

MINUTES OF THE MEETING
HUMAN SERVICES SUBCOMMITTEE
MONTANA STATE
HOUSE OF REPRESENTATIVES

February 25, 1985

The meeting of the Human Services Subcommittee was called to order by Chairman Cal Winslow on February 25, 1985 at 7:05 a.m. in Room 108 of the State Capitol.

ROLL CALL: All members were present. .

E X E C U T I V E A C T I O N

DEPARTMENT OF LABOR AND INDUSTRY

Commissioner's Office (EXHIBIT 1)

Senator Manning (61:A:021) made a motion to accept the executive request for 4 FTE in FY86 and 4 FTE in FY87.

Discussion followed concerning for clarification of the deputy director's position.

The motion PASSED.

Representative Rehberg made a motion to accept the LFA current level for personal services of \$106,208 in FY86 and \$106,447 in FY87 and adjusted for the change in FTE.

The motion PASSED.

Representative Rehberg made a motion to accept the LFA current level for operating expenses of \$26,507 in FY86 and \$25,462 in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the \$8,000 in dues to the Interstate Conference of Employment Security not included in the LFA current level and move this amount to centralized services division.

The motion PASSED.

Labor Standards (EXHIBIT 2)

Representative Rehberg made a motion to accept the executive request for 16 FTE in FY86 and 16 FTE in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the executive request for personal services of \$398,728 in FY86 and \$399,781 in FY87 with the adjustments made.

Representative Rehberg made a substitute motion to accept the LFA current level of \$372,290 in FY86 and \$373,353 in FY87 with the adjustments made.

The substitute motion PASSED.

Representative Rehberg made a motion to accept the LFA current level for operating expenses of \$145,438 in FY86 and \$146,942 in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the additional \$11,832 for legal fees, and take \$2,000 out of the LFA current level for travel expenses.

The motion PASSED.

Representative Rehberg made a motion to accept the executive request for equipment of \$346 in FY86 and 0 in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the executive request for total funding of \$550,516 in FY86 and \$551,925 in FY87.

The motion PASSED.

Appeals (EXHIBIT 3)

Representative Rehberg made a motion to accept the executive request for 13.5 FTE in FY86 and 13.5 FTE in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the LFA current level for personal services of \$417,561 in FY86 and \$418,465 in FY87 with the adjustments made.

The motion PASSED.

Representative Rehberg made a motion to accept the LFA current level for operating expenses of \$128,499 in FY86 and \$132,163 in FY87.

The motion PASSED.

Representative Rehberg made a motion to take out \$8,000 for rent and include \$3,938 for consultant fees in the LFA.

HUMAN SERVICES SUBCOMMITTEE

February 25, 1985

Page Three

Discussion followed concerning the consultant fees and the fact-finding procedure.

The motion PASSED.

Senator Manning made a motion to accept an additional \$2,000 per year for costs of litigation in the Appeals division.

The motion PASSED.

Representative Rehberg made a motion to accept the LFA current level for funding of \$546,060 in FY86 and \$550,628 in FY87 and adjusted for the change in FTE.

The motion PASSED.

Human Rights Division (EXHIBIT 4)

Representative Rehberg made a motion to accept the LFA current level of 9.75 FTE in FY86 and 9.75 in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the LFA current level for personal services of \$225,800 in FY86 and \$226,273 in FY87.

Discussion followed concerning the increase in the number of cases, and possibly increasing the amount of personal services.

Representative Bradley made a substitute motion to accept the LFA current level and adjust upwards for the upgrading.

The substitute motion PASSED.

Representative Rehberg made a motion to accept the LFA current level for operating expenses of \$72,376 in FY86 and \$74,269 in FY87.

The motion PASSED.

Senator Christiaens made a motion to accept the additional amounts of \$3,600 for communications and \$1,400 for rent of a copier.

The motion PASSED.

Senator Christiaens made a motion to accept the executive request for funding of \$316,408 in FY86 and \$318,015 in FY87.

The motion PASSED.

Representative Rehberg (62:A:010) made a motion to accept the modified level for a full-time compliance officer from general fund of \$10,082 in FY86 and \$14,342 in FY87.

Rod Sager from the department pointed out that this is already in the executive budget and has already been taken care of.

Senator Christiaens made a motion to accept the modified level for a part-time compliance officer of .75 FTE in FY86 and .75 FTE in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the modified level for a part-time compliance officer funding of \$17,207 in FY86 and \$17,215 in FY87.

The motion PASSED.

Job Service (EXHIBIT 5)

Representative Rehberg made a motion to accept the LFA current level for 355 FTE in FY86 and 355 FTE in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the LFA current level for personal services of \$8,206,985 in FY86 and \$8,221,226 in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the LFA current level for operating expenses of \$1,808,339 in FY86 and \$1,875,633 in FY87.

The motion PASSED.

Senator Christiaens made a motion to accept the additional amounts of \$14,000 for rent and \$10,000 for repair and maintenance.

The motion PASSED.

Representative Rehberg made a motion to accept the LFA current level for equipment of \$355,251 in FY86 and \$356,809 in FY87.

The motion PASSED.

HUMAN SERVICES SUBCOMMITTEE

February 25, 1985

Page Five

Senator Manning made a motion to accept the executive request for grants of \$2,600,000 in FY86 and \$3,000,000 in FY87.

Chairman Winslow said that if the LFA current level was accepted, all of the JTPA funds would be accounted for in one accounting segment, rather than being spread out all over.

Senator Manning withdrew his motion.

Representative Rehberg made a motion to accept the LFA current level for grants of \$80,000 in FY86 and \$80,000 in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the LFA current level for funding of \$10,450,575 in FY86 and \$10,533,668 in FY87.

