

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 13, 1993, at 8:00 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: JUDICIARY
Executive Action: JUDICIARY

HEARING ON JUDICIARY

Tape No. 1:A:000

WATER COURT SUPERVISION DIVISION

Informational Testimony:

Mr. Jon Moe, Legislative Fiscal Analyst, presented an overview of the budget for the Water Court Supervision Division. **EXHIBIT 1**

Mr. Bruce Loble, Chief Water Judge, gave a presentation on the Water Court Supervision Division. He distributed a copy of issues addressed by the division. **EXHIBIT 2.** He stated that the speed of the adjudication process is entirely dependent on the level of funding and that approval of the LFA budget would be necessary to maintain the current level of adjudication. Approximately 90% of the budget is currently fixed cost. If the

budget were cut below this level, the division would have to initiate vacancy savings, greatly affecting the speed of adjudication. Previous budget cuts caused the division to lose two water masters resulting in the agency having to cease the adjudication process in the Deer Lodge region. The training period for a new water master is a minimum of six months, causing further delay in the adjudication process. The division would prefer to withdraw to Bozeman and concentrate the Water Masters' activities to the areas in close proximity to that region. A 5-10% cut would cause the division to have to withdraw from the Bitterroot (an area of particularly intense dispute over water rights), Sun River, and Clark Fork River regions. The division would be unable to issue new decrees for the next two years. He stated it would be more efficient to have five water masters, than eliminate one in order to free up funding and require the remaining four to travel the entire state. In order to maintain water masters in the division, a hierarchical system was created which increased the salaries of the most senior employee and reduced the salaries of those with less seniority. The system has proven effective. The Chief Water Judge is directed by statute to attend to the Milk River adjudication as the top priority. This would have to be postponed if the funding were cut because of commitment to compacts in other regions. Judge Loble requested that, if the subcommittee intends for the division to attend to the compacts, there be language created reducing obligation for adjudication of the Milk River. He stated that the \$4,354 budgeted for Postage and Advertising would, in fact, be paid by the Department of Natural Resources with Federal money.

Questions, Responses and Discussion:

REP. MARJORIE FISHER asked what positions comprise the 11 FTEs. Judge Loble answered that the division has one water judge, five water masters, one clerk of court, three deputy clerks of court, and one budget clerk.

CHAIRMAN MARY LOU PETERSON asked how long it would take the division to complete all its decrees. Judge Loble answered that the completions would be dependent on the level of funding and number of objections to the process. He estimated a minimum of 14-15 years and a probability of 25 years. The source of the State Revenue Fund is 30% of the Resource Indemnity Trust Fund and 1.25% of the non-trust fund Coal Severance Tax.

SEN. LORENTS GROSFIELD, DISTRICT 41, submitted a letter from REP. HAL HARPER, DISTRICT 44. EXHIBIT 3. He stressed the importance of ratifying the negotiated water compacts.

Ms. Susan Cunningham, Reserved Water Rights Compact Commission, supported the continued current level of funding for the Water Court Supervision Division. She expressed concern that a reduction in funding would hinder the progress on the Fort Peck and Northern Cheyenne compacts. Congressional legislation

requires that the Northern Cheyenne compact be completed in Montana Water Court before the \$55 million from Congress can be appropriated to Montana for the repair and enlargement of the Tongue River Dam.

Mr. Harley Harris, Attorney General's Office, emphasized the importance of the role of the Water Court in resolving water right issues for private citizens as well as for Indian tribes. The Attorney General's Office advocates the continued current funding in order to maintain the speed with which the division works and specifically supports the recommendation for compact confirmation.

EXECUTIVE ACTION ON JUDICIARY

Tape No. 1:A:675

WATER COURT SUPERVISION DIVISION

BUDGET ITEM LFA BASE, POSTAGE, ADVERTISING:

Motion: SEN. HARRY FRITZ moved to accept the LFA current level budget, to include the \$4,354 for postage and advertising.

Questions, Responses and Discussion:

SEN. FRITZ asked Judge Loble to justify the need for an instructional video for adjudication.

Judge Loble explained that many people who take cases to the court do not have lawyers and also do not clearly understand the proceedings. The video would instruct people about the adjudication process and, based on demand, could be sold for approximately \$25.

Vote: THE MOTION CARRIED UNANIMOUSLY

HEARING ON JUDICIARY

Tape No. 1:A:845

LAW LIBRARY

Informational Testimony:

Ms. Judy Meadows, State Law Librarian of Montana, presented issues of concern to the division. EXHIBITS 4 and 5

Mr. Tim Hall, Attorney, Department of Natural Resources and Conservation, submitted testimony in favor of the Judicial request for the Law Library. EXHIBIT 6

Ms. Deborah Schlesinger, Montana Library Association, submitted testimony in favor of the Law Library's requested budget. EXHIBIT 7

Mr. Moe presented an overview of the budget for the Law Library.
EXHIBIT 8

Questions, Responses and Testimony:

REP. FISHER inquired about the positions of the 6.5 employees. Ms. Meadows answered that the positions were comprised of the director of the Law Library (half-time devoted to reference work), a Professional Reference Law Librarian, a Cataloguer, a technician in the cataloguing department (responsible for all government documents), 1 FTE responsible for interlibrary loans and bills, and 1.5 FTE responsible for shelving, copying and loose-leaf binding.

REP. FISHER asked if the library serves the private sector as well as state agencies. Ms. Meadows answered that statute requires that the library serve the general public.

REP. FISHER asked if the general public was charged for services provided. Ms. Meadows answered that the public is charged for photocopying (with a higher fee for non-Helena residents, due to postage), database searches, audio and video tape rentals.

REP. FISHER asked if the library does its own book-binding or if this function is contracted out. Ms. Meadows answered that the library complies with a state term contract for binding to be done in Iowa. Bills and minutes are bound in Missoula.

SEN. FRITZ asked why there is such a large increase in the personal services budget from FY93 to FY94 since the number of FTEs remains the same. Mr. John Patrick, Office of Budget and Program Planning, answered that the entire amount of Special Session reductions were applied to special services. The starting point for personal services was based on a "snapshot" of July 1993, without consideration of the special session budget reductions.

Ms. Meadows explained that in response to the special session budget reductions, the entire judiciary branch transferred money from personal services to be used in other areas requiring funding. The 1992 budget is a more accurate reflection of the personal services needs.

Mr. Jim Oppedahl, Administrator, Supreme Court, stated that the agency wishes to transfer the Lexus and West Law Database functions of fitness and character searches to the Montana State Bar Assoc. in order to decrease the use of general fund (although restored by fees) for this purpose at the Law Library.

CHAIRMAN PETERSON stated a desire to maintain oversight of funding for the database functions and expressed concern that the public might not trust the State Bar's use of the funding authority. Mr. Oppedahl responded that the legislature maintains oversight of special revenue funding and that allowing use of

general fund requires a higher amount of accountability because the exact amount needed cannot be accurately estimated, and can therefore be over-allocated.

REP. JOE QUILICI asked how the West Law System would function if transferred to the State Bar Association. Mr. Oppedahl answered that the Database procedure would not change with the transfer. The billing and accounting process would change. However, the State Bar is accountable to the Supreme Court and would be required to submit annual accounting reports.

Ms. Meadows explained that Lexus, the library's largest database, is operated from Dayton, Ohio. The library subscribes to Lexus and then allows state agencies to contract for its use. On-line searches by other agencies have greatly increased and therefore caused a dramatic increase in the library's budget.

Mr. Oppedahl explained that transferring the database functions to the State Bar Association would eliminate the agency's need to act as an agent for the funding, allowing for more concentrated efforts on other library operations.

REP. QUILICI asked who determines the cost of accessing the database. Mr. Oppedahl answered that the private companies do this.

REP. QUILICI asked if the State Bar would be able to charge higher than 10% for the surcharge. Mr. Oppedahl suggested language be proposed in order to specify that this could not be done.

EXECUTIVE ACTION ON JUDICIARY

Tape No. 1:B

LAW LIBRARY

Motion/Vote: SEN. FRITZ moved to accept the LFA current level budget for the Law Library. THE MOTION CARRIED UNANIMOUSLY.

BUDGET ITEM BOOK PURCHASE AND BOOK BINDING:

Motion/Vote: SEN. FRITZ moved to include the difference between LFA current level and Judicial request for the purchase of books and binding for FY94 and FY95, citing that approximately \$90,000 had been saved by accepting the LFA current level budget. THE MOTION FAILED with REP. QUILICI, CHAIRMAN PETERSON, and SEN. LARRY TVEIT opposing.

Discussion:

REP. QUILICI stated that with the extensive reductions being made in Human Services, he would prefer to see the money go towards the more immediate needs of people rather than for books, although he does recognize the need for books as important.

Motion/Vote: SEN. FRITZ moved to give \$25,000 (slightly less than half of the Judicial request) for each year of the 1994-95 biennium for the purchase of books and book binding. THE MOTION FAILED with REP. QUILICI, CHAIRMAN PETERSON, and SEN. TVEIT opposing.

