

MINUTES OF THE MEETING OF THE APPROPRIATIONS SUB-COMMITTEE ON
ELECTED OFFICIALS AND HIGHWAYS

January 10, 1983

The Appropriations Sub-committee on Elected Officials and Highways met at 9:00 a.m. on January 10, 1983 in Room 437 with Chairman Quilici presiding.

The following members were present:

Chairman Quilici	Senator Dover
Rep. Lory	Senator Keating
Rep. Connelly	Senator Stimatz
	Senator Van Valkenburg

Also present: Terry Cohea, OBPP, and Cliff Roessner, LFA.

Members of the Department of Justice present were: Attorney General Mike Greely, Susan Hansen, Bob Kuchenbrod, Patrick Driscoll, Daryll "Bud" Schoen, William F. Furois, D. B. Tooley, and Larry Majerus. Also present: R. Morgan of Administration.

DEPT. OF JUSTICE (Tape 4, Side A) --

The Attorney General introduced his staff to the committee and said he would not give an explanation of the entire department as all the committee members with one exception heard their budget last session. He did note that the Motor Vehicle Division was no longer with the Highway Patrol and now consists of three programs: Drivers Service Bureau, Registration of Motor Vehicles and Driver Improvement Bureau. He introduced Larry Majerus who is the Administrator of the Motor Vehicle Division.

Motor Vehicle Administration

Mr. Majerus distributed a budget comparison sheet which showed the Governor's recommendation, the LFA's recommendation as well as the agency's original request. (Exhibit 1) He gave the committee a brief history of the responsibilities of the division. Regarding the hand-out, Mr. Majerus pointed out that at the bottom of the form they have listed the adjustments they are addressing this morning. They addressed their adjustments to the LFA's budget. The first adjustment Mr. Majerus referred to was a .9 FTE which consists of .4 attorney and .5 secretary. This secretary was deleted by the LFA. This secretary was the result of an agreement they made last session with the committee to take over manufacturer and dealer licensing responsibilities from the Dept. of Business Regulation. The position apparently showed "vacant" on the Position Control Roster. The position has actually been filled since April of 1982 and should have shown as filled on the Position Roster. The other .4 is an attorney who was deleted by the LFA. As a result of the transfer of the vehicle licensing from Business Regulation, the division was given \$5,000 to hire hearings examiners should there be a

Minutes of the Meeting of the Appropriations Sub-committee on
Elected Officials and Highways, Page 2, January 10, 1983

contested case between the manufacturer and dealer regarding a franchise. Because of the economy the manufacturers are not going around taking away franchises, if they do, it is usually from somebody who has gone broke. So there haven't been any contested cases. As a result, in the last fiscal year there were no hearings. That appropriation remains intact and was reverted in its entirety. Because it wasn't used they would like to retain that attorney position. This attorney is a shared position with the Legal Services Division. The Motor Vehicle Division pays 40 percent and the Legal Services pays 60 percent. She handles the appeals and litigations that pertain to motor vehicle matters. About two-thirds of those matters are a result of drivers' suspensions and revocations. The remaining third of her time is spent on cases such as a bonding case where they failed to file a lien or whether a lien should be filed. In reality they are presently using her more than 40% of her time. If they received the \$5,000 in purchasing her they could only get 143 hours while at 40% they could use 800 hours. So they feel it is important that this position be maintained.

Driver Licensing Program (185) (Exhibit 2)

In the Driver's Services Bureau there are 26 examiners and 14.8 clerical FTE's in 60 exam stations throughout the state. They travel 6,000 miles each week and they renew or test 4,000 Montana drivers each week. In addition, these examiners conduct about 25 to 30 counseling sessions each week with problem drivers. In headquarters they do about 7,000 searches each week and maintain about 600,000 driver records, process applications and driver licenses. In Driver Improvement they issue probationary licenses, suspend and revoke approximately 150 problem drivers per week, 100 of which are a result of DUI actions. They also certify habitual offenders, schedule counseling sessions and process medical reports and eye exams. Mr. Majerus said he hoped to distribute the new driver manual to the committee sometime within the next month. This manual is a major departure from the current manual as it not only contains the rules of the road but also the skills, driving attitudes and problems of the driver.