The motion PASSED.

Senator Manning made a motion to accept the modified level for management training funding of \$48,880 in FY86 and \$48,880 in FY87.

The motion PASSED.

Rod Sager gave the committee a copy of language to be inserted into the appropriation's bill (EXHIBIT 6).

Representative Rehberg made a motion to accept the above language into the appropriations bill.

The motion PASSED.

Unemployment Insurance (EXHIBIT 7)

Representative Rehberg made a motion to accept the LFA current level of 84.9 FTE in FY86 and 84.9 FTE in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the LFA current level for personal services of \$1,725,324 in FY86 and \$1,727,733 in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the LFA current level for operating expenses of \$455,444 in FY86 and \$468,228 in FY87.

The motion PASSED.

Senator Christiaens made a motion to accept the additional amounts of \$15,000 for maintenance contracts and \$32,000 for computer processing charges.

The motion PASSED.

Senator Manning made a motion to accept the executive request for equipment of \$95,299 in FY86 and \$83,923 in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the modified request of 6 FTE in FY86 and 6 FTE in FY87 for the Random Audit program.

The motion PASSED.

Representative Rehberg made a motion to accept the modified request of \$183,908 in FY86 and \$181,005 in FY87 for the Random Audit program funding.

Representative Rehberg made a motion to accept the modified request of 2 FTE in FY86 and 2 FTE in FY87 for the FTE transfer from the Centralized Services program to the Unemployment Insurance program.

The motion PASSED.

Representative Rehberg made a motion to accept the modified request of \$49,360 in FY86 and \$49,381 in FY87 for the FTE transfer funding.

The motion PASSED.

Centralized Services Division (EXHIBIT 8)

Representative Rehberg made a motion to accept the LFA current level for 118 FTE in FY86 and 118 FTE in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the LFA current level for personal services of \$2,777,079 in FY86 and \$2,780,635 in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the LFA current level for operating expenses of \$1,040,830 in FY86 and \$1,087,195 in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the additional amounts of \$17,000 for travel and \$15,000 for maintenance contracts.

The motion PASSED.

Representative Rehberg made a motion to accept the LFA current level for equipment of \$55,077 in FY86 and \$7,543 in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the LFA current level funding of \$3,872,986 in FY86 and \$3,875,373 in FY87 with the appropriate adjustments made.

The motion PASSED.

Representative Rehberg made a motion to accept the modified request for 3 FTE in FY86 and 3 FTE in FY87 for the Employment Statistics program.

The motion PASSED.

Representative Rehberg made a motion to accept the modified request for the employment statistics funding of \$103,073 in FY86 and \$85,813 in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the modified request for 1 FTE in FY86 and 1 FTE in FY87 for the Montana Career Information System (MCIS).

The motion PASSED.

Representative Rehberg made a motion to accept the modified request for the MCIS funding of \$43,079 in FY86 and \$43,089 in FY87.

The motion PASSED.

Senator Manning made a motion to accept the additional 4 FTE in FY86 and 4 FTE in FY87 from the transfer from the university system to this department.

The motion PASSED.

Representative Rehberg made a motion to accept the executive request for the Job Training Partnership Act (JTPA) grants of \$7,475,000 in FY86 and \$7,475,000 in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the executive request for JTPA funding of \$7,475,000 in FY86 and \$7,475,000 in FY87.

The motion PASSED.

Worker's Compensation Division (EXHIBIT 9)

Representative Rehberg made a motion to accept the LFA current level of 168 FTE in FY86 and 168 FTE in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the LFA current level for personal services of \$3,548,575 in FY86 and \$3,556,790 in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the LFA current level for operating expenses of \$2,371,678 in FY86 and \$2,396,596 in FY87.

The motion PASSED.

Senator Manning made a motion to accept the LFA current level for equipment of \$184,642 in FY86 and \$133,445 in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the LFA current level for crime victim's benefits of \$430,000 in FY86 and \$432,500 in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the modified level for crime victim's fund funding of \$150,000 in FY86 and \$150,000 in FY87.

The motion PASSED.

Senator Manning made a motion to accept the LFA current level for silicosis benefits of \$615,600 in FY86 and \$580,800 in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the LFA current level for social security offset payments of \$88,301 in FY86 and \$87,858 in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the LFA current level for the Worker's Compensation Division total funding of \$7,238,796 in FY86 and \$7,187,989 in FY87.

The motion PASSED.

Senator Manning made a motion to accept 4 additional FTE in FY86 and 4 FTE in FY87 for claims examiner positions in the State Insurance Fund program.

The motion PASSED with Representative Rehberg and Senator Story voting NO.

Senator Manning made a motion to accept the modified level for claims examiners funding of \$94,466 in FY86 and \$94,386 in FY87.

The motion PASSED.

Representative Rehberg made a motion to accept the modified request for 3 FTE in FY86 and 3 FTE in FY87 for the state insurance fund.

The motion PASSED.

Representative Rehberg made a motion to accept the modified level for state insurance fund funding of \$103,326 in FY86 and \$85,841 in FY87.

The motion PASSED.


Senator Christiaens brought up the issue of the backlog of cases in the Human Rights division. He said he would like the committee to recommend funding .5 FTE for a compliance supervisor for that division. He said the figures would be \$18,131 in FY86 and \$17,521 in FY87.

Senator Christiaens made a motion to accept the additional .5 compliance supervisor for the Human Rights division for both FY86 and FY87.

ROLL CALL VOTE

Request for a Roll Call Vote was made (62:B:020). On a tie vote, the position was included without recommendation.

The meeting was adjourned at 1:03 p.m.



