

MINUTES OF THE MEETING
GENERAL GOVERNMENT AND HIGHWAYS SUBCOMMITTEE
50TH LEGISLATIVE SESSION
HOUSE OF REPRESENTATIVES

The meeting of the General Government and Highways Subcommittee was called to order by Chairman Rehberg on February 12, 1987 at 8:00 a.m. in Room 132 of the State Capitol.

ROLL CALL: All committee members were present. Also present were Norm Rostocki, Budget Analyst and Flo Smith, Budget Analyst from the Office of Budget and Program Planning (OBPP) and Clayton Schenck, Senior Fiscal Analyst and Pam Joehler, Senior Fiscal Analyst from the Office of the Legislative Fiscal Analyst. (LFA)

82A:0.32
House Bill 372

Rep. Ronald Miller, District 34, Cascade County, introduced HB 372. (Exhibit No. 1) This bill will bring the fees charged to insurance companies and agents by the Montana Insurance Commissioner into line with those fees charged by neighboring states. The insurance commissioner's office is currently understaffed and underfunded to allow them to adequately enforce the insurance laws. He said the State Auditor, Andrea Bennett, arrived at these fees in conjunction with the insurance companies to adequately staff her office to serve the insurance industry.

Chairman Rehberg called for proponents.

PROPOSERS

Andrea Bennett said there were no dollar amounts to include with the memorandum (Exhibit No. 2), but she wanted to point out what goes into each item for which there is a request for a fee increase. She said there is quite a bit of work being done and the state of Montana is not being reimbursed accordingly. She referred to Page 2, Line 4, of the bill, amendment of certificate of authority - \$50.00, and Page 3, Line 20, appointment of solicitor - \$10.00, as being new fees. She supported the need for an actuary and the appropriation is based on the cost of an actuary to the State of Idaho. She said there is a need for two field investigators and said the insurance industry is willing to pay for the costs involved.

Bonnie Tippy, representing the Alliance of American Insurers, supported the increased fees for both insurance companies and agents if that money goes to the insurance commissioner. She said they feel the \$500,000 currently reverting to the general fund is sufficient and they would like to see a better funded insurance department. The alliance fully supports the bill and wants the \$117,000 to go to the in-

General Government and Highways Subcommittee
February 12, 1987
Page 2

surance commissioner's office to enable her to do a better job of policing the industry.

Roger McGlenn, Executive Director of the Insurance Agents Association of Montana, supported the bill if the increased fees are used to more adequately fund the staff of the insurance commissioner. If the increased revenue reverts to the general fund, they would oppose the bill as an unequal taxation on insurance agents and companies. The independent agents feel they pay for insurance regulation through the fees and, if they are not appropriated, they are overcharged for this regulation. He said the recent insurance crisis demonstrated the importance of the insurance commissioner to Montana insurance consumer. His association often requests assistance from the insurance commissioner on technical matters regarding coverage, availability and to local markets for the benefit of the consumer. He supported the need for an actuary and a field investigation team.

There were no further proponents.

Chairman Rehberg called for opponents.

There were no opponents.

Chairman Rehberg called for questions from the committee.

Rep. Miller closed by stating this would allow the insurance companies and agents to clean up their own industry.

Sen. Keating asked Ms. Bennett about the priority of the modified request. He said he was concerned about the need for an actuary. As her staff forgot to add the cost of actuarial services to do market conduct examinations on Blue Cross and Blue Shield, Ms. Bennett said she will have to come back in for a supplemental request for this funding. She said this was the only actuarial service used by the State Auditor's Office.

Sen. Keating asked Roger McGlenn if he felt the need for an actuary was worth the cost involved. Mr. McGlenn said without this expertise being available to the insurance commissioner, he did not see how they could review actuarial data provided by the companies to justify their rates and make an accurate assessment of that data. He feels this is a justified request.

(25.24)
Ms. Bennett told the committee the provisions in HB 372 represented just the bare minimum and provided a mechanism

General Government and Highways Subcommittee
February 12, 1987
Page 3

by which the fees can be correlated with the duties in the office and the modified requests.

Chairman Rehberg requested information regarding the actual FTE, etc. totaling \$117,000. Ms. Bennett will furnish this. (Exhibit No. 3)

(27.25)
House Bill 232

Chairman Rehberg explained why HB 232, introduced by Rep. Fred Thomas, District 62, Ravalli County, was before the committee. (Exhibit No. 4) The bill was heard on second reading in the House and because the fiscal note did not match the bill, Rep. Donaldson referred it to the subcommittee. The fiscal note is no longer in effect because the Business and Industry Committees deleted the language referring to a proprietary fund for the Secretary of State. Chairman Rehberg said it was probably not an issue to be considered by the subcommittee as it was no longer an appropriations matter. As a result, Chairman Rehberg told Rep. Thomas, who had another meeting, that the subcommittee would probably kick it back out to the full committee. The bill increases from \$5.00 to \$15.00 the fee for reviver of a corporation after suspension or forfeiture.

(30.30)
EXECUTIVE ACTION

Sen. Keating moved the bill DO PASS as amended.

A voice vote was taken and the motion PASSED unanimously.

(31.00)
House Bill 309

Rep. Joe Quilici, District 71, Silver Bow County, introduced HB 309. Exhibit No. 5) The bill transfers administration of the Department of Justice from the Dept. of Labor, Worker's Comp Division. Rep. Quilici said referrals are usually made through the justice system. The bill also transfers the appeals from the Worker's Comp Court to the District Court and increases the weekly benefits for "innocent" victims of crime to a maximum of one-half the state's average weekly wage. The burial fee is also increased to \$2,000. The fiscal impact is \$13,000 in FY 88 and \$9,000 in FY 89. Rep. Quilici pointed out the program supervisor would transfer with this program. Along with the program supervisor, there will be an absolute need for a grade 8 secretary.

General Government and Highways Subcommittee
February 12, 1987
Page 4

Chairman Rehberg called for proponents.

PROPOSALERS

Mike Lavin, Administrator of the Crime Control Division, Department of Justice, said he believed his division could make a very good program even better.

Hiram Shaw, Worker's Compensation Division, Department of Labor, said he would be glad to answer any questions.

There were no further proponents.

Chairman Rehberg called for opponents.

There were no opponents.

Chairman Rehberg called for questions from the committee.

Hiram Shaw stated there were 1.5 FTE working on the program in Worker's Comp, both funded through the Crime Victim's Account.

In answer to Sen. Keating's questions regarding the additional expense of the one-half FTE, Hiram Shaw said this would be funded through the Worker's Comp earmarked account.

Mike Lavin told the committee they would need an additional full-time support FTE, in addition to the program director.

Tape 82B:0.35

DEPARTMENT OF HIGHWAYS
Equipment Program

Jim Haubein, Principal Fiscal Analyst, reviewed the major issues in the Equipment Program. (Exhibit No. 6) There is a difference in the transfer column and he is currently working with the Highway Department to get a handle on this difference. He said within the Proprietary Account there are transfers made, totaling approximately \$2,000,000 per year, from the Highway Gas Tax Account into equipment. This money is reimbursement for depreciation, which cannot be charged back to federal funds. When Jim made the analysis, he did a cash flow on the account and it appeared there would not be the need for this transfer. Since then, he has found he had understated the expenditure figure in 1987. He will make the adjustment. Also, revenue was amended.

Norm Rostocki from the OBPP said Jim had covered the issues, but there was also a concern regarding the fund balance and they are working on it. Gary Wicks, Director for the Depart-

5

General Government and Highways Subcommittee
February 12, 1987
Page 5

ment of Highways, said Jim basically covered the issues. (Exhibit No. 7) In supplies and materials, the department requested language be included in the Motor Pool for the purchase of gasoline.

