

MINUTES OF THE MEETING OF
HOUSE APPROPRIATIONS SUBCOMMITTEE ON ELECTED OFFICIALS
MONTANA HOUSE OF REPRESENTATIVES

February 25, 1977
8:00 a.m.
Room 428A
State Capitol Building

The meeting was called to order by Chairman Lynch with all members present, except Representative Gunderson who was excused. The hearings on the Teacher's Retirement Division and Legislative Auditor's Office were followed by executive action.

Bud Morris, Administrator of the Teacher's Retirement Division, said that one FTE was originally requested for pre-retirement counselling because the staff they have currently cannot handle all the requests for visits and counselling.

On their last audit they had some accounting deficiencies. Because of the heavy workload for the accountant they have, they have not yet been able to correct the problems. Therefore, would like the counsellor to also be utilized in correcting the accounting problems. This would be one position working in both areas; a grade 12 FTE.

Senator Regan suggested they consider putting in a hotline type of system where the teachers could call in for counselling; this would save on travel and per diem expenses. Mr. Morris indicated they had not previously considered this approach, but would do so. While they do have computer print outs, the system has not been programed for computer use.

In response to a question from Senator Regan, Mr. Morris said they handle the peak times for retirement processing by preparing ahead of time all they can.

Senator Regan asked Mr. Morris and Mr. Gosnell to get together and see if there isn't a way this situation could be handled for the division in a less expensive way than travelling.

Morris Brusett, Legislative Auditor, distributed the attached hand-out to each committee member explaining their needs. Paragraph 3 page 1, indicates a change in that they had budgeted \$150,000 for the biennium; this indicates \$75,000 for each year of the biennium as they felt it would be better for audit purposes.

He indicated that situations do arise that require changes in their schedule and may necessitate using contracted services to complete some of the audits scheduled. They propose that all audits come through their office before being contracted out. Mr. Gosnell stated that he had no problem with this concept.

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Senator Regan asked for more explanation of this third paragraph. She wondered why this was being requested when they had been granted many dollars and people with the understanding that \$600,000 would be reverted; and now they were asking to keep that? Mr. Brusett said they had been using CPA firms on a contracted basis and now are going through a transition period. In July, 1977 the division will be receiving 12 new positions; Senator Regan asked if there would be a problem in putting these people on and effectively using them. Mr. Brusett indicated that they are preparing for the new positions now and have a number of people ready to start work, contingent upon the funding approval. Senator Lockrem, in support of the division's request, explained some of the procedures of the audit office and how the funding is working. Mr. Brusett is doing the recruiting for his auditors at the same time as the major firms do their recruiting; he is therefore able to be in competition with the CPA firms.

Senator Regan asked if they didn't have contingent plans for emergency audits; Mr. Brusett indicated they have allowed for additional legislative work during the session but not many others.

DEPARTMENT OF REVENUE - SUPPLEMENTAL: The Department has requested a supplemental budget of \$800,000 for the remainder of this year. Mr. Gosnell was not sure if they really needed \$800,000; \$600,000 might be adequate. He indicated that the problem with the lower figure is they may not have enough funding to produce the work needed through the year.

Ed Eaton of the Budget Office had talked with Laury Lewis, Deputy Director of the Department, and asked him yesterday if the Property Assessment program could work with \$600,000. Mr. Lewis was going to let me know his feelings later in the day, but he never did get back to him. Chairman Lynch tried to call Mr. Lewis during the meeting; however, he was not in the office. Mr. Eaton said the committee could go with the \$600,000 now and add on later if they needed it. Chairman Lynch suggested a compromise of \$700,000. No action taken at the meeting this date.

CAMPAIGN FINANCES AND PRACTICES: Mr. Hanson wants the FTEs requested because of the workload and their inability to do the job with the staff size they currently have. Senator Lockrem felt that with the school boards eliminated from this area, they should be kept at a current level and if need for funding they can request it in two years. The other committee members were not all in agreement with his views. Chairman Lynch and Senator Regan said they have not been able to do the job as it has been. The accountant requested has been paid under contracted services.

Senator Regan moved that the committee recommend the LFA budget of \$135,496 (\$138,397 less \$2,901) for 1978 and \$133,044 (\$133,761 less \$717) for 1979. VOTE: The motion carried with three (3) aye votes and two (2) no votes (Senators Lockrem and Nelson).

Senate Bill 71 will have an affect on this program, if it passes.

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DEPARTMENT OF JUSTICE: Legal Services: See the attached Decision Package for this entire Department. Mr. Gosnell reported that he took no vacancy savings or turnover factors at all on this budget. The budget shown here allows for the Attorney General's salary going up to \$40,000 if Senate Bill 71 passes (he is now about \$25,000); the proposal in SB 71 is for \$32,500. They request \$33,900 and \$35,595 for the extra attorney and secretarial support.

Senator Lockrem moved to take out \$15,000 from the budget; it would be inserted at the level allowed by Senate Bill 71, if it passes.

VOTE: The motion carried unanimously.

Senator Regan moved to give the division the one attorney position but not the secretarial position. VOTE: The motion carried unanimously.

Escheated Estates: Senator Lockrem moved to adopt the budget recommended by the LFA. VOTE: The motion carried unanimously.