CAL WINSLOW, Chairman

DAILY ROLL CALL

Human Services Subcommittee

49th LEGISLATIVE SESSION -- 1985

Date 2-25-85

[illegible]

ROLL CALL VOTE

COMMITTEE Human Services Subcommittee

DATE February 25, 1985 BILL NO. TIME 1:00 p.m.

[illegible]

Colleen Johnson
Secretary
Colleen Johnson

Cal Winslow
Chairman
Cal Winslow

Motion: To accept .5 FTE in FY86 and .5 FTE in FY87 for a compliance supervisor for the Human Rights division of the Department of Labor and Industry.

DEPARTMENT OF LABOR AND INDUSTRY

Commissioner's Office

<u>PERSONAL SERVICES</u>	<u>1986</u>	<u>1987</u>
Executive FTE	4.0	4.0
LFA Current Level FTE	<u>3.0</u>	<u>3.0</u>
Difference	<u>1.0</u>	<u>1.0</u>
Executive	\$153,547	\$153,807
LFA Current Level	<u>106,208</u>	<u>106,447</u>
Difference	<u>\$ 47,339</u>	<u>\$ 47,360</u>

- - - - - Personal Services Issues - - - - -

1. LFA current level deletes the position of deputy commissioner, while the executive retains the position.

2. Committee Issues

Committee Action--Personal Services

<u>OPERATING EXPENSES</u>	<u>1986</u>			<u>1987</u>		
	<u>Base</u>	<u>Inflation</u>	<u>Total</u>	<u>Base</u>	<u>Inflation</u>	<u>Total</u>
Executive	\$36,139	\$523	\$36,662	\$34,812	\$637	\$35,449
LFA Current Level	<u>25,907</u>	<u>595</u>	<u>26,502</u>	<u>24,475</u>	<u>987</u>	<u>25,462</u>
Difference	<u>\$10,232</u>	<u>\$(72)</u>	<u>\$10,160</u>	<u>\$10,337</u>	<u>\$(350)</u>	<u>\$ 9,987</u>

- - - - - Operating Expenses Issues - - - - -

1. The executive contains \$8,000 in dues to the Interstate Conference of Employment Security Agencies not included in current level. The remainder of the difference is in miscellaneous items.

2. Committee Issues

Committee Action--Operating Expenses

DEPARTMENT OF LABOR AND INDUSTRY

Labor Standards

PERSONAL SERVICES

	<u>1986</u>	<u>1987</u>
Executive FTE	<u>16.0</u>	<u>16.0</u>
LFA Current Level FTE	<u>14.75</u>	<u>14.75</u>
Difference	<u>1.25</u>	<u>1.25</u>
Executive	<u>\$398,728</u>	<u>\$399,781</u>
LFA Current Level	<u>372,290</u>	<u>373,353</u>
Difference	<u>\$ 26,438</u>	<u>\$ 26,428</u>

----- Personal Services Issues -----

1. The executive has deleted a .25 FTE training position supported by Veterans' Administration funds included in LFA current level and has added a general fund compliance specialist and a half-time secretary transferred from the Employment Security and Appeals Divisions.

2. Committee Issues

Committee Action--Personal Services

OPERATING EXPENSES

	<u>1986</u>			<u>1987</u>		
	<u>Base</u>	<u>Inflation</u>	<u>Total</u>	<u>Base</u>	<u>Inflation</u>	<u>Total</u>
Executive	\$147,689	\$3,753	\$151,442	\$147,198	\$4,946	\$152,144
LFA Current Level	<u>141,967</u>	<u>3,471</u>	<u>145,438</u>	<u>140,745</u>	<u>6,197</u>	<u>146,942</u>
Difference	<u>\$ 5,722</u>	<u>\$ 282</u>	<u>\$ 6,004</u>	<u>\$ 6,453</u>	<u>\$(1,251)</u>	<u>\$ 5,202</u>

----- Operating Expenses Issues -----

1. The executive includes an additional \$11,832 in legal fees and printing costs while LFA current level contains \$2,000 in travel over the executive. The remainder of the difference is in rent and indirect charges.

2. Committee Issues

Committee Action--Operating Expenses

<u>EQUIPMENT</u>	<u>1986</u>	<u>1987</u>
Executive	\$346	\$ -0-
LFA Current Level	400	-0-
Difference	<u>\$(54)</u>	<u>\$ -0-</u>

- - - - - Equipment Issues - - - - -

1. Both the executive and the LFA fund a recorder to record hearings in fiscal 1986.

2. Committee Issues

Committee Action--Equipment

<u>FUNDING</u>	<u>1986</u>		<u>1987</u>	
	<u>Exec.</u>	<u>LFA</u>	<u>Exec.</u>	<u>LFA</u>
General Fund	\$547,266	\$460,301	\$548,675	\$462,255
Private Employ. Agencies	3,250	3,250	3,250	3,250
Veterans' Administration	-0-	54,577	-0-	54,790
Total	<u>\$550,516</u>	<u>\$518,128</u>	<u>\$551,925</u>	<u>\$520,295</u>

----- Funding Issues -----

1. LFA current level includes federal funding from the Veterans' Administration at the percentage contribution that was potentially available in fiscal 1984.