HEARING ON JUDICIARY

Tape No. 1:B

DISTRICT COURT OPERATIONS

Informational Testimony:

Mr. Oppedahl, distributed a sheet containing budget issues raised by the division. EXHIBIT 9. He explained that expenditures for travel have decreased because of guidelines set by the department. The guidelines, however, are difficult to implement because planning time is limited by the judges' schedules. The agency was forced to turn down two grants from the National Judicial College because the time limit of the grant conflicted with the judges court schedules (which are scheduled months in advance and must be followed). If the LFA current level budget were accepted, the department would require a supplemental in order to accommodate the judges' schedules, since a trial cannot take place without a judge and travel in this area is unavoidable. In order to prioritize educational money, funds are held back for training of new judges at the National Judicial College. The department is currently experiencing a large turnover due to reelection. The equipment requested is necessary for automation of district court offices.

Mr. Moe presented an overview of the budget for District Court Operations. EXHIBIT 10. The discrepancy in the personal services budget between the executive and LFA current level budgets is due to differing information received from the department. The LFA has received the more accurate information.

Mr. Patrick supported the need for out of state travel of District Court judges, citing that the National Judicial College is the only available training.

Mr. Oppedahl stated that judges in this state cannot retire until age 65 and must then make themselves available (barring illness, etc.) to substitute for absent judges. The judge is paid based on the position for which he/she is substituting and the same amount is then reduced from the judge's retirement pay. This process is efficient and provides inexpensive substitution.

EXECUTIVE ACTION ON JUDICIARY

Tape No. 2:A

DISTRICT COURT OPERATIONS

Motion/Vote: SEN. FRITZ moved to accept the LFA current level budget. THE MOTION CARRIED UNANIMOUSLY.

Questions, Responses and Discussions:

REP. QUILICI asked what the consequences would be if the travel budget was not adequately funded. Mr. Oppedahl answered that, if necessary, the agency would request a supplemental, but that every measure is being taken to assure the travel budget is being used efficiently.

CHAIRMAN PETERSON said that the Joint Finance Committee had recommended limiting the need for supplementals in order to more accurately balance the budget.

HEARING ON JUDICIARY

Tape No. 2:A

CLERK OF COURT

SEN. FRITZ assumed the position of Chairman for this portion of the meeting.

Informational Testimony:

Mr. Moe presented the budget for the division. EXHIBIT 11

Mr. Ed Smith, Clerk of the Supreme Court, distributed information citing the Judicial request for the division as well as a sheet listing the impacts of budgetary reductions in the division. EXHIBITS 12 and 13. He stated that the division has difficulty functioning within the LFA current level budget--three fourths of out-going long distance calls must be made collect; a reduced number of hearing notices are being generated; the cost of record storage is having to be absorbed by the Secretary of State; and it is no longer possible to return certified District Court records (possibly causing the court to have to re-hear cases for which documents have been lost). The staffing pattern has remained consistent since 1981. Mailing cost increases will affect the large amount of mailing done by the division. Fees assessed by the division are: court fees (\$75 for the docketing of a case or writ, and photocopying and certification fees); Bar fees (Character and Fitness searches--unless the function is transferred to the State Bar--and Bar exam fees--\$50 for the exam and \$40 for incidentals); Attorney tax--\$25. 25% of the total fees assessed goes to the Judges Retirement Fund with the remainder going to general fund.

Questions, Responses and Discussion:

SEN. FRITZ asked who sets the fees. Mr. Smith answered that the attorney tax and the court fees are set by the legislature. The bar examination fee is set by the court, in conjunction with the Board of Bar Examiners.

REP. FISHER clarified that the bar fees are pass-through funds.

EXECUTIVE ACTION ON JUDICIARY

Tape No. 2:A

CLERK OF COURT

Motion/Vote: REP. FISHER moved to accept the LFA current level budget. THE MOTION CARRIED UNANIMOUSLY.

BUDGET ITEM COMMUNICATIONS:

Informational Testimony:

Mr. Smith explained that the budget for postage and telephone bills was included the communications portion of the budget.

Motion/Vote: REP. QUILICI moved to accept the Judicial request for communications--\$16,929 in FY94 and \$16,754 in FY95. THE MOTION CARRIED unanimously with four members present.

LAW LIBRARY

Tape No. 2:B

BUDGET ITEM BOOK PURCHASE AND BOOK BINDING:

Motion/Vote: REP. QUILICI moved to reconsider action taken on the budget for the purchase of books and book binding. THE MOTION CARRIED UNANIMOUSLY.

Motion/Vote: REP. QUILICI, after speaking with attorneys about the importance of access to up-to-date publications, moved to accept \$25,000 above LFA level for each year of the 1994-95 biennium for purchasing books and book binding. THE MOTION CARRIED unanimously with four members present.

HEARING ON JUDICIARY

Tape No. 3:A

DISTRICT COURT REIMBURSEMENT

REP. PETERSON resumed her role as Chairman.

Informational Testimony:

Mr. Moe presented an overview of the budget of the division.
EXHIBIT 14

Mr. Oppedahl distributed a handout of the judicial requests for the budget of this division. EXHIBIT 15. He explained that the program historically has received its funding from 7% of the 2% tax on vehicles. The 7% portion is currently approximately \$3 million per year. The program was administered by the Department of Commerce until last year, at which time the program was

transferred to the Court Administration Office. There are three uses for the funding: district court criminal reimbursement (first priority and a majority of the funding); grants to district courts (between approximately \$25,000 and \$100,000 a year)--Counties must apply for the grants and are eligible only after expending all of the local mill levy, district court fees and all revenue from other sources. The excess amount (above legislative appropriation) is distributed to counties. He suggested that the appropriation be higher than estimated revenue. If it is lower, money must be returned to the counties, allowing them to use the funding in whichever way desired.

In past years, psychiatric evaluations requested by judges were conducted at Warm Springs and paid for by the Human Services' Department of Corrections. The cost was approximately \$10,000 per commitment for the examination, which historically was paid with general fund monies by the Department of Institutions. In 1992 the Department of Institutions eliminated the cost (approximately \$500,000) from its budget and passed the cost of psychiatric examinations at Warm Springs on to the counties. The Legislature approved approximately \$250,000 in appropriation authority to the District Court Reimbursement Program in order to help pay for the counties' examination expenses. The program encourages District Court Judges and County Attorney's to have examinations conducted at local psychiatric facilities when possible. The Southwest Mental Health Organization is in agreement with the program to conduct examinations on an emergency basis, agreeing to hold the defendant no longer than 7 days and charge no more than \$2,000. Costs are also being controlled by making sure that those examinations that must still be conducted at Warm Springs have the paper work prepared well before admission in order to reduce the time of commitment.

A bill is being prepared which would recommend a statutory appropriation for the District Court Reimbursement Program which would state that any money that comes into the treasury is used to the necessary level, with the excess being distributed in the form of grants. This would prevent the excess from going to counties who could then spend it in any way they desired. The program can only reimburse for the amount of revenue, so over appropriation cannot be spent.

In past years, the Legislative Auditor would audit the Department of Commerce and a local government audit would also be conducted by the Department of Commerce pertaining to bills and expenditures made at the county level. Mr. Oppedahl proposed a single audit by the legislative auditor of the Judiciary, with a portion of the cost ascribed against the Criminal Reimbursement Program. He cited a technical problem in statute. **EXHIBIT 16** The program currently distributes grants every year and waits until the Department of Commerce audits of local government have been conducted before distributing grants for the next year, causing a considerable waiting period, complicating issues, and sometimes allowing counties to use reimbursements based on an earlier year for ending fund balance of the year the reimbursement is actually received.

Questions, Responses and Discussion:

Mr. Patrick asked, since the legislative auditor conducted audits biennially, if the program wouldn't have to wait longer for the results of the first year of the two year period. Mr. Oppedahl answered that the legislative auditor audits the Judiciary agency, and that another audit is conducted on local governments. A single audit plan would audit at the local level and be paid for at the local level. The agency would receive those audits, done yearly, as exceptions. The agency would pay only for the Legislative audit.

REP. QUILICI asked if the court-ordered psychiatric evaluations conducted at Warm Springs are ordered by courts near that institution. Mr. Oppedahl answered that commitments were ordered from all over the state. If the defendant is not ordered to Warm Springs, the examination is conducted by private psychiatrists or local psychiatric organizations.

REP. QUILICI said he would like to cut the expense for the large amount of psychiatric evaluations conducted. Mr. Oppedahl responded that the program has encouraged judges to use less expensive facilities when possible. The number of individuals referred to Warm Springs has been reduced from over 50, in the last fiscal year, to 9 at the present time. The total current cost of referrals to facilities other than Warm Springs is approximately \$24,000.

EXECUTIVE ACTION ON JUDICIARY

Tape No. 3:A

DISTRICT COURT REIMBURSEMENT

Motion/Vote: REP. FISHER moved to accept the LFA current level budget. THE MOTION CARRIED unanimously with four members present.

Questions, Responses and Discussion:

REP. QUILICI asked if the audit system would remain as it had in the past if the proposed language were not accepted. Mr. Patrick, answered that the LFA current level budget had not accounted for audit cost, but that the cost would, in fact, be incurred by the agency. Mr. Oppedahl stated that the program did not incur audit costs in FY92 because the reimbursement program paid only 98% of the bills and the program was under appropriated. A portion of the Legislative audit should be charged against the program, saving general fund money.