Bill Salisbury, Administrator of the Centralized Services Division, explained all tools and equipment now purchased at a cost under \$25.00 are charged to supplies. Previously, this had been charged to equipment. The difference between the \$25.00 and \$17,771 was budgeted in that year in the equipment category. Subsequent to that, the department has started charging those items to the supplies category. Therefore, the supplies category and part of the equipment purchases in that base year, would equal the amount requested in FY 88 and FY 89. Jim's analysis was correct, but it did not take into account a change in procedure. The department is, therefore, requesting the \$15,000.

In the equipment category, Gary Wicks requested the difference of \$255,560 be made available for equipment purchases in order to keep the equipment upgraded.

Stores Program

Mr. Wicks referred to the LFA recommendation for the Stores program. (Exhibit No. 8) He stated that the department could live with either the LFA or the OBPP recommendation.

Service Revolving Program

Mr. Wicks said the department could get by with .5 FTE if the Lab Aide II was reduced. In the supplies category, Bill Salisbury said the FY 86 reflects the current spending patterns. The LFA used FY 84, and the department used two different expenditure ID's at that time, and, if the two were added together, they would equal \$70,000 in that unit. Mr. Wicks said the costs are related to the size of the program. A large portion of the costs go to printing the requests for bid sent out every month on the highway construction projects. Jim Haubein said that after looking at the two codes, the appropriated level would be \$74,000. FY 85 would be \$84,000 and FY 86 would be \$90,000. The difference would be \$14,000.

There was discussion regarding the difference in the expenditures.

(22.30)

Mr. Wicks presented the modification requests for the construction Program, (Exhibit No. 9), and the Reconstruction

General Government and Highways Subcommittee
February 12, 1987
Page 6

Programs (Exhibit No. 10) He said these were not included in the OBPP budget and the department was required to present this only if the revenues were available to restore the RTF Program.

Mr. Wicks reviewed the construction modified. He said the numbers reflect the way in which the contracts are let, in late summer or in the fall, and the manpower needs are not until spring when the contractor actually gets on the job. The increase in contracted services represents the direct payments to the contractors. Mr. Wick said the additional revenues will come from fuel tax increase if HB 136 passes, plus bonds the department hopes to sell. One of the reasons the department requested quick action from the Legislature is the bond market is excellent now for tax exempt securities and the department will move as soon as the bill passes to take advantage of this in order to have the money available before the end of 87. The additional FTE are needed to administer the contracts and the numbers come directly off the Construction Management System.

(29.18)

Mr. Wicks reviewed the Preconstruction Modified. He said the department is asking for restoration of the twenty FTE if the RTF Program is approved. These were discussed earlier in the Preconstruction Program. This will enable the department to have the staff get the projects ready to go to contract, not only for 88 and 89, but they are assuming the RTF program will continue through 93. Mr. Wicks said the department liked to have projects approved using federal funds because they then meet all the federal requirements and, if the funding has to be changed, they are all ready to go.

83A;0.05

Norm Rostocki told the committee if they approved the modified for the RTF program, the money will have to be added to the Capital Outlay Program. He said there were no issues on the program, but is was the vehicle that reflects the amount that transfers to the Reconstruction Trust Fund. Norm addressed program funding. He said he did not have a specific presentation for this, but he would recommend for every program that has a federal state mix, the expenditures should be reviewed first and then the revenues determined. The programs without this mix could be reviewed from start to finish. Mr. Wicks said one of the problems and, the more significant differences on the budget, is the vacant FTE and the need for these FTE. He said clearly the Highway Department has had the authority in the past to use more FTE than they actually did. He stated the department realized they would be penalized for keeping positions vacant

General Government and Highways Subcommittee
February 12, 1987
Page 7

and that is a difficult situation to work around. The department does not hire people if they do not need them as they are as interested in saving money as the subcommittee. He again assured the committee if the positions were restored, they would not be filled unless there was a need, but he did not want the authority to hire the people if they need them.

(5.35)

Chairman Rehberg said as long as the Governor keeps sending budgets balanced using vacancy savings, it will be taken until the policy is changed. In the case of the Highway Department, it really does not serve any purpose. He stated it was the goal of the committee to identify vacant spots.

(6.53)

Chairman Rehberg said the committee had called the Department of Revenue, the Department of Administration and the Department of Justice back to reopen their budgets. (Exhibit No. 11)

DEPARTMENT OF ADMINISTRATION
EXECUTIVE ACTION

Sen. Keating moved the committee open the budget of the Department of Administration for reconsideration.

A voice vote was taken and the motion PASSED unanimously.

Chairman Rehberg explained the committee had requested the staff to compile the numbers showing the general fund by agency.

Sen. Keating said the shortfall in revenue becomes more evident all the time and the possibility of more taxation is highly improbable and cuts need to be made. He stated the committee is looking for programs to cut. Across the board cuts do save money, but some programs are harmed. Programs need to be prioritized and those we can't afford need to be eliminated.

EXECUTIVE ACTION

Sen. Keating, in reconsidering previous action, moved the general fund budget be cut by ten percent for the Department of Administration and ask the administrators determine where within their total department they want the cuts to be and if there are any programs to be eliminated, they bring in the repealers for statutory obligations to be fulfilled that can be eliminated.

General Government and Highways Subcommittee
February 12, 1987
Page 8

Chairman Rehberg emphasized to the agencies this was not being done merely as a method of getting them to prioritize various programs. The committee was very serious in this approach and will attempt to hold the Legislature to the motion of cutting ten percent from the budget. He said he hoped the administrators would bring in a program for cutting that ten percent. The committee will review the proposals. Chairman Rehberg asked the agencies to bring back their proposals within five days.

Sen. Keating cautioned the departments the committee was serious and, if the departments want to play games in trying to strike a nerve some place by touching sensitive areas, then there will be a real fight. The programs have to be prioritized and it needs to be decided what the committee is trying to do.

Ellen Feaver, Administrator of the Department of Administration, said the programs in the general fund column for the Department of Administration all service other agencies and, if any one is eliminated, the other agencies have to pick up that burden. She said if the committee wanted to eliminate any statewide function, that was certainly their prerogative. She said she felt it was a strange position for the executive to put forward the motion they eliminate something that affects every other budget.

In answer to Rep. Quilici's questions regarding the affects of cuts in either personnel or accounting, Ms. Feaver said the accounting division was already not funded to run the system for twelve months. Further cuts would mean fewer months of running the statewide accounting system. She said the costs in Personnel are phenomenal, but in an organization this size, there would be a lot of litigation without a personnel system. Sen. Keating reminded the agencies that a part of the motion and the action was a five-day review and consideration for cutting the budget. He said the committee was only asking the experts to dig deep and give the committee something. If it can't be done, then it can't be done, but there are five days to take a look at it and come up with some ideas and thoughts. Budgets have to be cut and government has to be cut. The committee is looking to the experts to give the committee a hand.

Chairman Rehberg said there are some in the Legislature who hold the philosophy there will not be a tax increase as a first resort. That will be the last resort. The message in the last election was people feel they are paying too much taxes and the problem of state funding has to be addressed right now. The Governor's budget is no longer close to being right. He said there are constitutional

General Government and Highways Subcommittee
February 12, 1987
Page 9

requirements that the Legislature cannot do anything about and they are all in SRS.

Sen. Gage said the Legislature was at priorities right now. He referred to a letter he had written to the Governor asking the Governor to contact each of the departments and have them prioritize their programs within the department, so the departments would be ready with this information to cause the least amount of harm to programs. He said he received no response. A voice vote was taken and the motion PASSED, with Rep. Quilici voting no.

(24.25)

DEPARTMENT OF REVENUE
EXECUTIVE ACTION

Sen. Keating, in reconsidering previous action on the Department of Revenue, moved the general fund budget be cut by ten percent and the department be allowed five days to identify the cuts and, if there are any statutory changes to be made, they report to the committee for committee bills.

A voice vote was taken and the motion PASSED unanimously.