Presently the Driver Services Program has been funded at 81.3 positions. This includes 40.8 positions in the field, 9 are in Driver Improvement, 8.5 in data processing, 6 in administration support positions, which includes the supervisors, 17 in records and in validating. The Budget Office recommended the deletion of one FTE and the LFA recommended a 3.5 vacancy savings based on the program vacancy in FY82.

Mr. Majerus said they have assumed data entry responsibilities for the Crime Control Division. Previously they had to go outside

Minutes of the Meeting of the Appropriations Sub-committee on
Elected Officials and Highways, Page 3, January 10, 1983

the department and it is to their benefit to do that and control the data within the building. A position was also returned to the Highway Patrol which had been borrowed during the transition period. They have also had a 23% increase in DUI processing, 10% increase in records checks and 50% increase in implied consent refusals. Based on these facts Mr. Majerus asked that they be able to retain this position.

Regarding "Personal Services" Mr. Majerus asked that the agency, Budget Office and the LFA get together and agree on these figures.

The second issue is under "Supplies and Materials". There is a difference of \$3,042 in the first year and \$3,217 in the second year. This is the cost of minor tools, instruments and equipment. These include such items as batteries, light bulbs, eye machine cards, stop watches and seals. Mr. Majerus asked that these items be reinstated.

The "Rent" figures are different between the LFA and the Budget Office and Mr. Majerus asked that they get together and decide on one set of figures.

"Equipment" (285) is the last item. These figures reflect the difference between their budget and the LFA. These are for vehicles and Mr. Majerus asked that the committee reinstate \$22,470 the first year and \$14,980 the second year. That would be 5 vehicles in 1984 and 4 vehicles in 1985. The LFA recommended two vehicles for each year. Mr. Majerus said they had projected the mileage for the cars to December. The first car will have 83,000 miles on it and the fifth car will have 61,000. He also feels that to delay the replacement of these cars would be dangerous. In addition, he said the repair bills would be enormous. They have two cars in the field that have 80,000 miles on them. The problem is not only the repair bills but also finding a car for them to use while the car is being repaired. They are asking to trade in 9 out of 20 vehicles in the next two years. There are 4,000 drivers processed per week. This figure grows about 3% or 4% each year. This year there was a large increase but they aren't sure at this time what has caused it.

Vehicle Registration

Mr. Majerus gave the committee a brief history of the responsibilities of this division. There are 70 FTE's in Deer Lodge. They process about 340,000 titles per year which is a 10% increase over the years of 1980 and 1981. They license and regulate 800 motor vehicle dealers and manufacturers. They also license boats, snowmobiles, issue personalized plates and correspond with about 250 people per day. As a result of legislative action in previous years they now have eleven counties which are automated. They

Minutes of the Meeting of the Appropriations Sub-committee on
Elected Officials and Highways, Page 4, January 10, 1983

have physically put out data processing equipment that allows the counties to communicate directly with the host computer here in Helena. This has allowed them to absorb an increase in registration over the last year. In 1981 the counties put in 370,000 registrations. Last year they put in 470,000.

Mr. Majerus pointed out to the committee (Exhibit 3) that the difference under "Contracted Services" in the agency's request and the LFA's is a difference of \$20,000 in FY84 and \$23,200 in FY85. That is due to a request of the agency to print a different type of title than they are now issuing. Mr. Majerus showed the committee a copy of the present title that is now issued and which has been altered. He then showed the committee a sample of the type of title they would like to use. The change is to provide more security and decrease the number of titles that are now being altered. (Tape 4, Side B)

Mr. Majerus said that Montana is referred to as one of three states where auto thieves can launder their titles. About nine months ago they gave very serious attention to the stolen vehicle problem in the State of Montana. They put together a three-part plan to deal with anti-theft measures. The first part of this plan is that they now flag the computer file with the help of the LET system on every vehicle stolen in the state. The second part of the system that was recently implemented would allow any vehicles coming into the state when they are checked against the file, it will automatically check them against the National Crime Information Center (NCIC). This is unique to the State of Montana because they are in the same department as the LET's people are and they have access to NCIC.

The second part of this program is that legislation has been prepared that would grant them the power to inspect all vehicles brought into Montana and for which a Montana title is requested. Montana is the only state in this area that presently does not require this inspection.

