

MINUTES OF THE MEETING  
AGENCIES II SUBCOMMITTEE

February 19, 1979  
9:00 A.M.  
Room 343  
State Capitol Building

Work Session

Page 5; Side 2, Track 4 (660)

The meeting was called to order by Chairman Rex Manuel. Senator Smith was not present, all other members were present. Also present were Bob Robinson, Legislative Fiscal Analyst.

The purpose of the meeting was to review, by department, final action taken by the subcommittee.

DEPARTMENT OF BUSINESS REGULATION (660)

Chairman Manuel presented a letter from Carolyn Doering, OBPP, requesting the subcommittee to reconsider the Financial Program to include \$10,000 each year, specifically line-itemed for upgrades associated with the training period allowed within the bank examiner classification. These funds will only be used if no vacancies occur. Any remaining funds at the end of the fiscal year will revert to the general fund. This situation was considered and allowed in the previous biennium.

The problem arising is a question of whether there is enough money allowed to cover the three step increases that bank examiners are able to receive in two years. If there is not a certain amount of turn-over, there will not be enough money. However, it was generally felt that this program could expect a certain amount of turn-over. Therefore, this additional \$10,000 was not necessary.

In the Weights and Measures the general fund recommended by the committee was \$267,080 for 1980 and \$272,000 for 1981. The recommendation was \$264,000 and \$271,000. The additional money was for travel; \$3,000. Also, \$1,000 was added each year to cover price estimates for new trucks.

In the Financial Division the subcommittee accepted \$451,000 for 1980, the LFA recommendation was \$435,000. The additional money authorized the Electrical Funds Transfer System School. The second year of the biennium the subcommittee basically took the LFA recommendation.

This department was appropriated \$850,000 for FY 1978 and \$911,000 for FY 1979. This compares with \$913,000 for 1980 and \$905,000 for 1981 approved by this subcommittee.

February 19, 1979

For FY 1978-1979 the total amount from the general fund was \$4,761,000 and for FY 1980-1981 the amount is \$1,818,000. This is an increase of about \$60,000, which is not a very high percentage.

There was discussion of the dollars audited by Montana's auditors, compared with other states. The LFA compiled statistics last session showing Montana with a few more auditors, but less dollars audited. There is also a difference in salaries, a little higher outside of Montana. The additional bank examiners were justified on the grounds that the examiners were not doing an adequate job auditing savings and loans, installment loan companies, etc.

It was pointed out that in the end, this subcommittee is going to be faced with cutting FTE. With a cut in FTE this program will just have to do the best they can, but will only be able to examine 70% of the banks. Without these audits, the banks cannot get their FDIC insurance.

This department reverted \$22,000 last year.

The FTE approved is 2.25 below current level overall, but 3 FTE above what the Executive recommended.

In Centralized Services the subcommittee took the LFA recommendation which is basically current level with no extras.

In the Milk Control Board, the subcommittee took the Executive recommendation, which eliminated 2.25 FTE; 2 butterfat testers and a part-time secretary. Actual expenditure for the department in travel was \$28,000 in FY 1978. The Executive included \$35,000 in their recommendation.

The Consumer Protection Program was kept at current level with \$3,000 added to cover an error by the LFA. Funding is shared with the Unfair Trade Practices Act.

#### PUBLIC SERVICE COMMISSION (1082)

The subcommittee accepted 39 FTE and added \$10,000 more for an FTE receptionist secretary.

In operating expenses the recommendation accepted was between the LFA and the OBPP; \$166,136 for 1980 and \$171,669 for 1981. Additional money was included to fully pay the expenses of publishing hearing notices they had abated and to offset the money they had been credited for printing.

The subcommittee accepted the Executive recommendation for equipment because the department said they did not need one of the cars they had originally asked for.

Included was language expressing the subcommittee recommendation

for the purchase of the Word Processing Machine they are now renting. Also included was language that as vacancies occur in transportation they be replaced in the utility division for rate analysis.

There was a discussion of rail inspections. It was stated that the law does not require this division to make rail inspections.

PROFESSIONAL AND OCCUPATIONAL LICENSING (1212)

The subcommittee accepted 33.32 FTE for each year. The LFA is in the process of figuring out the amounts to be assessed for centralized services.

DEPARTMENT OF LIVESTOCK (1240)

Representative Hurwitz made the motion to add 1 FTE to the Diagnostic Lab, allowing \$18,220 each year. When South Dakota funds are no longer available, the position will be terminated. Representative Manning seconded the motion. The motion passed unanimously.

Site 1, Track 3 (000)

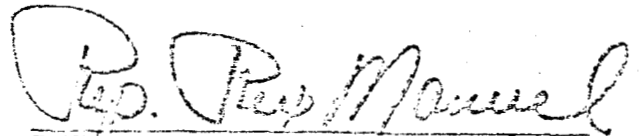
DEPARTMENT OF LANDS

The subcommittee recommendation includes the rent increase to \$5 per square foot. This is included in central management and resource development programs. Central management includes all the support functions and collection of royalties, interest and income from state lands.

Other Appropriated Funds drop off because the MONTCO environmental impact statement will be completed in FY 1980. The Reclamation Program is current level, except the federal reclamation money to reclaim abandoned mine spoils. Land Administration is current level.

Resource Development will probably not spend the full \$422,000; \$230,000 is set aside to do improvements as long as the land leasers are agreeable.

There was no further business, the meeting was adjourned at 10:45 A.M. until February 20, 1979 at 9:00 A.M.



REP. REX MANUEL, Chairman

Secretary