Rep. Quilici asked John LaFaver what affect the ten percent cut in general fund would have on the Department of Revenue. Mr. LaFaver said he could not, off the top of his head, provide a detailed answer. He said he would go back to a statement he made to the subcommittee at the beginning that he did not believe substantial money could be pulled out of the proposed budget for the Dept. of Revenue without significantly changing some of the tax laws they administer. He said if that was the wish of the subcommittee, they would work with the committee to propose laws that would enable them to collect the revenue now being collected, but to do it in a more cost efficient way. When that amounts to approximately \$1,700,000 per year, he said with certainty that some of the tax laws would have to be changed in order to administer them more cost efficiently. He said they would bring back some recommendations as to how to do that, but he did not believe it could be accomplished if the tax laws remained as they are and the department is to collect the revenue they have estimated in FY 88 and FY 89. He said the tax laws would have to be amended to realize this type of savings.

Sen. Gage said, if in order to effect these types of savings, changes in the law or statutes need to be made, the committee is asking for these thoughts and committee bills will be requested.

General Government and Highways Subcommittee
February 12, 1987
Page 10

Rep. Quilici said he did not mind making some cuts in state government, but this was like taking a bulldozer to the agencies. He said all entities need to be looked at for possible cuts, but this was too drastic. Sen. Keating said CI 27 was called a meat-ax approach and it came close to going through and, if something is not done to cut government and spending and priorities are not rearranged, there will be a meat-ax from the people and the Legislature will not have any control over it.

Sen. Stimatzi said the cuts would show that the Legislature is also serious. He told Mr. LaFaver to give it his best shot and tell the committee why it can, or cannot, work and the Legislature will go from there.

(35.03)
DEPARTMENT OF JUSTICE
EXECUTIVE ACTION

Sen. Keating, in reconsidering previous action on the Department of Justice, moved the general fund budget be cut by ten percent and the department return in five days to tell the committee where the cuts can be made and if there are any statutes to be repealed or modified for the purpose of cutting programs or statutory requirements that can be eliminated.

Sen. Gage stated this might be a little different in that matching funds might be involved and he hoped the department would point this out and any effect on any federal match that might be involved. There was discussion with the department administrators regarding the effect the ten percent cuts might have on programs.

(39.45)
Sen. Keating said the general fund was being cut because that is where the budget is balanced. However, if there is a chance of cutting or moving user fees, tax money, from special or earmarked accounts to general fund to come up with a balance and to accomplish the goal of reducing the cost of government, then that could be done. That is a part of the motion.

A voice vote was taken and the motion PASSED unanimously.

ADJOURNMENT: The meeting was adjourned at 10:00 a.m.


Dennis R. Rehberg, Chairman

DAILY ROLL CALL

GENERAL GOVERNMENT & HIGHWAYS **SUBCOMMITTEE**

DATE Feb. 12, 1987

APPROVED BY COMM. ON
BUSINESS AND LABOR

1 HOUSE BILL NO. 372
 2 INTRODUCED BY MILLER
 3 BY REQUEST OF THE STATE AUDITOR
 4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING CERTAIN
 5 INSURANCE FEES; AND AMENDING SECTION 33-2-708, MCA; AND
 6 PROVIDING AN EFFECTIVE DATE."
 7

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

8 Section 1. Section 33-2-708, MCA, is amended to read:
 9 "33-2-708. Fees and licenses. (1) The commissioner
 10 shall collect in advance and the persons so served shall so
 11 pay to the commissioner the following fees and licenses:
 12 (a) certificates of authority:
 13 (i) for filing applications for original certificates
 14 of authority, articles of incorporation (except original
 15 articles of incorporation of domestic insurers as provided
 16 in subsection (b) below) and other charter documents,
 17 bylaws, financial statement, examination report, power of
 18 attorney to the commissioner, and all other documents and
 19 filings required in connection with such application and for
 20 issuance of an original certificate of authority, if issued:
 21 (A) domestic insurers \$ 300.00
 22 (B) foreign insurers 300.00
 23 (ii) annual continuation of certificate of authority ..
 24 (iii) appointment of agent, each insurer 10.00

1 300.00
 2 (iii) reinstatement of certificate of authority
 3 25.00
 4 (iv) amendment of certificate of authority 50.00
 5 (b) articles of incorporation:
 6 (i) filing original articles of incorporation of
 7 domestic insurer, exclusive of fees required to be paid by
 8 the corporation to the secretary of state 20.00
 9 (ii) filing amendment of articles of incorporation,
 10 domestic and foreign insurers, exclusive of fees required to
 11 be paid to the secretary of state by a domestic corporation
 12 30.00 25.00
 13 (c) filing bylaws or amendment thereto where required
 14 5.00 10.00
 15 (d) filing annual statement of insurer, other than as
 16 part of application for original certificate of authority ..
 17 25.00
 18 (e) resident agent's license:
 19 (i) application for original license, including
 20 issuance of license, if issued (life and/or disability) ..
 21 15.00
 22 (ii) application for original license, including
 23 issuance of license, if issued (other than life and/or
 24 disability) ..
 25 (iii) annual continuation of certificate of authority ..

~~EX-1212~~ DATE 2-12-87
 HB

1	(iv) annual renewal, each insurer	10.00	1	(ii) annual renewal of license	25.00
2	(v) temporary license	10.00	2	(j) adjuster's license:	
3	(vi) amendment of license (excluding additions thereto)		3	(i) application for original license and for issuance of license, if issued	15.00
4	or reissuance of master license	10.00	4	(ii) annual renewal of license	15.00
5	(f) nonresident agent's license:		5	(iii) annual renewal of license	15.00
6	(i) application for original license, including issuance of license, if issued (life and/or disability)	100.00	6	(k) insurance vending machine license, each machine, each year	10.00
7	(ii) application for original license, including issuance of license, if issued (other than life and/or disability)	100.00	7	(l) commissioner's certificate under seal (except when on certificates of authority or licenses)	37.00
8	(iii) appointment of agent, each insurer	10.00	8	(m) copies of documents on file in the commissioner's office, per page50
9	(iv) annual renewal, each insurer	10.00	9	(n) policy forms:	
10	(v) amendment of license (excluding additions thereto)		10	(i) filing each policy form	25.00
11	or reissuance of master license	10.00	11	(ii) filing each application, rider, endorsement, amendment, insert page, schedule of rates, and clarification of risks	10.00
12	(g) solicitor's license:		12	(iii) maximum charge if policy and all forms submitted at one time or resubmitted for approval within 180 days	
13	(i) application for original license, including issuance of license, if issued	57.00	13	50.00
14	(ii) annual renewal of license	57.00	14	(2) The commissioner shall promptly deposit with the state treasurer to the credit of the general fund of this state all fines and penalties and those amounts received pursuant to 33-2-311, 33-2-705, and 33-2-706 collected by him pursuant to Title 33 and the rules adopted thereunder	
15	(iii) appointment of solicitor	10.00	15	(i) surplus line agent's license:	
16	(h) examination for license as agent or solicitor, each examination	10.00	16	(ii) application for original license and for issuance of license, if issued	25.00

1 received. In the event of overpayment, only those amounts in
2 excess of \$10 will be refunded.
3 (4) All fees and examination and miscellaneous
4 charges, except fines or penalties or those amounts received
5 pursuant to 33-2-311, 33-2-705, or 33-2-706, collected by
6 the commissioner pursuant to Title 33 and the rules adopted
7 thereunder must be deposited in the insurance regulatory
8 trust account pursuant to 17-2-121 through 17-2-123.*

9 NEW SECTION. SECTION 2. EFFECTIVE DATE. THIS ACT IS
10 EFFECTIVE MAY 1, 1987.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB372, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to revise certain insurance fees; and amending section 33-2-708, MCA.