2. Committee Issues

Committee Action--Funding

DEPARTMENT OF LABOR AND INDUSTRY

Appeals

<u>PERSONAL SERVICES</u>	<u>1986</u>	<u>1987</u>
Executive FTE	<u>13.5</u>	<u>13.5</u>
LFA Current Level FTE	<u>14.5</u>	<u>14.5</u>
Difference	<u>(1)</u>	<u>(1)</u>
Executive	\$401,376	\$402,248
LFA Current Level	<u>417,561</u>	<u>418,465</u>
Difference	<u>\$(16,185)</u>	<u>\$(16,217)</u>

- - - - - Personal Services Issues - - - - -

1. The executive has deleted a 1 FTE secretarial position retained in current level.

2. Committee Issues

Committee Action--Personal Services

<u>OPERATING EXPENSES</u>	<u>1986</u>			<u>1987</u>		
	<u>Base</u>	<u>Inflation</u>	<u>Total</u>	<u>Base</u>	<u>Inflation</u>	<u>Total</u>
Executive	\$121,026	\$5,216	\$126,242	\$121,724	\$ 7,026	\$128,750
LFA Current Level	<u>123,271</u>	<u>5,228</u>	<u>128,499</u>	<u>123,137</u>	<u>9,026</u>	<u>132,163</u>
Difference	<u>\$ (2,245)</u>	<u>\$ (12)</u>	<u>\$ (2,257)</u>	<u>\$ (1,413)</u>	<u>\$(2,000)</u>	<u>\$ (3,413)</u>

- - - - - Operating Expenses Issues - - - - -

1. LFA current level contains \$8,000 in rent not included in the executive budget, while the executive contains \$3,938 in consultant fees not included in the LFA current level. The remainder of the difference is in miscellaneous items.

2. Committee Issues

Committee Action--Operating Expenses

FUNDING

	<u>1986</u>		<u>1987</u>	
	<u>Exec.</u>	<u>LFA</u>	<u>Exec.</u>	<u>LFA</u>
General Fund	\$307,763	\$309,617	\$309,735	\$312,967
Bd. of Personnel Appeals	7,280	7,280	7,280	7,280
L&I Federal Funding	209,075	225,663	210,483	226,881
Appeals Case Decision	3,500	3,500	3,500	3,500
Total	<u>\$527,618</u>	<u>\$546,060</u>	<u>\$530,998</u>	<u>\$550,628</u>

----- Funding Issues -----

1. Federal funds are based primarily on an FTE allocation. LFA current level maintains fiscal 1984 FTE levels and therefore retains federal funds at the fiscal 1984 percentage contribution.

2. Committee Issues

Committee Action--Funding

DEPARTMENT OF LABOR AND INDUSTRY

Human Rights

<u>PERSONAL SERVICES</u>	<u>1986</u>	<u>1987</u>
Executive FTE	9.75	9.75
LFA Current Level FTE	9.75	9.75
Difference	0.0	0.0
Executive	\$235,243	\$235,707
LFA Current Level	225,800	226,273
Difference	\$ 9,443	\$ 9,434

- - - - - Personal Services Issues - - - - -

1. The difference in personal services is primarily due to the upgrading of 4.5 FTE compliance specialist positions not included in current level.

2. Committee Issues

Committee Action--Personal Services

<u>OPERATING EXPENSES</u>	<u>1986</u>			<u>1987</u>		
	<u>Base</u>	<u>Inflation</u>	<u>Total</u>	<u>Base</u>	<u>Inflation</u>	<u>Total</u>
Executive	\$77,887	\$3,278	\$81,165	\$77,739	\$4,569	\$82,308
LFA Current Level	69,997	2,379	72,376	69,915	4,354	74,269
Difference	\$ 7,890	\$ 899	\$ 8,789	\$ 7,824	\$ 215	\$ 8,039

- - - - - Operating Expenses Issues - - - - -

1. The executive contains \$3,600 in communications not included in LFA current level. The executive also includes \$1,400 for the rent of a copier not included in current level. The remainder of the difference is in indirect charges and Department of Administration rent.

2. Committee Issues

Committee Action--Operating Expenses

<u>FUNDING</u>	<u>1986</u>		<u>1987</u>	
	<u>Exec.</u>	<u>LFA</u>	<u>Exec.</u>	<u>LFA</u>
General Fund	\$203,437	\$184,076	\$209,294	\$186,002
EEOC and HUD	112,971	114,100	108,721	114,540
Total	<u>\$316,408</u>	<u>\$298,176</u>	<u>\$318,015</u>	<u>\$300,542</u>

----- Funding Issues -----

1. EEOC and HUD funding levels are based upon the number of cases received. The executive anticipates 240 cases while LFA current level has assumed the fiscal 1984 percentage contribution of each fund source to total funding.

2. Committee Issues

Committee Action--Funding

Modified Level

Full-time Compliance Officer

Last session a compliance officer was added to handle housing discrimination cases and was funded 100 percent by Housing and Urban Development (HUD). Because there were only five cases handled in fiscal 1984, the position was able to help with the regular workload. Beginning in fiscal 1986, HUD will reimburse on a by-case basis, correspondingly reducing federal funds by approximately 50 percent. The executive recommends that this position be partially funded with general fund.

<u>FUNDING</u>	<u>1986</u>	<u>1987</u>
General Fund	<u>\$10,082</u>	<u>\$14,342</u>
Federal Funds	<u>\$(10,082)</u>	<u>\$(14,342)</u>

2. Committee Issues

Committee Action--Funding

Part-time Compliance Officer

In fiscal 1984, 1 FTE compliance officer was added to help reduce the caseload from 236 to 116. The position was reduced to .25 FTE in fiscal 1985. Funds are requested to add .75 FTE, making the position full-time.