REP. FISHER expressed concern that without specific language the excess of the Judicial appropriation request could be used for additional FTEs or other inappropriate expenditures within the program. She also does not favor an independent audit in addition to an audit for which the legislature has already paid.

BUDGET ITEM GRANTS AND REIMBURSEMENTS:

Motion/Vote: REP. FISHER moved to accept the Judicial appropriation request, to be used only for grants and reimbursements. THE MOTION CARRIED with CHAIRMAN PETERSON opposing.

Discussion:

Mr. Clayton Schenck, Legislative Fiscal Analyst, stated that he would draw up language to reflect the stipulation made by REP. FISHER.

Mr. Oppedahl stated that statutes concerning the program are specific about how the money can be spent and will assure that REP. FISHER'S intent is adhered to.

Questions, Responses and Discussion:

SEN. FRITZ asked if the audit funding is necessary for each year of the biennium. Mr. Oppedahl answered that it is his belief that it is necessary only in the second year.

Mr. Ron Egeland, appeared before the subcommittee to express concerns that inappropriate actions had been taken by the Supreme Court during previous hearings. CHAIRMAN PETERSON explained to Mr. Egeland that his concerns should be directed towards another committee that could deal more directly with the issues involved.

SUPREME COURT OPERATIONS

Tape No. 3:B

Informational Testimony:

Mr. Moe reviewed the budget issues for the division. EXHIBITS 17 and 18. The motion was made and passed to accept the budget at LFA current level on Jan. 12, 1993.

BUDGET ITEM FTE:

Motion/Vote: SEN. FRITZ moved to accept issue #1 of the Judicial request EXHIBIT 18. THE MOTION CARRIED unanimously with four members present.

Discussion:

Mr. Moe stated that the vote would consider only the .1 FTE, which would then be calculated into a dollar amount by the LFA system.

BOARDS AND COMMISSION

Tape No. 3:B

930113JG.HM1

Informational Testimony:

Mr. Oppedahl reviewed the issues for the division. EXHIBIT 19

Motion/Vote: SEN. FRITZ moved to accept the LFA current level budget for the division. THE MOTION CARRIED unanimously with five members present.

Motion/Vote: SEN. FRITZ moved to accept issue #1 of the Judiciary request. EXHIBIT 19. THE MOTION CARRIED unanimously with five members present.

LAW LIBRARY

Tape No. 3:B

BUDGET ITEM TRANSFER OF DATABASE SERVICES:

Motion: SEN. FRITZ moved to accept the Judiciary proposal to transfer the function of database services to the Montana State Bar Association.

Informational Testimony:

Mr. Oppedahl explained that the Law Library would transfer the approximately \$200,000 per year cost of the database service to the State Bar Assoc. only if the State Bar agrees it will not charge more than 10% surcharge to state agencies. The transfer would eliminate the need for the Law Library to request a supplemental to fund the function.

Questions, Responses and Discussion:

REP. QUILICI requested that since no statutes exist to limit the surcharge to be set by the State Bar, the legislative intent that the surcharge not be higher than 10% for state agencies be clearly stated and made known to the Law Library and the State Bar.

SEN. GARY FORRESTER asked if the transfer of database functions would affect the number of FTEs needed by the Law Library. Mr. Oppedahl answered that, since the current FTEs perform duties other than the database services, the number would not be reduced. However, due to increased number of database service requests, the number of FTEs would need to be increased if the function remained in the division.

Vote: THE MOTION CARRIED UNANIMOUSLY.

DISTRICT COURT REIMBURSEMENT

Tape No. 3:B

Informational Testimony:

Mr. Oppedahl stated that, since the subcommittee had approved recharges for the Supreme Court and for Boards and Commissions, issue number two of the Judiciary request for District Court and Reimbursement would need to be accepted in order to authorize payment for the previous two functions.

Motion/Vote: SEN. FRITZ moved to accept issue #2 of the Judiciary request, EXHIBIT 15, which would transfer .25 FTE from the Supreme Court and Boards and Commissions programs to the District Court Reimbursement program. **THE MOTION CARRIED UNANIMOUSLY.**

ADJOURNMENT

Adjournment: 11:35 AM



REP. MARY LOU PETERSON, Chair



ELAINE BENEDICT, Secretary

MLP/EB

HOUSE OF REPRESENTATIVES

Gen. Gov. & Hwys.

SUB-COMMITTEE

ROLL CALL

DATE

1/13/93

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		

Budget Item	Current Level	Current Level	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	HB		
	Fiscal 1992	Fiscal 1993				Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995
FTE	11.00	11.00	11.00	11.00	0.00	11.00	11.00	0.00
Personal Services	354,206	379,130	417,138	405,768	11,370	417,151	405,965	11,186
Operating Expenses	90,187	113,824	99,525	115,059	(15,534)	99,373	109,639	(10,266)
Equipment	35,008	18,400	1,963	5,062	(3,099)	0	5,219	(5,219)
Total Costs	\$479,403	\$511,354	\$518,626	\$525,889	(\$7,263)	\$516,524	\$520,823	(\$4,299)
Fund Sources								
State Revenue Fund	479,403	511,354	518,626	525,889	(7,263)	516,524	520,823	(4,299)
Total Funds	\$479,403	\$511,354	\$518,626	\$525,889	(\$7,263)	\$516,524	\$520,823	(\$4,299)

Page References

LFA Budget Analysis A-23 to A-37
 Stephens Executive Budget A13 to A18

Current Level Differences

	Exec. Over (Under) Fiscal 1994	LFA Fiscal 1995
PERSONAL SERVICES - The LFA current level is lower. Based upon a review of data provided, the executive current level includes an adjustment which appears to overstate the executive current level.	11,370	11,186
FIXED COSTS - The LFA current level is higher for this program because the LFA analysis reallocates a portion of the fixed costs allocation from Supreme Court Operations program (01).	(3,885)	(3,346)
CONSULTING/PROFESSIONAL SERVICES & PRINTING - The LFA current level is higher because it includes funding allowing the program to make a "how to adjudicate" video. The executive current level does not include these items.	(9,000)	(9,000)
POSTAGE & ADVERTISING - The LFA current level is higher for fiscal 1994 because it includes a greater increase to these items for notification costs related to confirmation proceedings requested by the Fort Peck Tribe, the United States, and the Attorney General, and a similar request concerning the Northern Cheyenne Compact.	(4,354)	
EQUIPMENT - The LFA current level is higher because it continues the fiscal 1992 level of expenditures (\$4900 in each year) for "single user" software. The executive current level allows \$1900 in fiscal 1994 only.	(3,000)	(4,900)
INFLATION DIFFERENCES	(900)	(1,144)
MINOR DIFFERENCES - The LFA current level for items included here uses fiscal 1992 actual expenditures. These include office supplies, vehicle maintenance, and training costs.	2,506	2,905
TOTAL CURRENT LEVEL DIFFERENCES	(7,263)	(4,299)

Budget Modifications

None

Language

None

MONTANA SUPREME COURT
SCHEDULE OF FISCAL 94 & 95 APPROPRIATION REQUEST
WATER COURT OPERATIONS - PROGRAM 05

SCHEDULE NAME=95LWCT.WK1
 PRINT DATE 01/13/93
 REVISED SCHEDULED DATE 1-13-93

EXPEND CODE

1100 SALARIES
 1400 BENEFITS
 TOTAL

 2100 CONTRACTED SERV
 2200 SUPPLIES & MATR
 2300 COMMUNICATIONS
 2400 TRAVEL
 2500 RENT
 2700 REPAIR & MAINT
 2800 OTHER EXPEN
 TOTAL