ASSUMPTIONS:

1. The number of applicants for the Amendment of Certificates of Authority (New) will be 48/year for both FY88 and FY89.
2. The number of applicants for the Appointment of Solicitor License (New) will be 250/year for both FY88 and FY89.
3. The number of applicants for the other effected fees will remain at FY85 levels for both FY88 and FY89.

FISCAL IMPACT:

	FY88			FY89		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
<u>State Special Revenue:</u>	\$126,033	\$243,530	\$117,497	\$126,033	\$243,530	\$117,497

Note: State law requires that any unexpended balance at the end of the fiscal year in the Insurance Regulatory Trust account be transferred to the state general fund. This legislation has the effect of increasing general fund revenue by \$117,497 for each year of the biennium.

TECHNICAL OR MECHANICAL DEFECTS IN PROPOSED LEGISLATION OR CONFLICTS WITH EXISTING LEGISLATION:

The legislation does not specify an effective date. It is assumed that an October 1, 1987, effective date is desired.

David L. Hunter DATE 1/27/87
DAVID L. HUNTER, BUDGET DIRECTOR
Office of Budget and Program Planning

Ron Miller DATE Jan 27 87
RON MILLER, PRIMARY SPONSOR
Fiscal Note for HB372, as introduced.

HB 372

EXHIBIT 2
DATE 2-12-81

HB

M E M O R A N D U M

TO: House Business & Industry Subcommittee Considering
HB 372

FROM: Kathy Irigoin and Tanya Ask
Montana Insurance Department

SUBJECT: HB 372 Increase Insurance Fees

DATE: February 3, 1987

(1)(a) Certificate of Authority

(i) Filing applications for Certificate of Authority.

(A) Domestic. 8 hours of Grade 13 examiner's time to review financial statements and form A filings; 4 hours of Grade 14 attorney's time to review documents; and 2 hours of Grade 8 secretarial time. Undeterminable number of hours to review and file service of process and act as agent for service of process.

(B) Foreign. 2 hours cursory review of financial statement by Grade 13 examiner. 25 hours of Grade 13 if on quarterly reporting. Storage of annual statement/above regular storage. Secretarial time. Undeterminable number of hours to review and file service of process form and act as agent for service of process.

(ii) Annual continuation of Certificate of Authority. 1 hour by Grade 13 and Grade 16 examiners to review premium tax statement.

(iii) Reinstatement of Certificate of Authority. Number of hours spent depends on reason for continuance; correspondence.

(iv) Amendment of Certificate of Authority. Number of hours spent depends on amendment; correspondence.

(b) Articles of Incorporation.

(i) filing original Articles of Incorporation of domestic insurer. 8 hours of Grade 14 attorney's time, correspondence.

(ii) filing amendment of Articles of Incorporation domestic or foreign. 2 hours of Grade 14 attorney's time; correspondence.

(c) Filing bylaws or amendments to bylaws. Review and file correspondence.

(d) Filing annual statement. See (a)(ii). Correspondence; 2 hours of Grade 13 examiner to perform desk audit; collection of premium tax.

***(e) Resident agent license.**

(i) application for original life and disability license. Review against qualifications and file correspondence.

(ii) application for original property and casualty license. Review against qualifications and file correspondence.

(iii) appointment of agent, each insurer. Cross check that insurance company is licensed and that agent is qualified for types of insurance for which appointed.

(iv) annual renewal, each insurer. Review and receipt renewals; run computer listing and mail renewals.

(v) temporary license. Cost of issuance; check compliance with law; amount of time spent depends on circumstances.

(vi) amendment of license. Review that, if person is added, person is qualified; correspondence.

* All functions under subsection (e) also include certification by commissioner.

(f) Nonresident agent license. Same duties as under subsection (e).

(g) Solicitor's license.

(i) application for and issuance of license. Review applicant. Cross check that agent and solicitors are qualified for lines applied for.

(ii) annual renewal. Correspondence, receipting. Cross check that agent is licensed and solicitor is qualified for types of insurance for which agent is licensed.

(h) Examination for license. Costs of developing, conducting, and proctoring examination and renting test site; correspondence; phone calls; and correction of examinations.

(i) Surplus lines agent license.

(i) application for and issuance of license. Review that applicant meets qualifications; correspondence.

(ii) annual renewal. 48 hours by a Grade 12 and a Grade 13 to review premium tax and affidavits. Undeterminable number of hours to review initial submissions for new surplus lines insurers.

(j) Adjuster's license.

(i) application for and issuance of license. Set up file; correspondence.

(ii) annual renewal. Set up file; correspondence.

(k) Insurance vending machine license, each machine, each year. Correspondence.

(l) Commissioner's certificate under seal. Make seal (costs more than \$3 worth of time to issue each sealed document).

(m) Copies. Make copies. Locate material to be copied; postage and handling.

(n) Policy forms.

(i) filing each policy form. Undeterminable number of hours by Grade 12 to review policy form for compliance with code, case law, and administrative rules.

(ii) filing each application rider, and endorsement, amendment, schedule of rates. Grade 12 checks that rate is accompanied by substantiating data; correspondence.

(iii) program filing (policy and all forms).
May take up to 24 hours by Grade 12.

NOTE: The functions described do not mention the costs of office overhead (rent, one-time capital expense for new FTE, and utilities); office supplies; storage; secretarial time; communications (telephone, toll-free line, and postage); travel; or training.

In conjunction with all of the above (except for (1)(l) and (1)(m)), the Montana Insurance Department also addresses legal questions, consumer inquiries, and other governmental regulatory inquiries. It also takes administrative action against insurance companies and agents for code violations. The Montana Insurance Department, through its Policyholders Service, handles 1900 consumer complaints files per year (not including miscellaneous inquiries) and recovers approximately 1 million per year for Montana insurance consumers.

Because the Insurance Department is understaffed and under-funded, it does not review rates to determine whether they are inadequate, excessive or unfairly discriminatory. The Montana Insurance Department does not conduct any field examinations to determine compliance with rate filings. More specifically, the Montana Insurance Department does not conduct any field examinations of insurance companies or agents and does not process as many administrative actions or pursue as many code violations as come to its attention. It also provides only minimum public outreach (educational programs, etc.). It performs only cursory financial examinations. The Montana Insurance Department does nothing with product liability or medical malpractice reports other than file them alphabetically.

KMI/blm(452)

1988-89 MODIFIED BUDGET REQUESTS

Persons,
117,427

**STATE AUDITOR'S OFFICE
INSURANCE DEPARTMENT**

3
2-12-87

Examiners Office - Actuary 1.00 FTE

The actuary reviews the adequacy of insurer's loss reserves. Evaluates the adequacy and/or appropriateness of premium rate filing, and assists in the examination of insurers located in the state. State special.

Cost: \$59,756 FY88 \$58,416 FY89

Policyholders Service - Field Investigative Officers 2.00 FTE

Field investigative officers perform filed investigations, audits and examinations to ensure compliance with Montana Insurance Codes. State special.

Cost: \$78,444 FY88 \$76,056 FY89

Legal Unit - Lawyer 0.5 FTE

The department requests the addition of a staff attorney to research legal questions referred to the Legal Unit and to prepare and prosecute insurance violation cases at the administrative hearing and District Court. State special.

Cost: \$15,342 FY88 \$14,724 FY89

Examiners Office - Compliance Specialist II 1.00 FTE

The compliance specialist directly assists the chief examiner in the financial oversight of insurers operating in Montana. State special.

Cost: \$32,450 FY88 \$31,219 FY89

Examiners Office - Administrative Aide 1.00 FTE

An individual is needed to assist the chief examiner and compliance specialist with typing, filing, answering telephones, reviewing and distributing mail. State special.

Cost: \$17,149 FY88 \$15,998 FY89

Licensing Division - Administrative Aide 1.00 FTE

The additional FTE would enable the Licensing Division to handle all licensing for the Insurance Department. State special.