	<u>1986</u>	<u>1987</u>
FTE	<u>.75</u>	<u>.75</u>
Personal Services	<u>\$17,207</u>	<u>\$17,215</u>

<u>FUNDING</u>	<u>1986</u>	<u>1987</u>
General Fund	\$ 4,302	\$ 4,304
Federal Funds	<u>12,905</u>	<u>12,911</u>
Total	<u>\$17,207</u>	<u>\$17,215</u>

2. Committee Issues

Committee Action--Funding

DEPARTMENT OF LABOR AND INDUSTRY

Employment Security Division

Job Service

<u>PERSONAL SERVICES</u>	<u>1986</u>	<u>1987</u>
Executive FTE	355.0	355.0
LFA Current Level FTE	355.0	355.0
Difference	0.0	0.0
Executive	\$8,203,077	\$8,216,935
LFA Current Level	8,206,985	8,221,226
Difference	\$ (3,908)	\$ (4,291)

- - - - - Personal Services Issues - - - - -

- Differences are due to the calculation of vacancy savings.
- Committee Issues

Committee Action--Personal Services

<u>OPERATING EXPENSES</u>	<u>1986</u>			<u>1987</u>		
	<u>Base</u>	<u>Inflation</u>	<u>Total</u>	<u>Base</u>	<u>Inflation</u>	<u>Total</u>
Executive	\$1,771,984	\$ 83,532	\$1,855,516	\$1,775,156	\$103,847	\$1,879,003
LFA Current Level	1,702,268	106,071	1,808,339	1,705,461	170,172	1,875,633
Difference	\$ 69,716	\$(22,539)	\$ 47,177	\$ 69,695	\$(66,325)	\$ 3,370

----- Operating Expenses Issues -----

1. The executive contains \$14,000 in non-Department of Administration rent of local Job Service offices and \$10,000 in repair and maintenance over LFA current level. The remainder of the difference is in indirect charges and miscellaneous items.

2. Committee Issues

Committee Action--Operating Expenses

<u>EQUIPMENT</u>	<u>1986</u>	<u>1987</u>
Executive	\$357,212	\$369,174
LFA Current Level	355,251	356,809
Difference	<u>\$ 1,961</u>	<u>\$ 12,365</u>

----- Equipment Issues -----

1. The executive and the LFA both fund two cars and data processing and office equipment to continued upgrading of the rural job service offices around the state in fiscal 1986 and 1987. The executive includes an additional automobile in fiscal 1987.

2. Committee Issues

Committee Action--Equipment

<u>GRANTS</u>	<u>1986</u>	<u>1987</u>
Executive	\$2,600,000	\$3,000,000
LFA Current Level	80,000	80,000
Difference	<u>\$2,520,000</u>	<u>\$2,920,000</u>

- - - - - Grants Issues - - - - -

1. The executive includes that portion of JTPA monies anticipated to be granted to the Department of Labor and Industry. LFA current level includes all grants on the job training and Partnership Act Program.

2. Committee Issues

Committee Action--Grants

<u>FUNDING</u>	<u>1986</u>		<u>1987</u>	
	<u>Exec.</u>	<u>LFA</u>	<u>Exec.</u>	<u>LFA</u>
L&I Federal Funding	\$10,415,805	\$10,370,575	\$10,465,112	\$10,453,668
JS and TD Pay Unit	<u>2,600,000</u>	<u>80,000</u>	<u>3,000,000</u>	<u>80,000</u>
Total	<u>\$13,015,805</u>	<u>\$10,450,575</u>	<u>\$13,465,112</u>	<u>\$10,533,668</u>

- - - - - Funding Issues - - - - -

1. Differences in funding reflect differences in operating expenses and grants.

2. Committee Issues

Committee Action--Funding

Modified Request

Management Training

Funds were requested to expand management training for Job Service employees.

	<u>1986</u>	<u>1987</u>
Contract Services	<u>\$48,880</u>	<u>\$48,880</u>

FUNDING

Labor and Industry Federal Funding	<u>\$48,880</u>	<u>\$48,880</u>
------------------------------------	-----------------	-----------------

1. Committee Issues

Committee Action--Funding

TPLEG:esd 2-15-5

PROPOSED APPROPRIATION BILL LANGUAGE

Item ____* includes federal spending authority to provide for current level operations of all existing job service offices. If federal funds for job service are less than these amounts, the department may supplement federal funds with state unemployment assessments as provided in 39-51-404 (4), MCA.

* Insert item in final bill that refers to Job Service funding.

39-51-404. Administrative expenses. (1) Money credited to the account of this state in the unemployment trust fund by the secretary of the treasury of the United States pursuant to section 903 of the Social Security Act, as amended, may be requisitioned and used for the payment of expenses incurred for the administration of this chapter pursuant to a specific appropriation by the legislature, provided that the expenses are incurred and the money is requisitioned after the enactment of an appropriation law which:

(a) specifies the purposes for which such money is appropriated and the amounts appropriated therefor;

(b) limits the period within which such money may be expended to a period ending not more than 2 years after the date of the enactment of the appropriation law; and

(c) limits the amount which may be used during any 12-month period beginning on July 1 and ending on the next June 30 to an amount which does not exceed the amount by which the aggregate of the amounts credited to the account of this state pursuant to section 903 of the Social Security Act, as amended, during the same 12-month period and the 34 preceding 12-month periods exceeds the aggregate of the amounts used pursuant to this section and charged against the amounts credited to the account of this state during any of such 35 12-month periods.

(2) For the purposes of this section, amounts used during any such 12-month period shall be charged against equivalent amounts which were first credited and which are not already so charged, except that no amount used for administration during any such 12-month period may be charged against any amount credited during such a 12-month period earlier than the 34th preceding such period. Money requisitioned for the payment of expenses of administration pursuant to this section shall be deposited in the unemployment insurance administration account but, until expended, shall remain a part of the unemployment insurance fund.