 3100 EQUIPMENT
 TOTAL

 GR TOTAL
 PLUS INFLATION FACTORS
 TOTAL REQUESTS

 GENERAL FUND
 STATE SPECIAL

	JUDICIAL REQUEST FY 94			LFA RECOMMEND DIFFERENCE FY 94			JUDICIAL REQUEST FY 95			LFA RECOMMEND DIFFERENCE FY 95		
	\$337,437	\$329,704	(\$7,733)	\$337,437	\$329,704	(\$7,733)	\$337,437	\$329,704	(\$7,733)	\$337,437	\$329,704	(\$7,733)
	\$90,240	\$76,064	(\$14,176)	\$90,253	\$76,261	(\$13,992)	\$90,253	\$76,261	(\$13,992)	\$90,253	\$76,261	(\$13,992)
TOTAL	\$427,677	\$405,768	(\$21,909)	\$427,690	\$405,965	(\$21,725)	\$427,690	\$405,965	(\$21,725)	\$427,690	\$405,965	(\$21,725)
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$10,116	\$14,001	\$3,885	\$10,317	\$8,364	(\$1,953)	\$10,317	\$8,364	(\$1,953)	\$10,317	\$8,364	(\$1,953)
	\$9,009	\$8,179	(\$830)	\$9,645	\$8,364	(\$1,281)	\$9,645	\$8,364	(\$1,281)	\$9,645	\$8,364	(\$1,281)
	\$36,608	\$36,608	\$0	\$30,763	\$30,763	\$0	\$30,763	\$30,763	\$0	\$30,763	\$30,763	\$0
	\$2,753	\$2,753	\$0	\$2,838	\$2,838	\$0	\$2,838	\$2,838	\$0	\$2,838	\$2,838	\$0
	\$40,539	\$40,539	\$0	\$40,672	\$40,672	\$0	\$40,672	\$40,672	\$0	\$40,672	\$40,672	\$0
	\$8,332	\$7,587	(\$745)	\$8,591	\$7,823	(\$768)	\$8,591	\$7,823	(\$768)	\$8,591	\$7,823	(\$768)
	\$6,373	\$5,392	(\$981)	\$6,497	\$5,516	(\$981)	\$6,497	\$5,516	(\$981)	\$6,497	\$5,516	(\$981)
TOTAL	\$113,730	\$115,059	\$1,329	\$109,323	\$104,340	(\$4,983)	\$109,323	\$104,340	(\$4,983)	\$109,323	\$104,340	(\$4,983)
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$4,900	\$5,062	\$162	\$4,900	\$5,219	\$319	\$4,900	\$5,219	\$319	\$4,900	\$5,219	\$319
TOTAL	\$4,900	\$5,062	\$162	\$4,900	\$5,219	\$319	\$4,900	\$5,219	\$319	\$4,900	\$5,219	\$319
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$546,307	\$525,889	(\$20,418)	\$541,913	\$515,524	(\$26,389)	\$541,913	\$515,524	(\$26,389)	\$541,913	\$515,524	(\$26,389)
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REQUESTS	\$546,307	\$525,889	(\$20,418)	\$541,913	\$515,524	(\$26,389)	\$541,913	\$515,524	(\$26,389)	\$541,913	\$515,524	(\$26,389)
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
GENERAL FUND	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
STATE SPECIAL	\$546,307	\$525,889	(\$20,418)	\$541,913	\$515,524	(\$26,389)	\$541,913	\$515,524	(\$26,389)	\$541,913	\$515,524	(\$26,389)

ISSUES:

1) Postage & Advertising
 This item will be paid by Department of Natural Resources. Item can be taken out of budget request.

	JUDICIAL REQUEST FY 94			LFA RECOMMEND DIFFERENCE FY 94			JUDICIAL REQUEST FY 95			LFA RECOMMEND DIFFERENCE FY 95		
	\$4,354	\$4,354	\$0									

EXHIBIT 2
 DATE 1/13/93
 HB

EX



WATER POLICY COMMITTEE
Montana State Legislature

2 A 2
E.H.S. 3
DATE 1/13/93
HB

SENATE MEMBERS

Esther G. Bengtson, Vice Chairman
Tom Beck
Lorents Grosfield
Lawrence G. Stimatz

HOUSE MEMBERS

Hal Harper, Chairman
Vivian M. Brooke
Russell Fagg
Thomas N. Lee

COMMITTEE STAFF

Environmental Quality Council
Capitol Station
Helena, Montana 59620
(406) 444-3742

January 12, 1993

Representative Mary Lou Peterson
Chair, General Government and
Transportation Appropriations Subcommittee
State Capitol, Helena, MT 59620

Dear Representative Peterson:

I am writing on behalf of the Water Policy Committee regarding the Water Court budget. During the interim, the Committee heard testimony from Chief Water Court Judge Bruce Loble regarding the potential conflict between Water Court statutory responsibilities to complete the water rights adjudication process in certain basins and completing ratification of certain negotiated reserved water rights compacts with the federal government. Judge Loble requested clear guidance from the legislature should this conflict arise.

The Committee understands the importance of both continuing the general adjudication process and ratifying negotiated compacts. The Committee believes that negotiated compacts are the most efficient tool for settling long standing water rights issues that would otherwise be settled in lengthy and costly court proceedings. Therefore, the Water Policy Committee supports the full funding of the Water Court to ensure that all of its statutory obligations can be met.

However, if a budgetary conflict does arise, the Water Court should understand that it is the intent of the legislature that the compact ratification process proceed in a timely manner.

Sincerely,

A handwritten signature in cursive script that reads "Hal Harper".

Representative Hal Harper,
Chairman

EXHIBIT 4
DATE 1/13/93
HB

SNAPSHOT of Law Library

We are the largest law library in the state, and the only one that *any* citizen can call for assistance. About 100 people a day visit the library; most of these users work in state agencies. But most of the public services staff time is spent assisting people who *can't* come to the library, who live out of town. We send them copies of journal articles, statutes from other states, and books to study. We do database searches for them. We send them copies of other states' tax forms, and copies of our court's, and any other court's, opinions.

We teach high school, Vo Tech, and college students about the judicial system and legal processes. We teach legal research, and how to determine legislative intent. We monitor both current and emerging legal issues, and attempt to have materials available for Monana's judges and state attorneys when they need them. We coordinate our services and everything we purchase with the State Library, so that we don't duplicate anything. Unfortunately, there now are titles that neither library can afford due to budget cuts.

Over the past 10 years, the number of copy requests we receive per year has doubled; the number of pages per request has tripled. Yet our staffing level has remained the same.

Since that time, book circulation has tripled. Yet we still do everything manually—checking in and checking out books, working on overdues, recording reserves for popular books. These are activities that the major public libraries in the state have automated. But we never have received the funding.

The budget that has been presented to you by the LFA fails to allow for adequate training, maintenance, and support. Like a driver whose car never gets an oil change or tune-up: we are headed for serious problems. We aren't making an issue of these problems now, but next session we undoubtedly will.

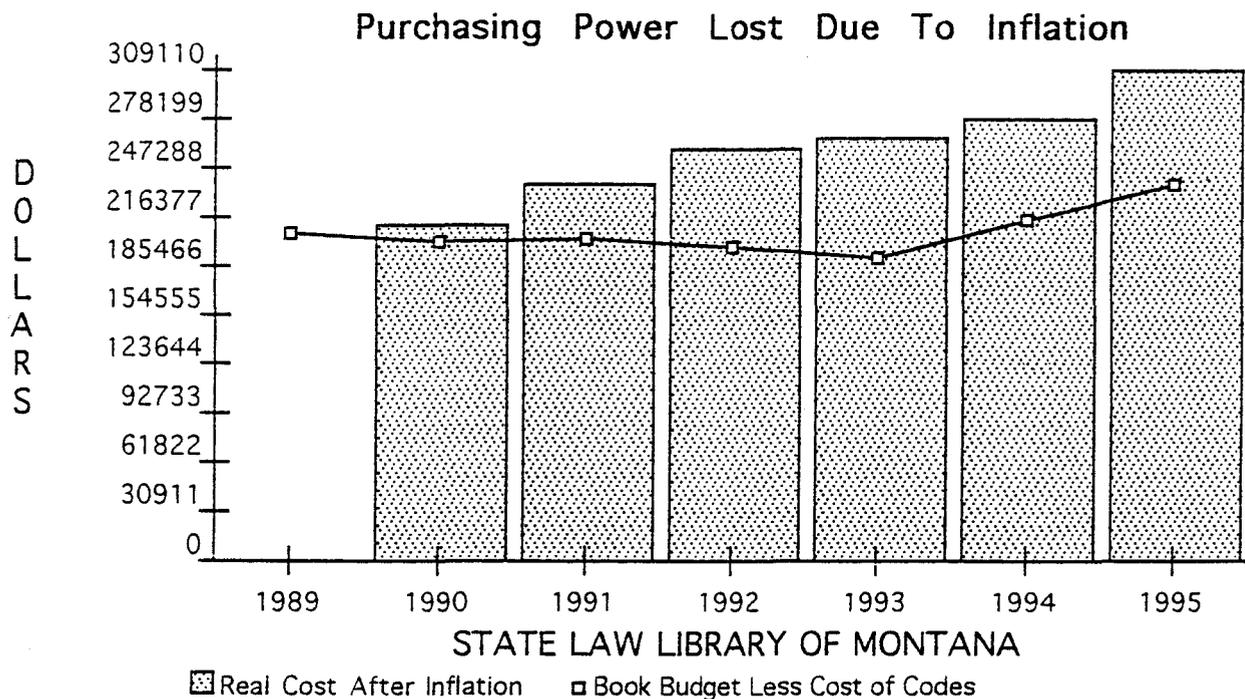
The issues that we do have are: 1, adequate funding for the book collection; 2, moving the database operation out of state government; and 3, money —\$5,000—to bind the journals.

(Example of journal to be bound)

Five years ago, we had \$8,000 more for books than we have this year. Since that time, inflation has driven up the price of what we have to pay for each year by almost 40%. This has resulted in cancellation of 568 titles, or \$100,000 in subscriptions.

When our book budget is slashed, other agencies buy what we no longer can afford. The problem with this is that no one else knows they have the titles, and no one else can use them. It makes infinitely more sense for there to be coordinated purchasing by a central agency, which can provide access to all.

Our Book Budget request, which the Exec. Budget supports, is for \$265,000. Current level (FY93) is \$239,689. The LFA is recommending \$229,000. As we have to purchase \$15,000 worth of Codes next year, the LFA basically gives us \$25 1/2 thousand less than what we have now, and that doesn't allow for the 11% inflation rate the law book industry is inflicting on us.