Cost: \$17,149 FY88 \$15,998 FY89

Policyholders Service - Compliance Specialist II 0.5 FTE

The compliance specialist responds to informational inquiries, investigates and resolves complaints. State special.

Cost: \$11,411 FY88 \$11,370 FY89

Additional disk storage for WANG VS 65 computer would be provided with the purchase of a 288 megabyte removable disk drive and back up disks. State special.

Cost: \$16,250 FY88 \$1,250 FY89

Office automation needs include a high speed line printer for data processing output from WANG VS 65 computer and a high speed laser printer for high volume letter quality output. State special.

Cost: \$25,400 FY88 \$2,900 FY89

TOTAL MODIFIEDS:

Cost: \$273,351 FY88 \$227,931 FY89

		<u>88</u>	<u>89</u>
1/S	231,701	223,781	
F/S	41,650	<u>41,50</u>	
		<u>223,351</u>	<u>227,931</u>

MODIFIED BUDGET REQUESTS VS HOUSE BILL 372

Modifieds Funded From Net Proceeds H.B. 372

Current H.B. 372 Net Proceeds = \$ 117,497/year

	<u>FY88</u>	<u>FY89</u>
(1) Actuary	\$59,756	\$58,416
(1) Field Investigator	39,222	38,028
(1) Admin. Aide-Examinations	<u>17,149</u>	<u>15,998</u>
	<u>\$116,127</u>	<u>\$112,442</u>

APPROVED BY COMM. ON
BUSINESS & INDUSTRY

HOUSE BILL NO. 232
INTRODUCED BY THOMAS
BY REQUEST OF THE SECRETARY OF STATE

1 he shall receive a filing and recording fee of \$5. In
 2 case the application is made more than 1 year from the date
 3 the suspension or forfeiture occurred, the applicant shall
 4 pay twice the amount of the tax and penalties due the state
 5 for the taxable year with respect to which the suspension or
 6 forfeiture occurred. Upon such payment, the secretary of
 7 state shall issue a certificate of reviver for which he
 8 shall collect a fee of \$5 and thereupon the applicant
 9 shall be revived. The reviver shall be without prejudice to
 10 any action, defense, or right which has accrued by reason of
 11 the original suspension or forfeiture. The certificate of
 12 reviver shall be prima facie evidence of the reviver. Any
 13 certificate of reviver provided for in this section may be
 14 recorded in the office of the county clerk and recorder in
 15 any county of this state."

16 Section-2--Section-30-13-2177-MEA-is-amended-to-read:

17 "30-13-2177--Pees-and-charges--to-be--established--and
 18 collected-by-secretary-of-state--(t) The-secretary-of-state
 19 shall--by-administrative-rule-establish--charge--and--collect
 20 in--accordance--with--the--provisions--of--this--part--and
 21 commensurate-with-costs:

22 (t) fees--for--filing--documents--and--issuing
 23 certificates; and
 24 (t) miscellaneous-charges;

25 (t) The-secretary--of--state--sheet--maintain--records

2-12-87

EXHIBIT

DATE HB

HB

sufficient--to--support--the--fees--and--miscellaneous-charges
 established--under--this--section:
 (3)--The secretary-of-state-shall-deposit-in-the-state
treasury--all--fees--and--miscellaneous--charges-he-collects
under--this--party--and--the--money-is--allocated--to--the--secretary
of--state--to--pay--the--expenses--of--filing--documents--and--issuing
certificates
Section-37--Section-30-13-3207-MCA7-is-amended-to-read:
 "30-13-3207--Secretary--of--state--to--establish--and
 collect--fees--commensurate--with--costs--the--secretary--of
state--shall--by--administrative--rule--establish--and--provide--for
collection--of--fees--and--miscellaneous--charges--for--filing
documents--and--issuing--certificates--as--required--by--this--part-
14 The fees must be commensurate with the costs of processing
15 the documents and certificates, the secretary--of--state
16 shall--maintain--records--sufficient--to--support--the--fees--and
17 miscellaneous--charges--established--under--this--part. The
18 secretary--of--state--shall--deposit--in--the--state--treasury--all
19 fees--and--miscellaneous--charges--he--collects--under--this--part
20 and--the--money-is--allocated--to--the--secretary--of--state--to--pay
21 the--expenses--of--filing--documents--and--issuing--certificates"
 Section 2. Section 35-1-1201, MCA, is amended to read:
 "35-1-1201. Fees and charges to be collected by
 24 secretary of state. (1) The secretary of state shall by
 25 administrative rule establish, charge, and collect in

accordance with the provisions of this chapter and
 commensurate with costs:
 (3)(a) Fees for filing documents and issuing
 certificates;
 (2)(b) miscellaneous charges:
 (2) The secretary of state shall maintain records
 sufficient to support the fees and miscellaneous charges
 established under this part.
 (3) The secretary--of--state--shall--deposit--in--the--state
 treasury--all--fees--and--miscellaneous--charges--he--collects
 under--this--party--and--the--money-is--allocated--to--the--secretary
 of--state--to--pay--the--expenses--of--filing--documents--and--issuing
 certificates;"
 Section-57--Section-35-2-10017-MCA7-is-amended-to-read:
 "35-2-10017--Pees and charges--to--be--established--and
 collected by--secretary--of--state--(1) The secretary--of--state
 shall--by--administrative--rule--establish--charge--and--collect
 in--accordance--with--the--provisions--of--this--chapter--and
 commensurate with--costs:
 (a) fees--for--filing--documents--and--issuing
 certificates; and
 (b) miscellaneous--charges:
 (2) The secretary--of--state--shall--maintain--records
 sufficient--to--support--the--fees--establisched--under--this

section Part:
13) --the--secretary--of--state--shall--deposit--in--the--state
treasury--all--fees--and--miscellaneous--charges--he--collects
under--this--party--and--the--money--is--allocated--to--the--secretary
of--state--to--pay--the--expenses--of--filing--documents--and--issuing
certificates."

Section 3. Section 71-3-205, MCA, is amended to read:
"71-3-205. Duties of filing officer. (1) If a notice
of federal lien, a refiling of a notice of federal lien, or
a notice of revocation of any certificate described in
subsection (2) is presented to the filing officer and:

(a) he is the secretary of state, he shall cause the
notice to be marked, held, and indexed in accordance with
the provisions of 30-9-403(4) as if the notice were a
financing statement within the meaning of the Uniform
Commercial Code; or
(b) he is any other officer described in 71-3-204, he
shall endorse thereon his identification and the date and
time of receipt and forthwith file it alphabetically or
enter it in an alphabetical index showing the name and
address of the person named in the notice, the date and time
of receipt, the title and address of the official or entity
certifying the lien, and the total amount appearing on the
notice of lien.
(2) If a certificate of release, nonattachment,

discharge, or subordination of any lien is presented to the
secretary of state for filing, he shall:
(a) cause a certificate of release or nonattachment to
be marked, held, and indexed as if the certificate were a
termination statement within the meaning of the Uniform
Commercial Code, except that the notice of lien to which the
certificate relates shall not be removed from the files; and
(b) cause a certificate of discharge or subordination
to be held, marked, and indexed as if the certificate were a
release of collateral within the meaning of the Uniform
Commercial Code.
(3) If a refiled notice of federal lien referred to in
subsection (1) or any of the certificates or notices
referred to in subsection (2) is presented for filing with
any other filing officer specified in 71-3-204, he shall
permanently attach the refiled notice or the certificate to
the original notice of lien and shall enter the refiled
notice or the certificate, with the date of filing, in any
alphabetical lien index on the line where the original
notice of lien is entered.
(4) Upon request of any person, the filing officer
shall issue his certificate showing whether there is on
file, on the date and hour stated therein, any notice of
lien or certificate or notice affecting the lien, filed on
or after July 1, 1967, naming a particular person, and if a

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB232, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

HB232 would set filing fees for corporate revivers and federal tax liens equivalent to filing fees for comparable documents and require deposit of corporate filing fees in the state special revenue fund to pay the expenses of operating the Corporations Bureau in the Secretary of State's Office.