(3) The department shall maintain a separate record of the deposit, obligation, expenditure, and return of funds so deposited. If any money so deposited is for any reason not to be expended for the purpose for which it was appropriated or, if it remains unexpended at the end of the period specified by the law appropriating such money, it shall be withdrawn and returned to the secretary of the treasury of the United States for credit to this state's account in the unemployment trust fund.

(4) Beginning with the third quarter of 1983, .1% of employer contributions received by the department and .05% of total wages paid by employers not covered by an experience rating may be used by the department for administrative purposes. All such contributions must be deposited in the unemployment insurance administration account provided for in 39-51-406 and used as appropriated by the legislature. Any contributions deposited to the unemployment insurance administration account that are not appropriated by the legislature must be transferred to the unemployment trust fund account provided for in 39-51-402.

History: En. Subd. (c), Sec. 9, Ch. 137, L. 1937; amd. Sec. 6, Ch. 171, L. 1957; amd. Sec. 7, Ch. 368, L. 1975; R.C.M. 1947, 87-113(b); amd. Sec. 2, Ch. 57, L. 1979; amd. Sec. 1, Ch. 349, L. 1981; amd. Sec. 1, Ch. 251, L. 1983; amd. Sec. 23, Ch. 281, L. 1983; (4)En. Sec. 1, Ch. 304, L. 1983.

Compiler's Comments

1983 Amendments: Chapter 251, in (1)(c), near middle before "preceding 12-month peri-

ods" changed "four" to "34" and near end, changed "five" to "35"; and near middle of (2),

DEPARTMENT OF LABOR AND INDUSTRY

Employment Security Division

Unemployment Insurance

<u>PERSONAL SERVICES</u>	<u>1986</u>	<u>1987</u>
Executive FTE	84.9	84.9
LFA Current Level FTE	<u>84.9</u>	<u>84.9</u>
Difference	<u>0.0</u>	<u>0.0</u>
Executive	\$1,724,435	\$1,726,784
LFA Current Level	<u>1,725,324</u>	<u>1,727,733</u>
Difference	<u>\$ (899)</u>	<u>\$ (949)</u>

- - - - - Personal Services Issues - - - - -

- Differences are due to vacancy savings calculations.
- Committee Issues

Committee Action--Personal Services

<u>OPERATING EXPENSES</u>	<u>1986</u>			<u>1987</u>		
	<u>Base</u>	<u>Inflation</u>	<u>Total</u>	<u>Base</u>	<u>Inflation</u>	<u>Total</u>
Executive	\$497,872	\$21,135	\$519,007	\$508,557	\$24,440	\$532,997
LFA Current Level	<u>442,384</u>	<u>13,060</u>	<u>455,444</u>	<u>447,280</u>	<u>20,948</u>	<u>468,228</u>
Difference	<u>\$ 55,488</u>	<u>\$ 8,075</u>	<u>\$ 63,563</u>	<u>\$ 61,277</u>	<u>\$ 3,492</u>	<u>\$ 64,769</u>

----- Operating Expenses Issues -----

1. LFA current level is under the executive by \$15,000 in maintenance contracts and by \$32,000 in Department of Administration computer processing charges. The remainder of the difference is in indirect charges and miscellaneous items.

2. Committee Issues

Committee Action--Operating Expenses

<u>EQUIPMENT</u>	<u>1986</u>	<u>1987</u>
Executive	\$95,299	\$83,923
LFA Current Level	41,406	41,406
Difference	<u>\$53,893</u>	<u>\$42,517</u>

----- Equipment Issues -----

1. LFA current level and the executive both include data processing and office equipment, as well as two copiers in fiscal 1986 and 1987. The executive adds \$62,733 in fiscal 1986 and \$54,307 in fiscal 1987 for workstation dividers, while the LFA includes an additional \$8,840 in fiscal 1986 and \$11,790 in fiscal 1987 for the dividers.

2. Committee Issues

Committee Action--Equipment

Modified Request

Random Audit

Funds are requested to continue the Random Audit Program initiated by budget amendment in the 1983 biennium. All aspects of randomly chosen unemployment claims would be examined to verify information and ensure all aspects of the benefit system were functioning properly.

	<u>1986</u>	<u>1987</u>
FTE	6	6
Personal Services	\$137,164	\$137,313
Contract Services	6,822	6,822
Supplies and Materials	1,976	1,976
Communications	2,744	2,916
Travel	28,211	28,211
Repair and Maintenance	94	125
Other Expenses	3,522	3,642
Equipment	3,375	-0-
Total	<u>\$183,908</u>	<u>\$181,005</u>

Funding

L&I Federal	<u>\$183,908</u>	<u>\$181,005</u>
-------------	------------------	------------------

2. Committee Issues

Committee Action--Modified Requests

FTE Transfer

The department proposes transferring 2 FTE, an internal security officer and a management analyst/planner, in the Centralized Services Program to the Unemployment Insurance Program.