- Without a corresponding increase to the book budget of the inflation index each year, the Law Library must cancel an equal amount of subscriptions to legal materials which are updated each year.
- Several years ago we lost the remaining funds available for new materials, which means that we cannot purchase in new areas of the law, such as legal interpretation and advice in complying with the Americans with Disabilities Act.

MONTANA SUPREME COURT
 SCHEDULE OF FISCAL 94 & 95 APPROPRIATION REQUEST
 LAW LIBRARY - PROGRAM 03

SCHEDULE NAME=95LFALL.WK1
 PRINT DATE 01/12/93
 REVISED SCHEDULED DATE 1-13-93

EXPEND CODE	JUDICIAL REQUEST FY 94	LFA RECOMMEND DIFFERENCE FY 94	JUDICIAL REQUEST FY 95	LFA RECOMMEND DIFFERENCE FY 95
1100 SALARIES	\$171,267	\$0	\$171,267	\$0
1400 BENEFITS	\$42,957	\$0	\$42,957	\$0
TOTAL	\$214,224	\$0	\$214,232	\$0
2100 CONTRACTED SERV	\$226,000	(\$6,000)	\$217,000	\$25,000
2200 SUPPLIES & MATR	\$25,966	(\$5,988)	\$26,562	(\$6,049)
2300 COMMUNICATIONS	\$10,858	\$611	\$11,284	\$149
2400 TRAVEL	\$4,072	(\$1,114)	\$4,053	(\$1,037)
2500 RENT	\$77,514	\$0	\$79,735	\$0
2700 REPAIR & MAINT	\$8,930	(\$2,349)	\$9,036	(\$2,396)
2800 OTHER EXPEN	\$7,919	\$60	\$8,219	(\$240)
TOTAL	\$361,259	(\$14,780)	\$355,889	\$15,427
3100 EQUIPMENT	\$275,000	\$0	\$302,000	\$0
TOTAL	\$275,000	(\$39,507)	\$302,000	(\$59,382)
GRAND TOTAL	\$0	\$0	\$0	\$0
TOTAL REQUESTS	\$850,483	(\$54,287)	\$872,121	(\$43,955)
GENERAL FUND	\$654,541	(\$54,287)	\$677,121	\$151,045
STATE SPECIAL	\$195,000	(\$195,000)	\$195,000	(\$195,000)

ISSUES:

- 1) Remove On Line Legal Database Funding (2173 expenditure category)
- 2) Law Library Books
- 3) Book Binding

JUDICIAL REQUEST FY 94	LFA RECOMMEND DIFFERENCE FY 94	JUDICIAL REQUEST FY 95	LFA RECOMMEND DIFFERENCE FY 95
(\$200,000)	(\$204,000)	(\$200,000)	(\$225,000)
\$265,000	\$229,993	\$292,000	\$237,118
\$5,000	\$500	\$5,000	\$500

EXHIBIT 5
 DATE 1/13/93
 HB

EXHIBIT 6
DATE 1/13/93
~~HB~~

Testimony in Favor of Executive Budget for Law Library

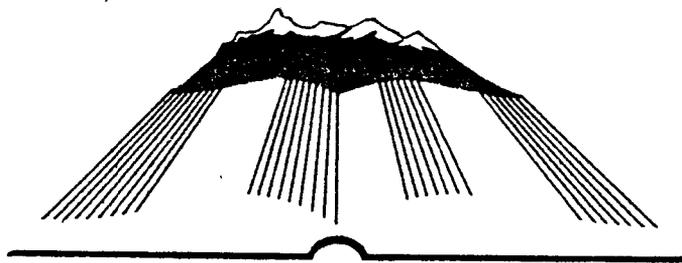
Tim D. Hall
Attorney, Department of Natural Resources and Conservation

The State Law Library is an invaluable asset to all attorneys representing the State of Montana, whether it is the Attorney General's office or that of my department, the Department of Natural Resources and Conservation.

Over the years I have watched the collection of the State Law Library decline as money was not available to keep legal treatises and other publications current. In the past I would routinely recommend purchases of publications in the water law and energy fields that I am constantly involved in, but for the past several years I have been told that money is not available for new purchases, or even keeping the existing collection current.

Montana needs an adequately funded Law Library in order to be ably represented in the many different fields of law that are constantly changing. Otherwise, Montana will be at a disadvantage in litigation. My Department and other departments as well as the Attorney General's office depend on the Law Library heavily when doing research. We cannot afford our own extensive collections, and even if we could that would result in legal publications being inefficiently scattered throughout state government instead of being in a central location where everyone could use them.

I know these are austere budget times, but I think the Law Library is a state asset that needs to be preserved. I support the executive budget for the Law Library.



MONTANA
LIBRARY ASSOCIATION

EXHIBIT 7
DATE 1/13/93
HB

TESTIMONY FOR STATE LAW LIBRARY BUDGET

DEBORAH SCHLESINGER, MONTANA LIBRARY ASSOCIATION LOBBYIST

Madam Chair and Members of the Committee,

For the record I am Deborah Schlesinger, Montana Library Association Lobbyist. I'd like to speak to two issues of concern to the Montana Library Association in the State Law Library's budget.

Book binding and library materials. The Association asks that you restore 5,000. to the book binding budget and 35,000. in 1994, and 54,000. in 1995 to the book budget.

Book binding is an important activity for a library especially one that keeps materials over long periods of time. Binding saves money in the long run, because magazines that are not bound get lost or are destroyed or damaged. This forces the Library to spend money twice, both to buy the original and to replace it.

The Law Library book budget. The Law Library is the principle law library for the State of Montana. Books and magazines not bought have a ripple effect on other Libraries in the State. In State Government instead of Resource Sharing, you get Resource Hoarding. Agencies pick up needed journals. No one knows they have them and the State Law Library and other libraries forced to borrow out of state often at hefty fees. So as in binding, giving the law library needed materials monies saves money in the long run.

Thank you for the opportunity to testify.

2110 03 00000 JUDICIARY Program Summary		Law Library						
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	6.50	6.50	6.50	6.50	0.00	6.50	6.50	0.00
Personal Services	198,335	140,044	213,753	214,224	(471)	213,760	214,232	(472)
Operating Expenses	308,205	340,325	361,034	346,479	14,555	355,671	371,316	(15,645)
Equipment	<u>221,352</u>	<u>243,689</u>	<u>273,500</u>	<u>235,493</u>	<u>38,007</u>	<u>300,500</u>	<u>242,618</u>	<u>57,882</u>
Total Costs	\$727,892	\$724,058	\$848,287	\$796,196	\$52,091	\$869,931	\$828,166	\$41,765
Fund Sources								
General Fund	727,892	724,058	650,037	796,196	(146,159)	655,431	828,166	(172,735)
State Revenue Fund	<u>0</u>	<u>0</u>	<u>198,250</u>	<u>0</u>	<u>198,250</u>	<u>214,500</u>	<u>0</u>	<u>214,500</u>
Total Funds	\$727,892	\$724,058	\$848,287	\$796,196	\$52,091	\$869,931	\$828,166	\$41,765

Page References

LFA Budget Analysis A-23 to A-37
Stephens Executive Budget A13 to A18

Current Level Differences

	Exec. Over Fiscal 1994	(Under) LFA Fiscal 1995
CONSULTING & PROFESSIONAL SERVICES - The LFA current level is lower because it does not add funding for cleaning of the book inventory or for the appraisal of the library collection.	10,000	
COMPUTER PROCESSING - The LFA current level is higher because it provides for additional growth in the usage of the legal data base.	(4,000)	(25,000)
PHOTO/REPRODUCTION - The LFA current level is lower because it limits the amount to a smaller increase over the fiscal 1992 actual expenditures.	1,583	1,583
PRINTING - The LFA current level is lower because it uses the fiscal 1992 actual expenditure.	2,588	2,588
OFFICE SUPPLIES - The LFA current level lower because it is based upon the fiscal 1992 actual expenditure.	1,370	1,370
TRAVEL - The LFA current level is lower based upon the fiscal 1992 actual expenditures.	1,099	999
REPAIR/MAINTENANCE - The LFA current level is lower and is based on the fiscal 1992 actual expenditures.	2,300	2,300
EQUIPMENT - The LFA current level is lower but allows for inflationary increases.	38,007	57,882
INFLATION DIFFERENCES	(213)	(247)
MINOR DIFFERENCES	(643)	290
TOTAL CURRENT LEVEL DIFFERENCES	<u>52,091</u>	<u>41,765</u>

Budget Modifications

None

Language and Other Issues

LANGUAGE: The General Appropriations Act of 1991 includes language that states that "Except for \$16,000 for law library use, expenditures in item 3a are limited to the amount of revenue collected from reimbursable automated legal data base usage by other agencies". The committee may wish to consider similar language again this session.

ISSUE--The Judiciary has requested that the following fee-reimbursed activity in this program which is budgeted in the general fund be budgeted in state special revenue:

Activity	FY92	LFA Current Level	
	Actual	FY 94	FY 95
Automated Legal Database Searches	\$ 189,197	\$ 220,000	\$242,000

The LFA current level includes this activity in the general fund as budgeted by the 1991 Legislature. The Judiciary and the Executive Budget funded this activity in the state special revenue fund.