ASSUMPTIONS:

1. Approximately 400 federal tax liens and 300 releases of tax liens will be filed annually.
2. Approximately 50 corporate revivers will be filed annually.
3. Lien filing fees will remain unchanged in the 1989 biennium.
4. Fee changes will not alter workload.

FISCAL IMPACT:

1. Transfer costs of Corporation Bureau from general fund to state special revenue fund.

	FY88	FY89
General Fund	(\$284,700)	(\$377,300)
Special Revenue Fund	284,700	377,300
	2,175	2,900
	500	500

EFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

None anticipated.

David L. Hunter DATE 1/27/89
DAVID L. HUNTER, BUDGET DIRECTOR
Office of Budget and Program Planning

Fred Thomas DATE 1-28-87
FRED THOMAS, PRIMARY SPONSOR
Fiscal Note for HB232, as introduced.

1 notice or certificate is on file, giving the date and hour
2 of filing of each notice or certificate.

3 {5}--~~the fee for a certificate is \$27 Upon request the
4 filing officer shall furnish a copy of any notice of federal
5 lien or notice or certificate affecting a federal lien for a
6 fee of \$1 per page."~~

7 Section 4. Section 71-3-206, MCA, is amended to read:
8 "71-3-206. Fees. (1) The fee for filing and indexing
9 each notice of lien or certificate or notice affecting the
10 tax lien is: must be established and deposited in accordance
11 with the provisions of 30-9-403(12).

12 ~~(a) for a lien on real estate - \$27
13 (b) for a lien on tangible - and - intangible - personal
14 property - \$27
15 (c) for a certificate of discharge or subordination~~
16 \$27
17 ~~(d) for all other notices - inclosing a certificate - of
18 release or nonattachment - \$27~~
19 (2) The officer shall bill the district directors of
20 internal revenue or other appropriate federal officials on
21 a monthly basis for fees for documents filed by them."

22 NEW SECTION--Section 8--Repealer--Sections 35-1-1202
23 and 35-1-12037-MCA7 are repealed.
-End-

APPROVED BY COMMITTEE
ON JUDICIARY

HOUSE BILL NO. 309
INTRODUCED BY QUILICI, SPAETH, HARP,
PAVLOVICH, MANNING, DAILY
BY REQUEST OF THE DEPARTMENT OF LABOR
AND INDUSTRY AND THE BOARD OF CRIME CONTROL

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE CRIME VICTIMS COMPENSATION ACT OF MONTANA; TRANSFERRING ADMINISTRATION OF THE ACT TO THE CRIME CONTROL DIVISION OF THE DEPARTMENT OF JUSTICE; REQUIRING AN APPEAL FROM A DEPARTMENT DETERMINATION CONCERNING A CLAIM TO BE MADE TO DISTRICT COURT; PROVIDING FOR CONFIDENTIALITY OF CERTAIN RECORDS; INCREASING CERTAIN BENEFITS; EXPANDING THE SUBROGATION RIGHTS OF THE FUND; AMENDING SECTIONS 53-9-103, 53-9-106, 53-9-107, 53-9-128, 53-9-131, AND 59-9-132, MCA; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 53-9-103, MCA, is amended to read:

"53-9-103. Definitions. As used in this part, the following definitions apply:

(1) "Claimant" means any of the following claiming compensation under this part:

(a) a victim;

(b) a dependent of a deceased victim; or

(c) an authorized person acting on behalf of any of them.

(2) "Collateral source" means a source of benefits, other than welfare benefits, or advantages for economic loss otherwise compensable under this part which the claimant has received or which is readily available to him from:

(a) the offender;

(b) the government of the United States or any agency thereof, a state or any of its political subdivisions, or an instrumentality of two or more states, unless the law providing for the benefits or advantages makes them excess or secondary to benefits under this part;

(c) social security, medicare, and medicaid;

(d) workers' compensation;

(e) wage continuation programs of any employer;

(f) proceeds of a contract of insurance payable to the claimant for loss which was sustained because of the criminally injurious conduct; or

(g) a contract, including an insurance contract, providing hospital and other health care services or benefits for disability. Any such contract in this state may not provide that benefits under this part shall be a substitute for benefits under the contract or that the contract is a secondary source of benefits and benefits under this part are a primary source.

EXHIBIT
DATE 2-12-07

Montana legislative council
A

- 1 (a) occurs or is attempted in this state;
- 2 (b) results in bodily injury or death; and
- 3 (c) is punishable by fine, imprisonment, or death or
- 4 would be so punishable but for the fact that the person
- 5 engaging in the conduct lacked capacity to commit the crime
- 6 under the laws of this state. Criminally injurious conduct
- 7 does not include conduct arising out of the ownership,
- 8 maintenance, or use of a motor vehicle as described in Title
- 9 61.

1 (4) "Dependent" means a natural person who is

2 recognized under the law of this state to be wholly or

3 partially dependent upon the victim for care or support and

4 includes a child of the victim conceived before the victim's

5 death but born after the victim's death, including a child

6 that is conceived as a result of the criminally injurious

7 conduct.

8 (5) "Division" means the division of workers'-

9 compensation-provided-for-in-2-15-1702 crime control of the

10 department of justice.

11 (6) "Victim" means a person who suffers bodily injury

12 or death as a result of:

13 (a) criminally injurious conduct;

14 (b) his good faith effort to prevent criminally

15 injurious conduct; or

16 (c) his good faith effort to apprehend a person

17 reasonably suspected of engaging in criminally injurious

18 conduct."

19 Section 2. Section 53-9-106, MCA, is amended to read:

20 "53-9-106. Attorneys' fees. (1) The division may grant

21 attorneys' fees to attorneys for representing claimants

22 before the division. Any attorney's fee granted by the

23 division shall be in addition to compensation awarded the

24 claimant under this part.

25 (2) The division may regulate the amount of the

1 attorney's fee in any claim under this part when an attorney

2 is representing a claimant.

3 (3) In cases under this part that go before the

4 workers'-compensation-judge a district court, the judge may

5 grant, in addition to compensation benefits granted,

6 attorneys' fees to attorneys for representing claimants

7 before the judge court.

8 (4) In no claim or case may attorney fees in excess of

9 5% of the amount paid to a claimant or on his behalf be paid

10 directly or indirectly to a claimant's attorney."

11 Section 3. Section 53-9-107, MCA, is amended to read:

12 "53-9-107. Public inspection and disclosure of

13 division's records. The (1) Except as provided in

14 subsection (2), the records the division maintains in its

15 possession in the administration of this part are open to

16 public inspection and disclosure in accordance with the

1 inspection and disclosure in accordance with the provisions
2 of 39-7-221-through-39-7-224.
3 (2) Confidential criminal justice information obtained
4 by the division is subject to the confidentiality provisions
5 of the Montana Criminal Justice Information Act of 1979,
6 Title 44, Chapter 5. Information regarding youth court
7 proceedings obtained by the division is subject to the
8 confidentiality provisions of Title 41, chapter 5, part 6."