	<u>1986</u>	<u>1987</u>
FTE	<u>2.0</u>	<u>2.0</u>
Personal Services	<u>\$49,360</u>	<u>\$49,381</u>
Federal Funds	<u>\$49,360</u>	<u>\$49,381</u>

2. Committee Issues

Committee Action

DEPARTMENT OF LABOR AND INDUSTRY

Employment Security Division

Centralized Services

<u>PERSONAL SERVICES</u>	<u>1986</u>	<u>1987</u>
Executive FTE	121.0	121.0
LFA Current Level FTE	<u>118.0</u>	<u>118.0</u>
Difference	<u>3.0</u>	<u>3.0</u>
Executive	\$2,837,361	\$2,840,856
LFA Current Level	<u>2,777,079</u>	<u>2,780,635</u>
Difference	<u>\$ 60,282</u>	<u>\$ 60,221</u>

- - - - - Personal Services Issues - - - - -

1. LFA current level has deleted 3 vacant FTE positions retained by the executive.

2. Committee Issues

Committee Action--Personal Services

<u>OPERATING EXPENSES</u>	<u>1986</u>			<u>1987</u>		
	<u>Base</u>	<u>Inflation</u>	<u>Total</u>	<u>Base</u>	<u>Inflation</u>	<u>Total</u>
Executive	\$1,013,957	\$ 42,395	\$1,056,352	\$1,025,183	\$ 50,403	\$1,075,586
LFA Current Level	<u>981,508</u>	<u>59,322</u>	<u>1,040,830</u>	<u>992,306</u>	<u>94,889</u>	<u>1,087,195</u>
Difference	<u>\$ 32,449</u>	<u>\$ (16,927)</u>	<u>\$ 15,522</u>	<u>\$ 32,877</u>	<u>\$ (44,486)</u>	<u>\$ (11,609)</u>

----- Operating Expenses Issues -----
 1. The executive is over LFA current level by \$17,000 in travel expenses and \$15,000 in maintenance contracts.

2. Committee Issues

Committee Action--Operating Expenses

<u>EQUIPMENT</u>	<u>1986</u>	<u>1987</u>
Executive	\$55,877	\$7,543
LFA Current Level	<u>55,077</u>	<u>7,543</u>
Difference	<u>\$ 800</u>	<u>\$ -0-</u>

----- Equipment Issues -----

1. LFA current level and the executive both fund computer software and hardware, general office equipment, and the purchase of a copier in fiscal 1986; and general office equipment and the copier in fiscal 1987. The executive also includes a video recorder in fiscal 1986.

2. Committee Issues

Committee Action--Equipment

<u>FUNDING</u>	<u>1986</u>		<u>1987</u>	
	<u>Exec.</u>	<u>LFA</u>	<u>Exec.</u>	<u>LFA</u>
SOICC	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000
Centralized Services	613,168	624,644	606,962	625,038
L&I Federal Funding	3,266,422	3,178,342	3,247,023	3,180,335
Total	<u>\$3,949,590</u>	<u>\$2,872,986</u>	<u>\$3,923,985</u>	<u>\$3,875,373</u>

- - - - - Funding Issues - - - - -

1. Differences in funding are due to calculations of indirect and direct charges.

2. Committee Issues

Committee Action--Funding

Modified Requests

Employment Statistics

Funds are requested to increase the statistical estimation capabilities of the Research and Analysis Bureau to allow the department to meet additional statistical requests of the federal government.

	<u>1986</u>	<u>1987</u>
FTE	(3)	(3)
Personal Services	\$ 65,676	\$65,791
Contract Services	12,792	12,792
Supplies and Materials	1,011	1,011
Communications	1,448	1,539
Travel	5,328	3,413
Repair and Maintenance	1,267	1,267
Other Expenses	551	-0-
Equipment	15,000	-0-
Total	<u>\$103,073</u>	<u>\$85,813</u>

FUNDING

Labor & Industry Federal Funding	(<u>\$103,073</u>)	(<u>\$85,813</u>)
----------------------------------	----------------------	---------------------

1. Committee Issues

Committee Action--Modified Requests

MCIS

Funds are requested to expand the Montana Career Information System. This is a workload increase.

	<u>1986</u>	<u>1987</u>
FTE	<u>1.0</u>	<u>1.0</u>
Personal Services	\$23,079	\$23,089
Contract Services	<u>20,000</u>	<u>20,000</u>
Total	<u>\$43,079</u>	<u>\$43,089</u>

FUNDING

Montana Learning Services	\$23,079	\$23,089
SGICC	<u>20,000</u>	<u>20,000</u>
Total	<u>\$43,079</u>	<u>\$43,089</u>

1. Committee Issues

Committee Action--Funding

TPLEG:esd 2-15-5

Job Training Partnership Act

<u>GRANTS</u>	<u>1986</u>	<u>1987</u>
Executive	<u>\$ 7,475,000</u>	<u>\$ 7,475,000</u>
LFA Current Level	<u>10,375,000</u>	<u>10,375,000</u>
Difference	<u>\$(2,900,000)</u>	<u>\$(2,900,000)</u>

----- Grants Issues -----

1. The executive has included grants totaling the department's requested level, while LFA current level includes grants of the total amount anticipated by the department to be available in the coming biennium.

2. Committee Issues

Committee Action--Grants

<u>FUNDING</u>	<u>1986</u>		<u>1987</u>	
	<u>Exec.</u>	<u>LFA</u>	<u>Exec.</u>	<u>LFA</u>
General Fund	\$ 375,000	\$ 375,000	\$ 375,000	\$ 375,000
Employment Training				
Council Grants	<u>7,100,000</u>	<u>10,000,000</u>	<u>7,100,000</u>	<u>10,000,000</u>
Total	<u>\$7,475,000</u>	<u>\$10,375,000</u>	<u>\$7,475,000</u>	<u>\$10,375,000</u>

----- Funding Issues -----

1. General Fund is used to provide matching funds for federal JTPA III funds. Differences in federal funds are due to differences in total grant levels.