EXHIBIT 8
Date 1/13/9-
~~FIB~~

MONTANA SUPREME COURT

SCHEDULE OF FISCAL 94 & 95 APPROPRIATION REQUEST
DISTRICT COURT OPERATIONS- PROGRAM 04

03:50:57 PM

SCHEDULE NAME=95LFFADCT.WK1
PRINT DATE 01/11/93
REVISED SCHEDULED DATE 1-13-93

EXPEND CODE	JUDICIAL REQUEST FY 94	LFA RECOMMEND DIFFERENCE FY 94	JUDICIAL REQUEST FY 95	LFA RECOMMEND DIFFERENCE FY 95
1100 SALARIES	\$2,362,588	\$2,360,007	\$2,362,588	\$2,360,007
1400 BENEFITS	\$407,222	\$0	\$416,324	\$0
TOTAL	\$2,769,810	(\$2,581)	\$2,778,910	(\$2,579)
2100 CONTRACTED SERV	\$15,191	\$9,069	\$13,687	\$7,731
2200 SUPPLIES & MATR	\$6,315	\$5,598	\$6,604	\$5,855
2300 COMMUNICATIONS	\$2,097	\$1,370	\$2,092	\$1,366
2400 TRAVEL	\$134,082	\$102,090	\$138,088	\$105,184
2500 RENT	\$0	\$0	\$0	\$0
2700 REPAIR & MAINT	\$7,291	\$4,394	\$4,531	\$4,531
2800 OTHER EXPEN	\$25,194	\$19,216	\$25,194	\$19,216
TOTAL	\$190,170	\$141,737	\$190,196	\$143,883
3100 EQUIPMENT	\$78,762	\$0	\$80,737	\$0
TOTAL	\$78,762	(\$78,762)	\$80,737	(\$80,737)
TOTAL REQUEST	\$3,038,742	\$2,908,966	\$3,049,843	\$2,920,214
GENERAL FUND	\$3,038,742	\$2,908,966	\$3,049,843	\$2,920,214
STATE SPECIAL	\$0	\$0	\$0	\$0

ISSUES:

JUDICIAL REQUEST FY 94	LFA RECOMMEND DIFFERENCE FY 94	JUDICIAL REQUEST FY 95	LFA RECOMMEND DIFFERENCE FY 95
1) Travel	\$134,082	\$138,088	\$105,184
2) Education/Training Expense	\$25,000	\$25,000	\$19,022
3) Equipment	\$78,762	\$80,737	\$0

EXHIBIT 9
DATE 1/13/93
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	36.00	36.50	37.00	37.00	0.00	37.00	37.00	0.00
Personal Services	2,478,372	2,685,350	2,751,702	2,767,229	(15,527)	2,762,247	2,776,331	(14,084)
Operating Expenses	139,269	161,168	182,174	141,737	40,437	182,019	143,883	38,136
Equipment	0	0	39,563	0	39,563	40,726	0	40,726
Total Costs	\$2,617,641	\$2,846,518	\$2,973,439	\$2,908,966	\$64,473	\$2,984,992	\$2,920,214	\$64,778
Fund Sources								
General Fund	2,617,641	2,846,518	2,973,439	2,908,966	64,473	2,984,992	2,920,214	64,778
Total Funds	\$2,617,641	\$2,846,518	\$2,973,439	\$2,908,966	\$64,473	\$2,984,992	\$2,920,214	\$64,778

Page References

LFA Budget Analysis A-23 to A-37
 Stephens Executive Budget A13 to A18

Current Level Differences

	Exec. Over(Under) LFA Fiscal 1994	LFA Fiscal 1995
PERSONAL SERVICES—The payments to retired judges is based upon a 3 year average of actual expenditures in the LFA current level.	(6,647)	(6,647)
PERSONAL SERVICES—The LFA current level is higher than the executive current level because of a adjustment which inadvertently understates the executive current level.	(8,880)	(7,437)
CONSULTING & PROFESSIONAL SERVICES—The LFA current level is lower. It reflects actual expenditure patterns which have been cyclic in nature. Also, in previous biennium, moneys budgeted were not all spent.	6,122	5,956
POSTAGE—The LFA current level is lower than the executive current level because it uses the fiscal 1992 actual expenditures and the executive projects higher costs based upon need to mail payroll and personnel item to judges.	702	702
TRAVEL—The LFA current level uses fiscal 1992 actual expenditures.	26,702	26,702
REPAIR/MAINTENANCE—The LFA current level is lower because it uses the fiscal 1992 actuals and the executive includes an increase for renegotiation of vehicle leases.	2,804	
EDUCATION/TRAINING—The LFA current level is lower and is based upon fiscal 1992 actuals.	3,478	3,478
EQUIPMENT—The executive current level includes 12 computers and software and the LFA current level does not include them.	39,563	40,726
INFLATION DIFFERENCES	629	1,298
TOTAL CURRENT LEVEL DIFFERENCES	64,473	64,778

Budget Modifications

None

Language and Other Issues

PERSONAL COMPUTERS FOR DISTRICT COURT JUDGES—The Judiciary requested funding for personal computers for 11 district court judges each year and the Executive Budget includes \$80,289 general fund during the biennium for personal computers for six district court judges each year. Over the last two biennia, the legislature has appropriated funds for several computerization projects in the Judiciary including: 1) software development and hardware for district clerk of court offices; 2) personal computers and software of the Water Adjudication program employees. However, the legislature has not appropriated funds for personal computers for district court judges.

The Judiciary is proposing to purchase computers first for judges who have the small support staff. Judges would use computers to draft opinions and do legal research. District judges do not have access to the computers installed in district clerk of court offices, as those machines are used to file and track cases.

The Executive Budget includes about \$6,594 for software and hardware for each judge. However, an average set-up cost of \$4,650 for each judge is adequate to buy a personal computer, monitor, software, and printer.

2110 06 00000 JUDICIARY Program Summary		Clerk Of Court				DATE <u>1/13/93</u>			
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	4.00	4.00	4.00	4.00	0.00	4.00	4.00	0.00	
Personal Services	140,277	129,713	144,382	144,141	241	144,433	144,191	242	
Operating Expenses	24,467	37,995	39,248	27,570	11,678	39,310	27,679	11,631	
Equipment	0	0	<u>5,395</u>	<u>5,395</u>	0	0	<u>5,395</u>	<u>(5,395)</u>	
Total Costs	\$164,744	\$167,708	\$189,025	\$177,106	\$11,919	\$183,743	\$177,265	\$6,478	
Fund Sources									
General Fund	<u>164,744</u>	<u>167,708</u>	<u>189,025</u>	<u>177,106</u>	<u>11,919</u>	<u>183,743</u>	<u>177,265</u>	<u>6,478</u>	
Total Funds	\$164,744	\$167,708	\$189,025	\$177,106	\$11,919	\$183,743	\$177,265	\$6,478	

Page References

LFA Budget Analysis A-23 to A-37
Stephens Executive Budget A13 to A18

Current Level Differences

SUPPLIES & MATERIALS—The LFA current level is lower. This group of costs is continued at the fiscal 1992 level except for an increase of about 13% included in the LFA current level for photocopying costs related to a new copier.

POSTAGE—The LFA current level is lower and applies a two-year average of actual expenditures.

TRAVEL—The LFA current level is lower and is based upon the fiscal 1992 actual expenditures.

STORAGE—The LFA current level is lower and is based upon the fiscal 1992 actual expenditures.

EQUIPMENT—The LFA current level is higher, and allows for the purchase of shelving in fiscal 1995 for document storage.

INFLATION DIFFERENCES

MINOR DIFFERENCES—The LFA current level is lower and is based upon fiscal 1992 actual expenditures. Also, this includes some adjustment errors related to fixed costs which will eventually change.

TOTAL CURRENT LEVEL DIFFERENCES

Budget Modifications

None

Language

None

Exec. Over(Under) LFA Fiscal 1994	Fiscal 1995
2,614	2,635
4,745	4,745
751	751
2,429	2,429
	(5,395)
(52)	(120)
<u>1,432</u>	<u>1,433</u>
<u>11,919</u>	<u>6,478</u>

EXHIBIT 13
DATE 1/13/93
3. _____

IMPACT OF BUDGETARY REDUCTIONS ON CLERK OF SUPREME COURT'S OFFICE

FY 1993

- Approved Budget for entire Judiciary - \$8 million (Approximate)
- Legislative reductions - 8 percent
- This 8 percent reduction can only apply to discretionary funds which amount to 2 million dollars of the 8 million appropriated.
- 8 percent of the 2 million in discretionary funds translates to \$250,000 or a 12 percent reduction.
- When these cuts are applied to the Clerk of the Supreme Court's program, the result is a \$13,228 reduction. This reduction can not be applied to the Clerk's elected official salary or realistically to the salaries of his three staff members. Thus the \$13,228 amount must be deducted from the appropriated \$38,000 for operating expenses leaving a balance of \$24,772. This translates to a 35 percent reduction of the original appropriation for the Clerk's operating expenses.
- The legislature authorized market adjustments for public employees but did not provide funding to the Judiciary for this purpose. The amount that the Clerk of the Supreme Court program must come up with is \$1300 in FY 1993. Again, this figure must come out of the \$38,000 in operating expenses. The market adjustment for the Clerk's three employees is \$1300. With this figure deducted from operating expenses, the Clerk is left with a balance of \$23,472 to administer his office. The total reduction percentage now is 38 percent of the program's operating budget.