9 Section 4. Section 53-9-128, MCA, is amended to read:
10 "53-9-128. Compensation benefits. (1) A claimant is
11 entitled to weekly compensation benefits when the claimant
12 has a total actual loss of wages due to injury as a result
13 of criminally injurious conduct. During the time the
14 claimant seeks such weekly benefits, the claimant, as a
15 result of such injury, must have no reasonable prospect of
16 being regularly employed in the normal labor market. The
17 weekly benefit amount is 66 2/3% of the wages received at
18 the time of the criminally injurious conduct, subject to a
19 maximum of \$125 one-half the state's average weekly wage as
20 determined in 39-51-2201. Weekly compensation payments shall
21 be made at the end of each 2-week period. No weekly
22 compensation payments may be paid for the first week after
23 the criminally injurious conduct occurred, but if total
24 actual loss of wages continues for 1 week, weekly
25 compensation payments shall be paid from the date the wage

1 loss began. Weekly compensation payments shall continue
2 until the claimant has a reasonable prospect of being
3 regularly employed in the normal labor market.
4 (2) The claimant is entitled to be reimbursed for
5 reasonable services by a physician or surgeon, reasonable
6 hospital services and medicines, and such other treatment as
7 may be approved by the division for the injuries suffered
8 due to criminally injurious conduct.
9 (3) (a) The dependents of a victim who is killed as a
10 result of criminally injurious conduct are entitled to
11 receive, in a gross single amount payable to all dependents,
12 weekly benefits amounting to 66 2/3% of the wages received
13 at the time of the criminally injurious conduct causing the
14 death, subject to a maximum of \$125 per week one-half the
15 state's average weekly wage as determined in 39-51-2201.
16 Weekly compensation payments shall be made at the end of
17 each 2-week period.
18 (b) Benefits under subsection (3)(a) of this section
19 shall be paid to the spouse for the benefit of the spouse
20 and other dependents unless the division determines that
21 other payment arrangements should be made. If a spouse dies
22 or remarries, benefits under subsection (3)(a) shall cease
23 to be paid to the spouse but shall continue to be paid to
24 the other dependents so long as their dependent status
25 continues.

1 victim, not exceeding \$2,000, shall be paid if all
2 other collateral sources have properly paid such expenses
3 but have not covered all such expenses.

(5) Compensation payable to a victim and all of the
victim's dependents in cases of the victim's death, because
of injuries suffered due to an act of criminally injurious
conduct may not exceed \$25,000 in the aggregate.

(6) Compensation benefits are not payable for pain and
suffering, inconvenience, physical impairment, or nonbodily
damage.

(7) (a) A person who has suffered injury as a result
of criminally injurious conduct and as a result of such
injury has no reasonable prospect of being regularly
employed in the normal labor market, who was employable but
was not employed at the time of such injury, may in the
discretion of the division be awarded weekly compensation
benefits in an amount determined by the division not to
exceed \$100 per week. Weekly compensation payments shall
continue until the claimant has a reasonable prospect of
being regularly employed in the normal labor market or for a
shorter period as determined by the division. The claimant
shall be awarded benefits as provided in subsection (2) of
this section.

(b) The dependents of a victim who is killed as a
result of criminally injurious conduct and who was

employable but not employed at the time of death may in the
discretion of the division be awarded, in a gross single
amount payable to all dependents, a sum not to exceed \$100
per week which shall be payable in the manner and for the
period provided by subsection (3)(b) of this section or for
such shorter period as determined by the division. The
claimant shall be awarded benefits as provided in subsection
(4) of this section.

(c) --Compensation payable to a victim or dependents
dependents under this subsection may not exceed §2070A(g)-end
the limitations of subsection -t6+-apply-to-compensation
under this subsection-t7+.

(8) Amounts payable as weekly compensation may not be
commuted to a lump sum and may not be paid less frequently
than every 2 weeks."

Section 5. Section 53-9-131, MCA, is amended to read:
"53-9-131. Appeals. (1) After the division has made
final determination concerning any matter relating to a
claim, if the claimant disputes the division's
determination, he may appeal to the workers'-compensation
judge district court for the county in which he resides or
Lewis and Clark County for review. Review on appeal must be
in conformity with 2-4-701 through 2-4-704 of the Montana
Administrative Procedure Act. The judge, after a hearing,
shall make a final determination concerning the dispute and

1 shall make a final determination concerning the dispute and
2 issue an appropriate order affirming, reversing, or
3 modifying the division's determination.

4 (2) All proceedings and hearings before the workers' compensation
5 compensation judge shall be in accordance with the
6 appropriate provisions of the Montana Administrative
7 Procedure Act. However, the workers' compensation judge is
8 not bound by common law and statutory rules of evidence.

9 (3) Notwithstanding Title 27, chapter 47, part 77, an
10 appeal from a final decision of the workers' compensation
judge shall be filed directly with the supreme court of
Montana in the manner provided by law for appeals from the
district court in civil cases."

11 Section 6. Section 53-9-132, MCA, is amended to read:

12 "53-9-132. Subrogation. (1) If a claimant seeks
compensation under this part and compensation is awarded,
the division is entitled to full subrogation against a
judgment or recovery received by the claimant against the
offender or a collateral source arising from the criminally
injurious conduct committed by the offender for all
compensation paid under this part. The division's right of
subrogation shall be a first lien on the judgment or
recovery. If the claimant does not institute the action
against the offender or collateral source within 1 year from
the date the criminally injurious conduct occurred, the

division may institute the action in the name of the
claimant or the claimant's personal representative.

(2) If the claimant institutes the action, the
division shall pay a proportional share of costs and
attorneys' fees if it recovers under its subrogation
interest.

(3) If the division institutes the action in the name
of the claimant or the claimant's personal representative
and the recovery is in excess of the amount of compensation
paid to the claimant and costs incurred by the division in
pursuit of the action, the excess shall be paid to the
claimant.

(4) If a judgment or recovery includes both damages
for bodily injury or death for which the division has paid
compensation under this part and damages for which the
division has not paid compensation, then the division's
subrogation interest shall apply only to that proportion of
the judgment or recovery for which it has paid compensation.

In a civil action in a court of this state arising out of
criminally injurious conduct, the judge, on timely motion,
shall direct the jury to return a special verdict indicating
separately the amounts of the various items of damages
awarded. A claimant may not make recoveries against the
offender or collateral source in such a way as to avoid and
preclude the division from receiving its proper subrogation

STATE OF MONTANA - FISCAL NOTE
Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB309, as introduced.
REVISED FISCAL NOTE

DESCRIPTION OF PROPOSED LEGISLATION:

An act revising the Crime Victims' Compensation Act of Montana, transferring administration of the act to the Crime Control Division of the Department of Justice; requiring an appeal from a department determination concerning a claim to be made to District Court; providing for confidentiality of certain records; increasing certain benefits; expanding the subrogation rights of the fund.

PART I
This portion of the fiscal note pertains to increasing certain benefits.

ASSUMPTIONS:

1. Collateral sources remain at current levels for wage benefits and funeral expenses.
2. No additional operational costs are associated with increase in benefits.
3. No increase in actual cost of funeral.
4. No increase in number of qualifying claims for funeral expenses. (23 claims approved in FY86.)
5. Montana's average weekly wage will increase 3% per annum over present \$299 base.
6. Number of claims for maximum wage benefits will remain constant with 3 year historical average.
7. Costs under current law are based on FY86 actual.

FISCAL IMPACT:

Revenues:

All revenue into the Crime Victims' account would no longer be part of DWC's operation.

Expenditures:

The following figures represent only increased benefit costs of the proposed legislation. If this program is transferred to Justice, the operational and benefit costs would also transfer.

	FY88			FY89		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
Compensation benefits	\$ 9,601	\$11,218	\$ 1,617	\$ 9,601	\$11,555	\$ 1,954
Funeral benefits	22,434	35,199	12,765	22,434	35,199	12,765
TOTAL	\$32,035	\$46,417	\$ 14,382	\$32,035	\$46,754	\$ 14,719

Source of Funds: State Special Revenue Fund

David L. Hunter DATE 1/30/82
DAVID L. HUNTER, BUDGET DIRECTOR
Office of Budget and Program Planning

Joe Quilici DATE
JOE QUILICI, PRIMARY SPONSOR

REVISER - MISCELLANEOUS
Fiscal Note for HB309, as introduced.

1 release its lien provided for in subsection (1) above upon
2 receipt of its subrogation share."