DEPARTMENT OF LABOR AND INDUSTRY

Workers' Compensation Division

PERSONAL SERVICES

	<u>1986</u>	<u>1987</u>
Executive FTE	168.0	168.0
LFA Current Level FTE	<u>168.0</u>	<u>168.0</u>
Difference	<u><u>0.0</u></u>	<u><u>0.0</u></u>
Executive	\$3,559,517	\$3,567,517
LFA Current Level	<u>3,548,575</u>	<u>3,556,790</u>
Difference	<u><u>\$ 10,942</u></u>	<u><u>\$ 10,727</u></u>

- - - - - Personal Services Issues - - - - -

1. The difference is due to an input error in insurance payments in the executive budget.

2. Committee Issues

Committee Action--Personal Services

OPERATING EXPENSES

	<u>1986</u>	<u>1987</u>
Executive	\$2,364,177	\$2,386,665
LFA Current Level	<u>2,371,678</u>	<u>2,396,596</u>
Difference	<u><u>\$ (7,501)</u></u>	<u><u>\$ (9,931)</u></u>

----- Operating Expenses Issues -----

1. LFA current level reflects the agency's request, with an adjustment to indirect costs. The executive has increased operating expenses by 8.3 percent in fiscal 1986 and an additional .2 percent in fiscal 1987, before inflation, over the fiscal 1984 level.

2. Committee Issues

Committee Action--Operating Expenses

<u>EQUIPMENT</u>	<u>1986</u>	<u>1987</u>
Executive	\$176,726	\$113,231
LFA Current Level	<u>184,642</u>	<u>133,445</u>
Difference	<u>\$ (7,916)</u>	<u>\$(20,214)</u>

----- Equipment Issues -----

1. In fiscal 1986, the executive funds a copy machine for \$28,000, automobiles totaling \$54,640, data processing equipment of \$75,607 and miscellaneous office, field and educational equipment for \$18,479. The LFA also funds miscellaneous publications.

In fiscal 1987, the executive funds automobiles totaling \$43,326, data processing equipment of \$59,280 and miscellaneous office, field, and educational equipment of \$10,625. The LFA also funds miscellaneous publications, an additional automobile and miscellaneous office equipment.

2. Committee Issues

Committee Action--Equipment

Modified Level

Crime Victims Fund

Funds are requested to expand the crime victims fund to include newly available federal funds.

	<u>1986</u>	<u>1987</u>
Grants and Benefits	<u>\$150,000</u>	<u>\$150,000</u>
Federal Crime Victims Funds	<u>\$150,000</u>	<u>\$150,000</u>

1. Committee Issues

Committee Action--Funding

TPLEG:wc 2-22-5

Benefits

CRIME VICTIMS

	<u>1986</u>	<u>1987</u>
Executive	\$672,647	\$728,531
LFA Current Level	430,000	432,500
Difference	<u>\$242,647</u>	<u>\$296,031</u>

----- Crime Victims Issues -----

1. The executive funds to the department's request, while LFA current level funds to the level of expected revenue into the fund.

2. Committee Issues

Committee Action--Benefits

SILICOSIS BENEFITS

	<u>1986</u>	<u>1987</u>
Executive	\$615,600	\$580,800
LFA Current Level	615,600	580,800
Difference	<u>\$ -0-</u>	<u>\$ -0-</u>

----- Silicosis Benefits -----

1. Silicosis benefits are paid to those persons who contracted the disease as a result of their job prior to 1959, and to widows of silicotics. The benefits are 100 percent general funded.

2. Committee Issues

Committee Action--Silicosis Benefits

SOCIAL SECURITY OFFSET PAYMENTS19861987

Executive

\$88,301

\$87,858

LFA Current Level

88,30187,858

Difference

\$ -0-\$ -0-

----- Social Security Offset Payments Issues -----

1. Costs of the Social Security Offsets include a 6 percent cost of living increase for recipients. The benefits are 100 percent general funded.

2. Committee IssuesCommittee Action--Social Security Offset PaymentsFUNDING19861987Exec.LFAExec.LFA

General Fund

\$ 716,179

\$ 716,179

\$ 681,194

\$ 681,194

Workers' Compensation

5,933,757

6,009,341

5,952,016

5,991,297

Crime Victims

672,647

430,000

728,531

432,500

OSHA Fed. Study

34,825

45,983

34,940

46,101

Coal Mine Safety

37,293

37,293

36,897

36,897

Total

\$7,394,701\$7,238,796\$7,743,578\$7,187,989

----- Funding Issues -----

1. The difference in Workers' Compensation funds are due to difference in operationing expenses and equipment. The difference in crime victim's funds are attributable to differences in the amount of benefits included in the executive and LFA budgets.

2. Committee IssuesCommittee Action--Funding

Modified Level

Claims Examiners

Funds are requested to add an additional 4 FTE claims examiner positions to staff the State Insurance Fund Program. This is a workload increase.

	<u>1986</u>	<u>1987</u>
Personal Services	\$88,477	\$88,512
Contract Services	191	191
Communications	<u>5,798</u>	<u>5,683</u>
Total	<u>\$94,466</u>	<u>\$94,386</u>

Funding

Workers' Compensation Division	<u>\$94,466</u>	<u>\$94,386</u>
--------------------------------	-----------------	-----------------

State Insurance Fund

The State Insurance Fund Program requests the addition of 2 FTE attorneys, 1 FTE legal secretary and related expenses to deal with the increased workload primarily attributable to the Willis court decision.

	<u>1986</u>	<u>1987</u>
FTE	<u>3.0</u>	<u>3.0</u>
Personal Services	\$ 83,880	\$83,915
Contract Services	138	138
Communications	2,148	1,488
Repair and Maintenance	300	300
Equipment	<u>16,860</u>	<u>-0-</u>
Total	<u>\$103,326</u>	<u>\$85,841</u>

Funding

Workers' Compensation	<u>\$103,326</u>	<u>\$ 85,841</u>
-----------------------	------------------	------------------

Human Services Sub COMMITTEE

DATE 2-25-85

[illegible]

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.