The third part of that program is the security features on the title. The states have gotten together and developed standard security items for their titles. A title in the state costs about \$3.00. This new feature will cost 6 cents per title. Mr. Majerus also explained that as the present titles are sent out the carbon image is on the title. If there is a change of address or if individuals, instead of opening their title up, they will write on the outside that this is for the trailer and they will put it in a file. By writing on the outside of that envelope it goes through the carbon and it may void the title. Any marks, erasures or alterations will automatically void the title.

Mr. Marjerus asked that these amounts be restored as they show on the bottom of Exhibit 3. These amounts are \$20,000 for FY84 and \$23,200 for FY85.

Minutes of the Meeting of the Appropriations Sub-committee on
Elected Officials and Highways, Page 5, January 10, 1983

In answer to a question by the Chairman, Mr. Majerus said there was the possibility of the state being sued if a lending agency lost money because of the alteration of a title.

In answer to a question from Senator Keating about the differences between the Governor's recommendation and the LFA's recommendation under "Personal Services" Mr. Majerus explained that it was his understanding that these figures were taken off the Position Control Roster at different dates. As an agency, Mr. Majerus asked that these staff people work out the differences with the committee.

Senator Van Valkenburg said last session the legislature funded some additional terminals in county offices and in the course of that, reduced FTE's in Deer Lodge. Apparently there is no recommendation to fund any additional terminals in the counties. He recalled that the legislature did not fund all the terminals requested in the last session. Mr. Majerus explained to the committee that the sub-committee did not fund all the counties in the request. They funded all but one. However, on appeal, the sub-committee did fund the last one. Four were requested and four were ultimately funded. Mr. Majerus said that they were at the point of break-even. Unless they can find a way to cut the cost to the counties they are not going to be in a position to add counties. The eleven largest counties are currently automated. He said that some of the next counties in line are in eastern Montana and the line costs between Helena and eastern Montana would be quite expensive. They will have to look at alternatives such as if the counties could share lines or come up with a way to bring them on at a reasonable cost.

Mr. Marjerus told the committee that the last three items on the budget sheet were not included in the LFA's budget because the budget modification was not turned in to them or it got lost. This is to pay in "Rent" the software leases for Series Ones and the repair and maintenance agreements on the system. The "Equipment" is the payments; two more payments that have to be made in this biennium of \$25,990 for each fiscal year. These amounts were included in the Governor's recommendation. Basically this equipment allows the state to communicate with the county registration systems.

In answer to a question by Senator Dover, Mr. Majerus said there were other items in the agency's budget that were not included in the Governor's recommendation. Mr. Majerus said they also requested money to replace a cargo van, in the amount of \$8,000. That is not included in the Governor's budget recommendation. Also they requested two microfilm readers per fiscal year. In 1979 they started microfilming. They came to the legislature last session and asked for additional money to buy readers and a camera and they received that through a modification from this

Minutes of the Meeting of the Appropriations Sub-committee on
Elected Officials and Highways, Page 6, January 10, 1983

committee. Right now they are filming at the rate of 300,000 documents per year. They went from 180,000 to 300,000 since 1979. They also have a back-up of film in Helena in case of fire or flood destroying the records in Deer Lodge. They would have had to find some way of storing over 4 million documents had they not gone to the microfilm. Presently 53% of the title transfers are already on microfilm. As that percentage increases they have to access that microfilm more and more often. They need additional readers to keep up with that. This is included in the LFA's request as two readers for each fiscal year. The Governor's recommendation included one each year.

Terry Cohea, OBPP, told the committee that the Governor's recommendation was that the car used by the Attorney General be transferred to Deer Lodge for this purpose.

Mr. Majerus told the committee that this car was a station wagon and they felt this would not serve their needs for a cargo vehicle. They have a 3/4 ton van at present. They went to a van originally instead of a pickup because of weather conditions. You can't put data processing equipment in a pickup and expect it to remain dry. It's too expensive equipment to handle that way. They feel this is going to be a problem.

Mr. Greely responded that he felt if they were going to use his station wagon it would be a problem because it has been having maintenance problems and his recommendation was that they junk it. Mr. Majerus said the van was purchased approximately in 1975 and has at present 80,000 miles on it.

