

MINUTES OF THE SUBCOMMITTEE MEETING OF
AGENCY I
AND
DEPARTMENT OF COMMUNITY AFFAIRS

January 21, 1977
4:00 P. M.
Room 225
State Capitol Building

The meeting was called to order by Chairman Dorothy Bradley.
All members present.

EMPLOYMENT SECURITY DIVISION

The Executive budget (attached) was presented by Mr. VanKoten. He said the FTE's and related cost is the big difference between the Fiscal Analyst's budget and Executive budget; calling for the addition of 55 FTE (14 in the central office and 41 throughout the state). Federal money is used for this and the federal government authorizes them to hire more people; a sort of contract with the federal government. Should the additional FTE not be approved, the 55 people will be dismissed this coming July, (not meant as a threat).

The Fiscal Analyst made his presentation (copy attached). He did not feel there was any justification for the large expansion they want for 1979.

Chairman Bradley asked for comments or questions from the Committee. She pointed out that the number of claims dropped between 1975 and 1976, yet the legislature approved more money.

Representative Gunderson asked if this is how the federal government deals with unemployment - put them to work.

Senator Thomas said he felt unemployment in Montana was very serious and, as long as there is no general fund money, the thing he was questioning was if we fund them for this year and the funds run out, will they come back for more. Mr. VanKoten said No. The federal government is behind this.

Representative Gunderson felt it was better to have people working at something than doing nothing.

Senator Roberts asked the LFA if we do fund the FTE's, would he agree with the Executive figures for personal services and what about operating expenses.

Mr. Nichols said, based on past history I would say they probably would not use them all but possibly they would.

Mr. VanKoten said the operating expenses for the new 80 people

is only \$49,820. It was pointed out that if the money is not used we will lose it to another state or it reverts back to the federal government.

Senator Thomas made the motion to accept the Executive Budget for FY 78 - FY 79 in all catagories. Senator Roberts called for the question. AYES - Bradley, Gunderson, Roberts, Stephens, Story, Thomas. NO - Marks.

WOMEN'S BUREAU

Mr. VanKoten presented the Executive Budget, explaining how they arrived at their figures.

The LFA presented his budget, noting there was no cost increase factor and no turnover with only two employees. (budget attached)

Open discussion.

Senator Stephens noted it was a small agency with only two employees and he felt that they do not do much. He felt there were other agencies doing a lot more. Representative Bradley agreed with Senator Stephens and agreed that all over the state there is a great deal of dissatisfication with this bureau but she does feel there is a need for this type of service. She felt that with two professionals and either one secretary or secretarial contract services they could be more effective.

Senator Story felt there was too much of a duplication between this bureau and other agencies.

Senator Story made the motion to take the LFA's figures. Substitute motion was made by Representative Marks that the program be expanded by adding one more professional and one secretary. Representative Gunderson called for the question. AYES - Bradley, Gunderson, Marks, Roberts, Thomas. NO - Stephens, Story.

It was moved and accepted to accept the LFA Recommendation on operating expenses.

It was moved and accepted to accept the Executive Budget for equipment. Motion carried unanimously.

HUMAN RIGHTS DIVISION

Mr. VanKoten presented the Executive budget. He said they spent \$92,000 last year, \$95,000 this year and \$102,577 for FY 79. This funds only 4.33 people. Through federal funds (CETA, EEOC), they can have 5 1/2 more people to help when possible, therefore the federal government will help. He requested four more people be funded from general funds.

LFA proposal attached. Case loads were 102 in FY 75, 203 FY 76, and 118 for the 1st 6 months of this year. The bureau estimates approximately 350 in FY 77 and 400 FY 78, with 450 FY 79. They feel the case load will not continue to grow. The state will hear the state grievances which will reduce the load. From 125 - 200 cases per year could be heard with the present staff.

Open discussion.

Senator Stephens said he is concerned about the Human Rights Bureau. The federal government can handle the load so put it on the states. He gave three examples on how grievances were handled and told how unhappy the employers were with the Bureau. He felt the Bureau was creating more civil rights complaints. He cited some examples of how they went around to job sites looking for causes and thereby caused civil rights problems.

Representative Bradley felt these examples were unfortunate and felt there were many more legitimate cases. She felt they should approve their request, maybe cutting later.

Representative Marks made the motion to accept the LFA's Recommendation voting not to increase the FTE at this time.

Representative Bradley opposed the motion.

Representative Gunderson offered a substitute motion to adopt the Executive Budget. AYES - Bradley, Gunderson, Thomas. NO - Marks, Roberts, Stephens, Story. Motion failed.

Representative marks made the motion to accept the LFA Recommendation. AYES - Marks, Roberts, Story, Stephens. NO - Bradley, Gunderson, Thomas. Motion carried.

BOARD OF PERSONNEL APPEALS

Senator Roberts made the statement that he was not present when this budget was presented, but feels that Bob Jensen is a good administrator and can be trusted.

Mr. VanKoten presented the Executive Budget. Last year \$196,000 was spent. \$205,000 in FY 77. Operating costs were reduced in FY 76. Recommends 1 more FTE in FY 79.

LFA (budget attached) stated the appeals and grievances will not be heard by this Board in the future therefore, additional employees should not be needed.

Senator Roberts asked if this was the only difference between the two budgets. The LFA agreed on operating expenses and he allowed them what they requested.

Senator Story asked if they should recommend the Executive budget whether the Board would be back asking for a supplemental amount. Mr. VanKoten thought not.

Open discussion.

Representative Marks moved to accept the Executive Budget for the entire proposal. Senator Roberts called for the question. AYES - Bradley, Gunderson, Marks, Roberts, Story, Stephens. NO - Thomas. Motion carried.

LABOR ADMINISTRATION

Mr. VanKoten presented the Executive Budget. He felt he and the LFA were not close on this one. He recommends 11 FTE so they would be able to do a much better job.

The LFA (recommendation attached) recommends two additional people. Based on FY 76, two more could handle the work. Sharing of the Labor Commissioner office costs by ESD, Workers Comp. and Labor Standards was recommended by the LFA.

Senator Stephens said it appears they do need some additional people.

Representative Marks said he was not very impressed with the administration of this Bureau and the comments given by the witnesses. He also feels they are processing too many claims for the benefit derived.

Representative Bradley felt it was wrong to tell them to do something and not give them enough people to do the job. She thought some are needed.

Open discussion.

Representative Bradley called for a motion.

Senator Story moved they accept the LFA's Recommendation.

Representative Gunderson called for the question. AYES - Gunderson, Marks, Roberts, Stephens, Story, Thomas. NO - Bradley. Motion carried.

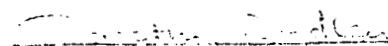
MANPOWER ADVISORY COUNCIL

The LFA's Recommendation is attached.

Senator Roberts noted how the CETA program was formerly in the Governor's office.

There was a little general discussion. Representative Bradley called for a motion. Senator Roberts moved they accept both recommendations. Representative Bradley called for the question. All voted ayes. Motion carried.

Meeting adjourned.


Dorothy Bradley, Chairman