REVENUE COLLECTED BY THE CLERK OF THE SUPREME COURT IN FY 1992:

Court Fees: \$38,824
Bar Fees: \$60,407
Attorney Tax: \$72,435

TOTAL: \$171,666

Original Appropriation for FY93: \$180,936

2110 07 00000 JUDICIARY Program Summary		District Court Reimbursement						
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	1.00	1.00	1.00	1.00	0.00	1.00	1.00	0.00
Personal Services	25,615	20,587	28,495	28,499	(4)	28,502	28,505	(3)
Operating Expenses	6,246	52,530	59,411	2,214	57,197	59,411	2,210	57,201
Equipment	1,866	0	1,866	1,800	66	1,866	1,800	66
Grants	<u>2,646,833</u>	<u>2,985,405</u>	<u>3,143,290</u>	<u>3,143,290</u>	<u>0</u>	<u>3,291,290</u>	<u>3,291,290</u>	<u>0</u>
Total Costs	\$2,680,561	\$3,058,522	\$3,233,062	\$3,175,803	\$57,259	\$3,381,069	\$3,323,805	\$57,264
Fund Sources								
General Fund	<u>2,680,561</u>	<u>3,058,522</u>	<u>3,233,062</u>	<u>3,175,803</u>	<u>57,259</u>	<u>3,381,069</u>	<u>3,323,805</u>	<u>57,264</u>
Total Funds	\$2,680,561	\$3,058,522	\$3,233,062	\$3,175,803	\$57,259	\$3,381,069	\$3,323,805	\$57,264

Page References

LFA Budget Analysis A-23 to A-37
Stephens Executive Budget A13 to A18

Current Level Differences

	Exec. Over(Fiscal 1994)	(Under) LFA Fiscal 1995
AUDIT COSTS—The LFA current level does not include the cost of an independent audit. See issue described below.	56,278	56,278
POSTAGE—The LFA current level is lower and is based upon fiscal 1992 actual expenditures.	224	224
TRAVEL—The LFA current level is lower and is based upon fiscal 1992 expenditures.	663	647
INFLATION DIFFERENCES	32	52
MINOR DIFFERENCES	<u>62</u>	<u>63</u>
TOTAL CURRENT LEVEL DIFFERENCES	<u>57,259</u>	<u>57,264</u>

Budget Modifications

None

Language and Other Issues

AUDIT COSTS—The Judiciary requested and the Executive Budget includes \$56,278 each year of the biennium for an audit of the District Court Criminal Reimbursement program. Since annual audits have been sporadically completed and there are no audit-related expenditures recorded in the base year, the LFA current level does not include audit costs. The legislature can consider several options. The legislature may wish the Judiciary to document that the program requires an audit separate from the biennial legislative audit. Under the single audit act, it is unclear why the legislative audit needs to be supplemented. If the legislature needs to budget separately for the audit of this program, it could: 1) line item the appropriation; or 2) add language to allow the program to reduce the grants budget by the amount of the audit.

- (a) the product of the maximum mill levy authorized by law for district court purposes, whether or not assessed, multiplied by the previous year's taxable valuation of the county; and
- (b) all revenues, except district court grants, required by law to be deposited in the district court fund for the previous fiscal year.
- (4) Eligible court expenditures for grant purposes include all costs of the county associated with the operation and maintenance of the district court, from whatever fund paid, except costs for building and capital items and library maintenance, replacement, and acquisition.
- (5) The supreme court administrator shall notify each eligible county as soon as possible of the state's intention to award a grant to that county and the amount of the award.
- (6) The grant received by the county shall be placed in the district court fund.
- (7) After all grants are awarded, the supreme court administrator shall provide for the audit of each approved grant request. The county receiving a grant shall pay an audit fee in the same amount as the costs incurred in conducting the audit.
- (8) If the audit of a grant recipient discloses that the recipient received a grant in excess of the amount for which it was eligible, the recipient shall repay the excess to the state. The supreme court administrator shall redistribute any repaid excess amounts to the other counties that received grants from the appropriation from which the overpayment was made, on the same basis as the original awards. No county is eligible for a district court grant if it owes the state a refund of a prior year's overpayment.
- (9) The supreme court administrator, in consultation with the supreme court, shall prescribe rules and forms necessary to effectively administer this section. The administrator may require a county to provide any information considered necessary for the administration of the program.

7-6-2352. (Effective July 1, 1992) State grants to district courts —

- (1) The state shall make grants, to the extent funds are available after expenses provided for in 3-5-901 are funded, to the governing body of a county for the district courts for assistance, as provided in this section.
- (2) The governing body of a county may apply to the supreme court administrator for a grant by filing a written request on forms provided by the administrator by July 20 for the previous fiscal year unless the administrator grants a time extension upon request of the county. In its request for a grant, a county must certify that:
 - (a) all expenditures from the district court fund have been lawfully made;
 - (b) no transfers from the district court fund have been or will be made to any other fund; and
 - (c) no expenditures have been made from the district court fund that are not specifically authorized by 7-6-2511 and 7-6-2351.
- (3) To the extent funds are available, the state shall award a grant if the county's district court expenditures for the previous fiscal year exceeded the sum of:

EXHIBIT 16
DATE 7/13/93
HB

- (a) the product of the maximum mill levy authorized by law for district court purposes, whether or not assessed, multiplied by the previous year's taxable valuation of the county; and
- (b) all revenues, except district court grants, required by law to be deposited in the district court fund for the previous fiscal year.
- (4) Eligible court expenditures for grant purposes include all costs of the county associated with the operation and maintenance of the district court, from whatever fund paid, except costs for building and capital items and library maintenance, replacement, and acquisition.
- (5) The supreme court administrator shall notify each eligible county soon as possible of the state's intention to award a grant to that county and the amount of the award.
- (6) The grant received by the county shall be placed in the district court fund.
- (7) If an audit conducted pursuant to 2-7-503 discloses that the recipient received a grant in excess of the amount for which it was eligible, the recipient shall repay the excess to the state. The supreme court administrator shall redistribute any repaid excess amounts to the other counties that received grants from the appropriation from which the overpayment was made, on the same basis as the original awards. No county is eligible for a district court grant if it owes the state a refund of a prior year's overpayment.
- (8) The supreme court administrator, in consultation with the supreme court, shall prescribe rules and forms necessary to effectively administer this section. The administrator may require a county to provide any information considered necessary for the administration of the program.

Compiler's Comments

1991 Amendments: Chapter 489 deleted former (7) that read: "(7) After all grants are awarded, the department of commerce shall audit each approved grant request. The department shall charge each county receiving a grant an audit fee in the same amount as the costs incurred in conducting the audit"; and in (7), near beginning, substituted reference to an audit conducted pursuant to 2-7-503 for reference to the audit of a grant recipient. Amendment effective July 1, 1992.

Chapter 704 throughout section substituted reference to Supreme Court Administrator for reference to Department of Commerce; in (1), (3), (5), and in (8), in two places, substituted "state" for reference to Department of Commerce; and made minor changes in style. Amendment effective July 1, 1991.

Estimate of Cost Savings Required in 1993 Budget Request: Section 27, Ch. 489, L. 1991, provided: "The governor shall include in his proposed budget submitted to the 53rd legisla-

tute an estimate of cost savings to state agencies resulting from the implementation of [this act]."

Interfund Loan From General Fund Implementation of Single Audit Act: Sect. 28, Ch. 489, L. 1991, provided: "Costs incurred by the department of commerce during the year ending June 30, 1992, in adopting rules to implement [this act] and in preparing for implementation of [this act], up to the amount provided by appropriation for this purpose, are to be funded by an interfund loan from general fund that must be repaid over a 5-year period from the revenues from the filing of [this act]."

Effective Date — Applicability: Section Ch. 489, L. 1991, provided: "(1) Except as provided in (2), [this act] is effective July 1, 1992, and applies to the fiscal year ending June 30, 1992.

(2) The department of commerce may adopt rules to implement [this act] to become effective July 1, 1992."