Workers' Comp. Invest. Unit - Supplemental: Senator Lockrem stated that the Supreme Court decision should be out in about two weeks on the speedy trial issue; if that fails it would change their budgetary needs. He suggested that the decision on the budget be postponed until that decision comes out. Senator Regan wanted to put it in contingent upon the Supreme Court's decision and could put a footnote on the budget as to the intent of the committee. There was a brief discussion on the two House bills affecting this budget: H.B. 120 and H.B. 143.

Les Simpkins of the Budget Office reported that the workers' comp. expenses have been coming out of the legal services budget now. They need the funding to cover those expenses. This should be a separate bill, Senator Lockrem felt, with an immediate effective date and could put the supplemental request into that bill. Mr. Simpkins said that as of this date \$38,264 have come out of legal services budget for defense costs.

Senator Lockrem moved to put \$463,642 into the House Bill 143 and that House Bill 120 be kept in committee (but not killed). VOTE: The motion carried unanimously.

Motor Vehicle Admin.: Mr. Gosnell explained that the request for \$37,730 and \$39,885 is for the administrator and one clerical position. Representative Wood asked if the position was really necessary. Senator Regan explained that she had originally wanted a bill to remove it because of the way it was not used under the previous attorney general. The problem was that Pat Driscoll is finding a great deal of his time is spent in doing this and he does not have the time for legal services work. They want this responsibility out of the legal services division; therefore, she did not have her bill put in.

Senator Regan moved that this budget be recommended "do pass". VOTE: The motion carried unanimously.

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Patrol Operations: The \$4,000 is for accruals and should be added in under the LFA recommendation. The \$19,610 and \$75,680 are for the new cars (90). Mr. Simpkins indicated that Chief Joe Sol has told him they would take all the old cars and move them to the Driver License Examiners unit, as they can still be used to a certain extent. There is no federal funding available for this program.

The \$6,036 and \$2,951 requests are for current level increases.

Representative Wood moved to reinstate the \$19,610 and \$75,680. VOTE: The motion carried unanimously.

Senator Lockrem moved to cut \$6,036 and \$2,951 that was requested. VOTE: The motion carried unanimously.

Driver Licensing: Senator Nelson felt we would be asking for trouble if we change the whole system and start putting civilians into the office. Mr. Gosnell indicated that the request for \$38,947 and \$19,301 are current level requests. He recommends they be cut. Mr. Simpkins indicated the 1977 base was not used in working this budget because it was general funds. Senator Regan pointed out that the LFA budget is slightly above the original LFA recommendation; they could probably live with the adjusted budget. We have been cutting everywhere else and should remain consistent when working budgets.

Senator Regan moved that the committee approve the LFA recommendation. VOTE: The motion carried with four (4) aye votes and one (1) no vote (Chairman Lynch).

Field Services: Mr. Simpkins worked on 10% of the 1976 base. The traveling is mandatory. The previous attorney general cut back on meals allowed while they were on the road, the division would like an increase there. Other expenses involved with the traveling are gas, maintenance, vehicle repairs, etc.

Representative Wood moved that \$66,235 be added for 1978 and \$10,402 be deducted for 1979 (a net increase of \$55,833). VOTE: The motion carried with four (4) aye votes and one (1) no vote (Senator Lockrem).

Registrar: While there is no difference in the budget recommendations, Senator Regan felt there should be a footnote to get the purging of the files completed and release the FTEs for that purpose.

Representative Wood moved that the committee accept the Registrar's budget as it is. VOTE: The motion carried unanimously.

Criminal Investigation: County Attorney Coordinator - County Prosecution Team Proposal: Senator Regan said that there have been problems in this area in the past because of the heavy workload in the workers' comp. area. Chairman Lynch indicated a bill has been in the House for a study of all the legal services in the state and put them all under the Attorney General's Office, so he would know exactly how many attorneys there are working for the state, where they are and what they are doing; but the A.G. would not have control over them. The criminal lab is included under this budget area also. The \$127,000

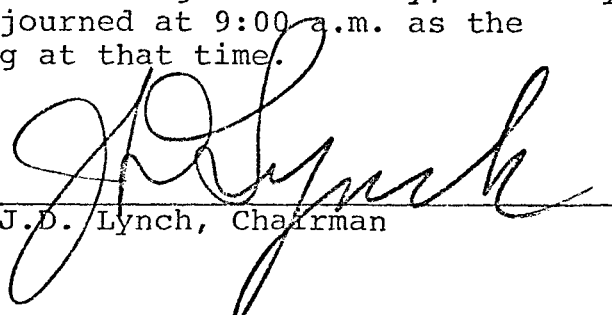
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and \$121,000 requests are based upon current level. See the attached sheet. The \$22,000 and \$20,000 requests are for the chemist and equipment. Chairman Lynch asked if Mr. Gosnell heard if the LEAA funds would be available for the equipment purchase. Mr. Gosnell said we could fund them and make them revert it if they can get the LEAA funds; but Chairman Lynch felt that method would leave the division little incentive to attempt to get the LEAA funding.

This discussion will be continued at the meeting on Saturday, February 26, 1977, at 8:00 a.m. The meeting adjourned at 9:00 a.m. as the House of Representatives were convening at that time.



J.D. Lynch, Chairman

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