

MINUTES OF THE MEETING  
SUBCOMMITTEE Agency 1

March 11, 1977  
8:00 A.M.  
Room 225  
State Capitol Bldg.

The meeting was called to order by Chairman Bradley. All members were present except Senator Thomas.

WORKERS' COMPENSATION

Chairman Bradley pointed out that this budget is all earmarked and federal funds. The first item under Administration was the automobiles they wanted. The Executive proposal was \$8,000, the Fiscal Analysis said nothing and we gave them \$8,000. That doesn't include automobiles. We gave them 3 automobiles the 2nd year; they wanted 5. Another thing we might consider is that they wanted an individual for EEO in affirmative action.

Senator Stephens said this is the one the LFA denied the 2nd time.

Representative Marks said he had talked to Curt Nichols yesterday. Seems the difference between the agency and the LFA is that the LFA used the first 7 months for the base and they disagree with this. They said July of each year is always light. So, Curt then used two Januarys instead and took July out completely. That brought it up a little. Curt said he would re-figure, going from January to January but did not think it would make that much difference. They also wanted to bring more automobiles on board that were not there before. There was no experience factor on these automobiles and the department felt Curt had not considered that. Another thing, they were allowed in the last session, 18 additional people and they took on about 10. Had the vacancy of around 6 1/2 or 7 in positions not filled and they felt that shouldn't be considered as vacancy savings. They are not sure they will put them on.

Senator Roberts said they have 6 of these positions still open.

Senator Story talked about the reason for June being heavier than July and that if anything is not spent, they are afraid of losing it, so expenditures are always higher in June.

Senator Roberts said he would go along with not funding the personnel technician but should increase the budget for operating costs. The vacancy savings is not a true picture of the biennium. They have 6 positions to fill.

Senator Story said the tremendous increase in clients was due to bringing agriculture under this program. Their rate is 8% now and will probably increase. There is a large difference between their rate and the private carrier. I believe that most of the ranchers that are going to come in have done so. The private carriers will probably get some of the business that the state now gets and the load might go down.

Representative Bradley suggested that we start first with Safety and Health. What we cut there was in travel.

Their actual 76 expenditures was around \$150,000, the Executive recommends \$277,000 and we only recommended \$160,000. She reminded the committee that these are earmarked and federal funds.

Senator Roberts asked how their revised request compares with the original one.

Representative Bradley said the operating expenses under safety and health is around \$150,000. The Executive is \$277,000, the LFA is \$160,000 - their revised request is \$219,000.

Representative Marks then moved we give them \$10,000 a year more.

Representative Bradley said if we give them \$30,000 extra it would hold them to exactly what they estimated in FY77.

Senator Roberts made a sub-motion to give the \$198,470 the first year and \$192,000 the 2nd.

AYES - Representative Bradley, Representative Gunderson and Senator Roberts

NOS - Senator Story, Senator Stephens and Representative Marks

MOTION FAILED

Representative Bradley said we should return to the original motion to increase \$10,000 each year.

AYES - Senator Story, Senator Stephens and Representative Marks

NOS - Representative Bradley, Representative Gunderson and Senator Roberts.

MOTION FAILED

Senator Stephens then moved we increase the operating expenses \$17,500 each year of the biennium.

AYES - ALL

MOTION CARRIED

Representative Bradley said this would be over the amount already given them.

INSURANCE COMPLIANCE -

Representative Bradley said the operating expenses in FY 76 actual was \$68,421 - FY 77 \$85,000. The Executive recommends \$90,000, the LFA said \$81,000. We have given them \$82,000, they wanted \$98,000.

Senator Roberts mentioned that most of their revised requests are lower. Why is this increased? Representative Bradley said in FY77 we added 2 FTE's.

Senator Roberts said according to his notes, we increased this because the silicosis examination had gone up to \$125 per examination. We added \$12,700 on to the LFA's first recommendation.

Representative Marks said I think they can live with this.

Senator Roberts moved we accept the Executive Recommendation - \$9,000 the 1st year and \$11,000 the 2nd.

AYES - Representative Bradley, Senator Roberts and Representative Gunderson.

NOS - Senator Story, Senator Stephens and Representative Marks

With no further motions, this stays where it was.

STATE FUND -

Representative Bradley said we increased that \$29,000 to \$405,588. It is more than \$100,000 below the executive recommendation. This was for the rating bureau. Their revised recommendation is for \$38,000, which is still below the executive recommendation.

Senator Roberts moved these figures of \$474,000 the 1st year and \$486,000 for the second year.

Representative Bradley mentioned our recommendations are below what the actual 76 expenditures were.

Representative Bradley called for the vote on the motion for adoption of the new request.

AYES - Representative Bradley, Representative Gunderson and Senator Roberts

NOS - Senator Story, Senator Stephens and Representative Marks

MOTION FAILED

## ADMINISTRATIVE BUDGET

Representative Bradley said this is on the automobiles. It is down \$100,000. We gave them 2/3 of what their request is under operating expenses.

Senator Roberts said their revised request for FY78 is what their 76 actual was. We gave them \$262,000.

Representative Bradley said we are still down from actual 76 expenditures. She said there was a one time expenditure in FY 76 of \$193,000 for the new data processing system and there should have been a drop. The LFA also noted the traffic doubled for no reason.

Senator Story said I think we should go with what we have done and let them come in with justification if they can.

There was no motion made on this.

## HEALTH BUDGET -

Senator Roberts asked if Curt Nichols was going to work on the figures on taking the 12 months actual.

Representative Marks said yes and Curt said he would get it to us sometime Tuesday.

It was decided to have a meeting early next week to complete the Health Budget and to discuss the Office of Commerce.

Meeting adjourned at 9:30.

  
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Chairman Dorothy Bradley

Nina Kosmas, Sec.