In answer to a question by Senator Keating, Mr. Majerus said the value of the data processing equipment they are hauling is approximately \$3,000 to \$4,000. They also haul paper to the dump or to the disposal site, and also haul license plates which are quite heavy. He felt they need a bigger vehicle than a station wagon.

There being no further questions, the hearing was closed.

The committee discussed their scheduling of work sessions and ultimately planned to have work sessions after the hearings, as time allows.

The meeting was adjourned at 10:25 a.m.



Joe Quilici, Chairman

dm

DEPARTMENT OF JUSTICE

PROGRAM: Motor Vehicle Admin.

CURRENT LEVEL SERVICES

1984 REQUEST

EXHIBIT 1.

Jan. 10, '83

1985 REQUEST

	Agency Request	Exec. Budget	LFA Budget	LFA-Ex Diff.	Agency Request	Exec. Budget	LFA Budget	LFA-Ex Diff.
--	----------------	--------------	------------	--------------	----------------	--------------	------------	--------------

F.T.E. 2.9 2.9 2.0 (.9) 2.9 2.9 2.0 2.0 (.9)

Personal Services

Salaries	67,545	69,197			67,287	68,932		
Employee Ben.	12,841	13,087			12,924	13,172		
Subtotal	<u>80,386</u>	<u>82,284</u>	62,755	(19,529)	<u>80,211</u>	<u>82,104</u>	62,701	(19,403)

Operating Expenses

Contracted Svs.	922	435	918	483	976	460	971	511
Supplies & Mat.	1,708	1,708	1,703	(5)	1,816	1,816	1,806	(10)
Communications	652	647	649	2	749	744	745	1
Travel	2,238	1,516	2,235	719	2,270	1,531	2,265	734
Rent	3,785	2,978	3,680	702	4,478	3,296	3,900	604
Utilities	-	-	-	-	-	-	-	-
Rep. & Maint.	607	146	183	37	644	155	192	37
Other Exp.	2,368	2,071	2,364	293	2,511	2,196	2,504	308
Subtotal	<u>12,280</u>	<u>9,501</u>	<u>11,732</u>	<u>2,231</u>	<u>19,663</u>	<u>10,198</u>	<u>12,383</u>	<u>2,185</u>

Equipment

Equipment	301	301	301	-	378	378	378	-
-----------	-----	-----	-----	---	-----	-----	-----	---

Funding

General Fund	-				-			
Motor Vehicle	92,967	92,086	74,788	(17,298)	99,790	92,680	75,462	(17,218)
TOTAL FUNDING	92,967	92,086	74,788	(17,298)	100,252	92,680	75,462	(17,218)

ADJUSTMENTS TO LFA BUDGET RECOMMENDATION:

1. FTE .9

.5 FTE secretary deleted by LFA. Position has been filled since 4/82 and should be maintained.

.4 FTE Attorney deleted by LFA. Position was not supported by Line Item appropriation as indicated in Budget Analysis and should be maintained.

P.T.E.	81.3	80.3	81.3	81.3	80.3	81.3
Personal Services						
Salaries	1,221,764	1,211,870		1,217,208	1,207,350	
Employee Ben.	254,349	251,961		255,760	253,361	
Subtotal	<u>1,476,113</u>	<u>1,463,831</u>	1,497,623	<u>1,472,968</u>	<u>1,460,711</u>	1,495,502
Operating Expenses						
Contracted Svs.	238,332	231,900	229,898	252,632	245,814	243,688
Supplies & Mat.	54,139	53,894	50,852	58,713	58,441	55,224
Communications	28,298	29,759	28,213	32,463	34,275	32,368
Travel	28,111	25,613	28,102	28,242	25,727	28,229
Rent	87,572	90,063	83,516	92,826	99,397	88,524
Utilities	3,691	3,525	3,688	4,574	4,363	4,569
Rep. & Maint.	38,681	34,861	34,461	41,002	36,954	36,522
Other Exp.	2,510	2,954	2,505	2,660	3,131	2,654
Subtotal	<u>481,334</u>	<u>472,569</u>	<u>461,235</u>	<u>513,112</u>	<u>508,102</u>	<u>491,778</u>
Equipment	71,835	32,470	24,640	64,233	34,060	26,470
Total Program	2,029,282	1,968,870	1,983,498	2,050,313	2,002,873	2,013,750
Funding						
General Fund	1,929,782	1,269,470	1,891,493	1,949,813	1,303,973	1,919,093
Other Funds	<u>99,500</u>	<u>699,400</u>	<u>92,005</u>	<u>100,500</u>	<u>698,900</u>	<u>94,657</u>
TOTAL FUNDING	2,029,282	1,968,870	1,983,498	2,050,313	2,002,873	2,013,750