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	30.00	30.00	30.00	30.00	0.00	30.00	30.00	0.00
Personal Services	1,143,352	1,129,611	1,263,702	1,260,955	2,747	1,265,829	1,262,806	3,023
Operating Expenses	299,408	338,629	343,822	326,684	17,138	336,940	316,581	20,359
Equipment	<u>24,573</u>	<u>30,460</u>	<u>27,616</u>	<u>24,765</u>	<u>2,851</u>	<u>27,616</u>	<u>24,959</u>	<u>2,657</u>
Total Costs	\$1,467,334	\$1,498,700	\$1,635,140	\$1,612,404	\$22,736	\$1,630,385	\$1,604,346	\$26,039
Fund Sources								
General Fund	<u>1,467,334</u>	<u>1,498,700</u>	<u>1,635,140</u>	<u>1,612,404</u>	<u>22,736</u>	<u>1,630,385</u>	<u>1,604,346</u>	<u>26,039</u>
Total Funds	\$1,467,334	\$1,498,700	\$1,635,140	\$1,612,404	\$22,736	\$1,630,385	\$1,604,346	\$26,039

Page References

LFA Budget Analysis A-23 to A-37
 Stephens Executive Budget A13 to A18

Current Level Differences

	Exec. Over(Under) LFA Fiscal 1994	Fiscal 1995
PERSONAL SERVICES—The LFA current level is lower than the executive current level. The data used by LFA was revised from an OPBB report to correct discrepancies (no revisions received since).	2,747	3,023
FIXED COSTS—The LFA current level is lower because a portion of the fixed cost allocation is reallocated to the Water Courts program (05) in order to recover a share of the costs from the special revenue fund:	3,640	3,151
COMPUTER PROCESSING—The LFA current level is lower but still allows for increased use and costs.	4,335	4,335
DATA NETWORK SERVICES—The LFA current level is higher because of a transposition in entry of amount. Executive current level is the intended figure.	(540)	
SYSTEMS DEVELOPMENT—The LFA current level is higher allowing for development of an on-line bulletin board which would give the public access to court opinions..	(5,000)	(5,000)
TRAVEL—The LFA current level is lower and is based upon fiscal 1992 actual expenditures.	6,070	6,070
VEHICLE MAINTENANCE— The LFA current level is lower than the executive, but allows an amount in each year that is double the fiscal 1992 actual expenditures.	606	606
DUES—The LFA current level is lower and reflects fiscal 1992 actual expenditures.	14,038	17,031
EQUIPMENT (Supreme Court)—The LFA current level is higher than the executive current level and is established to allow replacement of office chairs, purchase of shelving, replacement of 2 computers each year, and purchase of software for online bulletin board.	(3,767)	(3,767)
EQUIPMENT (Court Automation)—The LFA current level is lower than the executive current level and reflects the level spent in fiscal 1992.	6,817	6,817
INFLATION DIFFERENCES	(11)	(24)
MINOR DIFFERENCES—LFA current level is higher primarily because of an adjustment to the executive current level which understates the executive current level amount.	(6,199)	(6,203)
TOTAL CURRENT LEVEL DIFFERENCES	<u>22,736</u>	<u>26,039</u>

Budget Modifications

None

Language

None

EX-16

MONTANA SUPREME COURT
SCHEDULE OF FISCAL 94 & 95 APPROPRIATION REQUEST
SUPREME COURT OPERATIONS - PROGRAM 01

SCHEDULE NAME=95LB&D.WK1
 PRINT DATE 01/12/93
 REVISED SCHEDULED DATE 1-13-93

08:51:54 AM

EXHIBIT 15
 DATE 1/3/93
 HB 1

EXPEND CODE

1100 SALARIES
 1400 BENEFITS
 TOTAL

2100 CONTRACTED SERV
 2200 SUPPLIES & MATR
 2300 COMMUNICATIONS
 2400 TRAVEL
 2500 RENT
 2700 REPAIR & MAINT
 2800 OTHER EXPEN
 TOTAL

3100 EQUIPMENT
 TOTAL

GR TOTAL
 PLUS INFLATION FACTORS
 TOTAL REQUESTS

GENERAL FUND

JUDICIAL REQUEST FY 94	LFA RECOMMEND DIFFERENCE FY 94	JUDICIAL REQUEST FY 95	LFA RECOMMEND DIFFERENCE FY 95
\$1,056,736	\$1,056,850	\$1,056,736	\$1,056,850
\$206,966	\$204,105	\$209,093	\$205,956
\$1,263,702	\$1,260,955	\$1,265,829	\$1,262,806
\$84,065	\$81,705	\$69,312	\$67,442
\$41,162	\$41,112	\$42,303	\$42,005
\$20,063	\$20,063	\$19,431	\$19,468
\$22,626	\$14,291	\$23,303	\$14,529
\$97,837	\$97,837	\$100,619	\$100,619
\$23,545	\$22,196	\$23,886	\$22,435
\$63,518	\$49,480	\$66,792	\$49,755
\$352,816	\$326,684	\$345,646	\$316,253
\$36,616	\$24,765	\$36,616	\$24,907
\$36,616	\$24,765	\$36,616	\$24,907
\$1,653,134	\$1,612,404	\$1,648,091	\$1,603,966
\$0	\$0	\$0	\$0
\$1,653,134	\$1,612,404	\$1,648,091	\$1,603,966
\$1,653,134	\$1,612,404	\$1,648,091	\$1,603,966
\$0	\$0	\$0	\$0
\$1,653,134	\$1,612,404	\$1,648,091	\$1,603,966

ISSUES:

1) Cost of Adminstrating Program 07 Recharge of Salary to District Court Criminal Reimbursement Program (10% at this time)

2) HB320 funding could be removed contingent on passage and approval of LC 918 containing an appropriation for court automation in 3-5-901 (4), MCA (District Court Criminal Reimbursement Program Changes)

3) Travel

JUDICIAL REQUEST FY 94	LFA RECOMMEND DIFFERENCE FY 94	JUDICIAL REQUEST FY 95	LFA RECOMMEND DIFFERENCE FY 95
(\$6,007)	\$0	(\$6,007)	\$0
(\$96,407)	\$0	(\$96,608)	\$0
\$22,626	\$14,291	\$23,030	\$14,529
	\$8,335		\$8,501

MONTANA SUPREME COURT

SCHEDULE OF FISCAL 94 & 95 APPROPRIATION REQUEST
BOARDS AND COMMISSIONS - PROGRAM 02

08:18:42 AM

SCHEDULE NAME=95LB&C.WK1
PRINT DATE 01/13/93
REVISED SCHEDULED DATE 1-13-93

EXHIBIT 1
DATE 1/13/93

EXPEND CODE
1100 SALARIES
1400 BENEFITS
TOTAL
2100 CONTRACTED SERV
2200 SUPPLIES & MATR
2300 COMMUNICATIONS
2400 TRAVEL
2500 RENT
2700 REPAIR & MAINT
2800 OTHER EXPEN
TOTAL
3100 EQUIPMENT
TOTAL
GR TOTAL
PLUS INFLATION FACTORS
TOTAL REQUESTS
GENERAL FUND
STATE SPECIAL

JUDICIAL REQUEST FY 94	LFA RECOMMEND DIFFERENCE FY 94	JUDICIAL REQUEST FY 95	LFA RECOMMEND DIFFERENCE FY 95
\$87,223	\$87,723	\$87,223	\$87,723
\$20,587	\$20,667	\$20,589	\$20,667
\$107,810	\$108,390	\$107,812	\$108,390
\$122,497	\$94,327	\$140,557	\$104,241
\$6,677	\$5,921	\$6,677	\$6,062
\$10,668	\$8,306	\$8,668	\$8,253
\$52,998	\$34,660	\$49,503	\$35,692
\$1,915	\$1,915	\$1,915	\$1,915
\$346	\$358	\$346	\$368
\$82	\$83	\$82	\$83
\$195,183	\$145,570	\$207,748	\$156,614
\$3,000	\$3,105	\$1,200	\$109
\$3,000	\$3,105	\$1,200	\$109
\$0	\$0	\$316,760	\$265,113
\$0	\$0	\$0	\$0
\$0	\$0	\$316,760	\$265,113
\$232,696	\$257,065	\$246,463	\$265,113
\$70,297	\$0	\$70,297	\$0

ISSUES:

- 1) Cost of Adminstrating Program 07 Recharge of Salary to District Court Criminal Reimbursement Program (15% at this time)
- 2) Gender Bias Commission expenses
- 3) Travel COLJ & COP (due to comission make up)
- 4) General Fund support for 1994 Certification testing for Judges of Courts of Limited Jurisdiction
- 5) Character and Fitness Exams (fee reimbursed) (amount requested calculated by MT BAR) This amount could be removed contingent on LC 1093 passage and approval.

JUDICIAL REQUEST FY 94	LFA RECOMMEND DIFFERENCE FY 94	JUDICIAL REQUEST FY 95	LFA RECOMMEND DIFFERENCE FY 95
(\$6,564)	\$0	(\$6,564)	\$0
\$10,000	\$0	\$10,000	\$0
\$42,998	\$34,660	\$46,498	\$35,692
\$0	\$0	\$17,000	\$10,000
\$30,740	\$13,000	\$32,300	\$13,000

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

GEN. GOV. & HWYS. SUBCOMMITTEE DATE Jan 13, 1992
DEPARTMENT(S) JUDICIARY DIVISION _____

PLEASE PRINT

PLEASE PRINT

NAME	REPRESENTING	
DEBORAH SCHLESINGER	MT LIBRARIAN ASSOC	
Kathy-ams	MT Atty Gen.	
Jim Oppenahl	Supreme Court	
Jan Lorents Grosfeld	MT Water Policy Committee	
Bruce Loble	MT WATER CT	
Judy Andrews	State Law Library	
TIM HALL	DNRC	
Katie Chouh	Supreme Court	
Michael S. KAKUK	EQR	

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