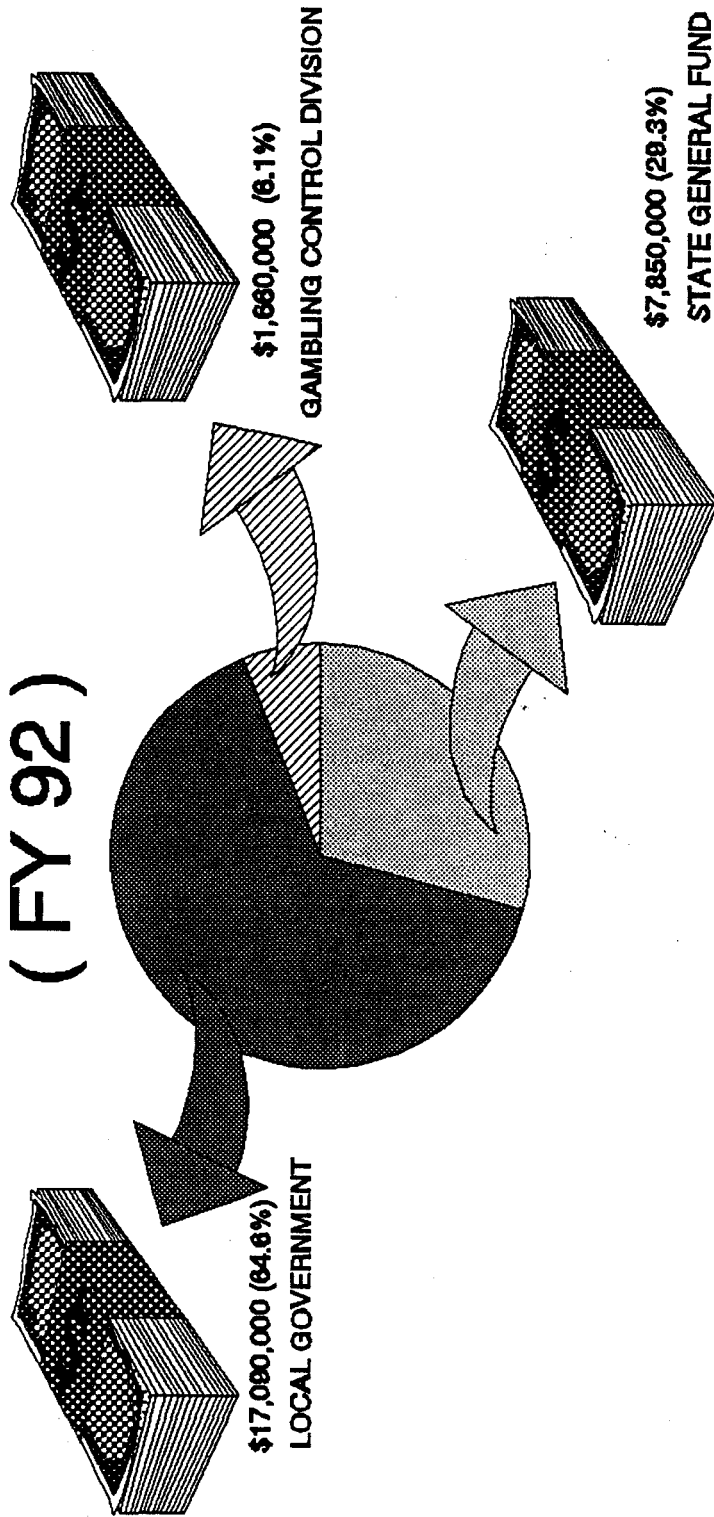


EXHIBIT 11p
DATE 1/20/93
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DEPARTMENT OF JUSTICE
GAMBLING CONTROL DIVISION

Organizational Chart

<u>Investigation Bureau</u>	<u>Licensing Section</u>	<u>Tax/Audit Section</u>	<u>Technical Services Section</u>	<u>Administrative Unit</u>
Bureau Chief Administrative Assistant III Word Processing Technician Word Processor III* (half time)	Section Supervisor Licensing Specialist Licensing Specialist Licensing Specialist** Administrative Clerk I**	Section Supervisor Revenue Agent II Compliance Specialist Compliance Specialist	Section Supervisor Informational Specialist III Gambling Device Inspector* Word Processor III* (half time)	Division Administrator Administrative Officer Division Attorney Administrative Secretary Administrative Clerk I

FIELD OFFICES:

WESTERN DISTRICT

Missoula
Supervisor - Investigator
Investigator

Butte
Investigator

Helena
Investigator

Kalispell
Investigator*

NORTHERN DISTRICT

Glasgow
Supervisor - Investigator

Great Falls
Investigator
Investigator

SOUTHERN DISTRICT

Billings
Supervisor - Investigator
Investigator
Investigator*

Bozeman
Investigator

* FY92-93 Additions
** 5% Reductions

EXHIBIT 17
DATE 1/20/93
HB

412

20-Jan-93

EXHIBIT 13

DATE 1/20/93

~~HB~~ _____

DEPARTMENT OF JUSTICE
1995 Biennium Budget Issues
GAMBLING DIVISION

CURRENT LEVEL ISSUES:

-----FTE----- -----COST-----
FY94 FY95 FY94 FY95

Personal Services – Requested Increases:

1. 5% cut eliminates 2.00 FTE in the licensing Bureau. Such a reduction would greatly delay the issuing of licenses and permits. Both positions are currently filled.	2.00	2.00	\$54,481	\$54,632
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Operations – Requested Increases:

1. Increases to misc. operating expenses such as rent, gasoline, telephone expenses & travel are needed as staffing was not at 100% in FY92.			\$32,000	\$30,500
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Equipment – No Issues

Funding – Earmarked Funds

MODIFICATIONS:

1. Maintain 5.00 FTE added by the 1991 legislature. These individuals are part of the current level effort to operate the Gambling Division in the most efficient manner possible in light of the exploding workload. No increase in fees is necessary. Earmarked Funds.	5.00	5.00	\$207,331	\$207,478
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*Assume adoption of LFA base plus 5% and vacant listing reductions.

**MONTANA DEPARTMENT OF JUSTICE
GAMBLING CONTROL DIVISION**

BIENNIAL REPORT

Fiscal Years 1991 and 1992

AND

REPORT OF THE

1991 - 1992

GAMING ADVISORY COUNCIL

December 1992

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

GEN. GOV. & HWYS. SUBCOMMITTEE DATE 20 Jun 93
DEPARTMENT(S) ~~Justice~~ Justice DIVISION ~~III~~

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NAME	REPRESENTING	
A. D. PRYTH	GALLATIN COUNTRY	585-1400
JIM OBERHOFER	MSLT P.D. + MACOP	523-4777
GREGORY A. NOOSE	Montana Law Enforcement Ass.	994-3918
LARRY MEY	COIN MACHINE OPERATORS VLT/AWI	
GLORIA HARRISON	DONT GAMBLE w/ the FUTURE	
DENNIS M. TAYLOR	JUSTICE	
Carol Cressy	Justice	444-1971
Jandee May	"	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT
FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.