ADJUSTMENTS TO LFA BUDGET RECOMMENDATIONS:

- Personal Services - To be discussed by Agency/LFA/OBPP representatives.
- Supplies and Materials - Increase LFA FY84 budget \$3,042. Increase LFA FY 85 budget \$3,217. Costs for minor tools--e.g. batteries, light bulbs, eye machine cards.
- Equipment - Increase LFA FY84 budget \$22,470. Increase LFA FY85 budget \$14,980. Provide a total of five vehicles in FY84 and four vehicles in FY85. LFA recommended ~~three~~ **two** vehicles each fiscal year.

DEPARTMENT OF JUSTICE
 PROGRAM: Vehicle Registration

CURRENT LEVEL SERVICES
 EXHIBIT 3.
 Jan. 10, '83 1985 REQUEST

	1984 REQUEST	LFA	Agency Request	Exec. Budget	LFA-Ex Diff.	Agency Request	Exec. Budget	LFA Budget	LFA-Ex Diff.
F.T.E.	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0
Personal Services									
Salaries	934,791	934,791	930,934	930,934		930,934	930,934		
Employee Ben.	199,099	199,099	200,135	200,137		200,135	200,137		
Subtotal	1,133,890	1,133,890	1,149,547	1,149,547	15,657	1,131,069	1,131,071	1,147,917	16,847
Operating Expenses									
Contracted Svs.	417,308	412,517	388,655	388,655	(23,862)	442,346	435,007	411,970	(23,037)
Supplies & Mat.	29,094	29,063	29,089	29,089	26	30,910	30,876	30,900	24
Communications	198,481	201,030	198,452	198,452	(2,578)	222,671	226,258	222,636	(3,622)
Travel	3,980	3,979	3,975	3,975	(4)	4,119	4,118	4,113	(5)
Rent	73,764	65,128	60,688	60,688	(4,440)	78,190	69,036	64,326	(4,710)
Utilities	13,795	13,795	13,792	13,792	(3)	16,877	16,877	16,871	(6)
Rep. & Maint.	55,121	55,121	47,568	47,568	(7,553)	58,429	58,429	50,416	(8,013)
Other Exp.	10,736	10,736	10,731	10,731	(5)	11,381	11,381	11,372	(9)
Subtotal	802,279	791,369	752,950	752,950	(38,419)	864,923	851,982	812,604	(39,378)
Equipment	37,590	27,790	11,370	11,370	16,420	29,590	27,790	3,600	24,190
Total Program	1,973,759	1,953,049	1,913,867	1,913,867	(39,182)	2,025,582	2,010,843	1,964,121	(46,722)
Funding									
General Fund	-	-	-	-		-	-	-	
Other Funds	1,973,759	1,953,049	1,913,867	1,913,867	(39,182)	2,025,582	2,010,843	1,964,121	(46,722)
TOTAL FUNDING	1,973,759	1,953,049	1,913,867	1,913,867	(39,182)	2,025,582	2,010,843	1,964,121	(46,722)

ADJUSTMENTS TO LFA BUDGET RECOMMENDATION:

1. Personal Services - To be discussed by Agency/LFA/OBPP representatives.
2. Contracted Services - Increase LFA FY84 budget \$20,000. Increase LFA FY85 budget \$23,200. Purchase secure motor vehicle titles.
3. Rent - Increase LFA FY84 budget \$4,668. Increase LFA FY85 budget \$4,668. Pay for software lease for Series 1.
4. Repair and Maintenance - Increase LFA FY84 budget \$6,870. Increase LFA FY85 budget \$6,870. Pay for maintenance contract for Series 1.
5. Equipment - Increase LFA FY84 budget \$25,990. Increase LFA FY85 budget \$25,990. Pay for purchase agreement for Series 1.

