

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

April 8, 1977  
11:30 a.m.  
Room 428A  
State Capitol Building

The meeting of the Elected Officials Subcommittee was called to order at 11:30 a.m. by Chairman J.D. Lynch. All members were present.

Department of Administration - Personnel Division: The committee discussed the consequences of H.B. 700 not passing the Senate. This would have established a grievance procedure and made changes in the merit system council. Seven positions were cut by this action, leaving 24 slots in lieu of the 31. Mr. Gosnell said that it is a severe change in direction and is a change back totally to decentralization. There is a problem with the EEO and grievance areas. Part of the problem is that we were trying to centralize the personnel functions. There will have to be some growth in Labor Relations and Classification Bureaus.

Pat Estenson, Chief of the Classification Bureau, said that under the Labor Relations Bureau they would add one FTE in 1978 and two in 1979 in labor negotiator positions. In the Classification Bureau, they have one hearings officer and one lawyer now but no secretary.

Mr. Gosnell said that if 7 FTE are cut for the merit system council that leaves 48 and 49 FTE for fiscal years 1978 and 1979, respectively. The current level is at 30 FTE, adding 8 FTE leaves them at 38 for each year of the biennium. Cutting 10 and 11 FTEs from the proposed budget is a cut of about \$300,000 to \$400,000, Mr. Gosnell clarified.

The main issue with this division is whether government should be centralized or decentralized, Mr. Gosnell stated. Are these employees working for the state or for the agencies?

Representative Gunderson felt that with more than 14,000 employees in state government, some kind of control should be established.

Pete Byrnes, Chief of the Labor Relations Bureau, said they will be hurting in the policies and procedures that the law now requires them to put out. Mr. Estenson said that their additional training would be deleted. The appeals have decreased but the need now is to monitor the system closely. The Classification Bureau is now acting only on agency requests and formal appeals. The proposed additional 7 staff in Classification is adequate, Mr. Estenson said. But the question that must be answered related to the direction the Personnel Division should take. He feels that more functions should be centralized.

Senator Lockrem expressed a problem with the centralization concept, saying that it goes with the executive reorganization.

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Mr. Gosnell said that there would be two negotiators added (one in 1978 and two in 1979) which he feels are necessary. Chairman Lynch did not see that these positions are necessary.

Because of S.B. 80, which has passed both the House and the Senate, and H.B. 700, which was killed in the Senate, Chairman Lynch said they don't need as many people as previously.

Senator Regan felt that a cut of 10 FTE in each year would be a good cut. Senator Lockrem said that because of a decrease in the appeals, we could line item the Classification and Labor Relations Bureaus. If only three bureaus were left, the division would have no flexibility, Mr. Gosnell expressed. Senator Regan asked Mr. Gosnell to prepare a budget breakdown for the division with a cut of 10 FTE in each year of the biennium. Ten FTE each year would be a cut of about \$150,000 each year.

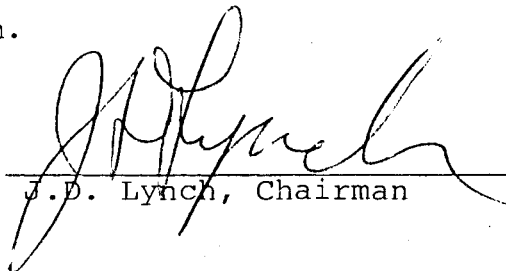
Senator Lockrem had to leave for another meeting at this point and indicated that he would vote YES on all cuts.

Department of Revenue - Research: Senator Regan pointed out that she previously moved that there be a cut made in the research funding. Chairman Lynch is still opposed to that kind of cut. But Senator Regan felt that this research unit is doing the same thing that Mike Billings' Office of Budget and Program Planning does. The Department requested one FTE and \$30,000 each year of the next biennium. Mr. Gosnell said that they have one man doing only the econometric model. The Office of Budget is doing revenue. There is about \$80,000 difference (excess) between fiscal years 1976 and 1977, he said.

There could possibly be a \$30,000 cut made in this budget.

Buildings and Grounds: Pursuant to earlier discussions among the committee members and previous actions by the committee, Senator Regan asked Mr. Gosnell to see if he can come up with \$1.85 per square foot for rental space, rather than \$2.00 previously budgeted. If he can make the change, the committee felt he should go ahead and make the cut.

The meeting adjourned at 12:00 noon.

  
J.D. Lynch, Chairman

jlm