3 NEW SECTION. Section 7. Extension of authority. Any
4 existing authority of the workers' compensation division to
5 make rules on the subject of the provisions of this act is
6 extended to the division of crime control to make rules on
7 the subject of the provisions of this act.

8 NEW SECTION. Section 8. Effective date. This act is
9 effective July 1, 1987.

-End-

PART II

The following figures represent the transfer administration of the act to Justice Department.

ASSUMPTIONS:

1. Program supervisor will transfer with the program. When the Crime Victims program began in 1978, three FTE were provided to Workers' Compensation Division. The department proposes transferring 1 FTE with the program and two FTE will remain in Workers' Compensation to provide other functions to the department.
2. Secretary, Grade 8, will be hired to support the program; currently, Workers' Compensation provides support and charges the program as indirect costs.
3. Benefits are calculated at 14.5% of salaries plus \$115 per month per person for health insurance.

FISCAL IMPACT:

Expenditures:

	FY88			FY89		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
Personal Services	\$ 27,130	\$ 43,569	\$ 16,439	\$ 27,205	\$ 43,623	\$ 16,417
Operating Expenses	5,709	11,231	5,522	5,706	11,231	5,525
Equipment	0	2,750	2,750	0	500	500
Benefits & Claims	365,863	380,243	14,382	365,863	380,582	14,719
Transfers	25,948	0	(25,948)	27,611	0	(27,611)
TOTAL	\$424,630	\$437,795	\$ 13,165	\$426,408	\$435,936	\$ 9,528

Source of Funds: State Special Revenue Fund

EFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

Minimal - only 7 cases since 1978 have required court action.

TECHNICAL OR MECHANICAL DEFECTS IN PROPOSED LEGISLATION OR CONFLICTS WITH EXISTING LEGISLATION:

53-9-107 references the Workers' Compensation Act 39-71-221 through 224 and should be deleted.

6
2-12-87

Equipment Program

Major Issues

	LFA Lower (Higher)	Than Executive
	Fiscal	Fiscal
	1988	1989

1. Personal Services - The executive budget is 1.50 FTE lower than LFA current level. The executive budget deleted 2.0 FTE that are in the LFA current level. These are:

Machinist/Mechanic	1.00
Service/Combination	1.00

These position were filled at the end of fiscal 1986. Both were terminated in September 1986.

The LFA current level deleted a vacant administrative officer position at 1.00 FTE while the executive deleted only 0.50 FTE of the position. This difference netted against the 2.00 FTE makes up the 1.50 FTE difference.

	\$(43,555)	\$(43,902)
--	------------	------------

2. Inflation - Gasoline inflation rates applied by the executive budget are higher than those applied by LFA. 120,568 65,837
3. Supplies - Minor tools and minor maintenance field equipment are in the executive budget at \$40,819 each fiscal year which is the fiscal 1986 level of expenditure. Expenditures in those categories are:

Appropriated Level	\$17,771
Fiscal 1985	\$25,005

LFA current level is based on fiscal 1985 expenditure levels.

	15,814	15,814
--	--------	--------

4. Rent - There was a negative expenditure in this category which the executive budget does not reflect. 1,498 1,498
5. Equipment - The department's request contained two different levels of requests. One with the 5 percent reduction of \$4,650,099 and one without at \$4,993,000 each fiscal year. The LFA current level reflects the equipment request with the 5 percent reduction. The executive budget is above the LFA current level. 255,560 255,560
6. Transfers - This category is the expense from the gas tax fund to transfer money to the Equipment Program's proprietary fund. The executive budget includes this transfer while the LFA current level does not because cash balance and projected revenues show this fund will not need the gas tax fund monies for the 1989 biennium. This will need to be addressed when the expenditure levels are set by the subcommittee because it is part of the funding for the program.

REPORT EBSR99
DATE : 01/07/87
TIME : 17/23/43

OFFICE OF BUDGET & PROGRAM PLANNING
EXECUTIVE BUDGET SYSTEM
AGENCY/PROGRAM/CONTROL -- BUDGET DETAIL COMPARISONS

PAGE 227

AGENCY : 5401 DEPARTMENT OF HIGHWAYS
PROGRAM : 08 EQUIPMENT PROGRAM
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	BUDGET FY 86	BUDGET FY 87	OBPP FY 88	LFA FY 88	DIFF FY 88	OBPP FY 89	LFA FY 89	DIFF FY 89
0000 FULL TIME EQUIVALENT (FTE)		120.35	120.35	117.85	119.35	-1.50	117.85	119.35	-1.50
1100 SALARIES	2,638,664.46	2,895,363	2,789,606	2,821,142	-31,536	2,783,332	2,814,749	-31,417	
1300 OTHER COMPENSATION	49.10								
1400 EMPLOYEE BENEFITS	613,315.49	492,152	530,122	526,979	3,143	549,476	546,646	2,830	
1500 HEALTH INSURANCE	166,083	165,255	166,635	-1,380	-1,255	165,255	166,635	-1,380	
1600 VACANCY SAVINGS	-304,446	-139,399	-136,920	-2,479	-139,923	-137,291	-137,291	-2,632	
1800 PERSONAL SERVICES-OTHER									
1900 PERSONAL SERVICES-OTHER	28,279.00								
TOTAL LEVEL	3,280,308.05	3,249,152	3,345,584	3,389,139	-43,555	3,358,140	3,402,042	-43,902	
2022 SUPPLIES & MATERIALS- INFLAT									
2023 COMMUNICATIONS- INFLATION									
2026 UTILITIES- INFLATION									
2100 CONTRACTED SERVICES	130,093.94	187,371	9,449	9,361	88	19,038	18,982	56	
2200 SUPPLIES & MATERIALS	2,702,527.74	2,339,444	2,430,909	251,015	-106	2,250,744	2,250,850	-106	
2300 COMMUNICATIONS	43,986.03	49,358	43,985	43,985	16,010	2,418,442	2,418,442	16,010	
2400 TRAVEL	28,158.00	31,221	27,928	27,942	-14	27,928	27,942	-14	
2500 RENT	1,276.84	1,681	2,776	1,277	1,499	2,776	1,277	1,499	
2600 UTILITIES	137,699.02	153,725	137,698	137,698	137,698	137,698	137,698	137,698	
2700 REPAIR & MAINTENANCE	1,559,878.54	1,546,342	1,559,484	1,559,484	1,559,484	1,559,484	1,559,484	1,559,484	
2800 OTHER EXPENSES	1,736,477.74	22,309	23,250	23,247	3	23,250	23,247	3	
TOTAL LEVEL	6,340,097.85	4,331,451	4,505,186	4,367,138	138,048	4,566,262	4,482,976	83,286	
3100 EQUIPMENT									
8000 TRANSFERS									
TOTAL LEVEL	1,331,243.00	4,657,099	4,905,659	4,650,099	255,560	4,905,659	4,650,099	255,560	
TOTAL PROGRAM	13,861,830.51	12,237,702	14,431,528	12,406,376	2,025,152	14,280,160	12,535,117	1,745,043	
02422 HIGHWAYS SPECIAL REVENUE	2,910,181.61	2,247,850	1,675,099	1,675,099	1,450,099	1,450,099	1,450,099	1,450,099	
06508 HIGHWAY EQUIPMENT - INT SVC	10,951,648.90	9,989,852	12,756,429	12,406,376	350,053	12,830,061	12,535,118	294,943	
TOTAL PROGRAM	13,861,830.51	12,237,702	14,431,528	12,406,376	2,025,152	14,280,160	12,535,118	1,745,042	

**ANALYSIS OF OCPP AND L
-89 BIENNIAL RECOMMENDATIONS
CURRENT LEVEL SERVICES ONLY**

Date: 2/6/87

Description	Current Level		FY88		FY89		Difference LFA (over) under
	Actual F/Y86 Expenditures	OCPP	LFA	Difference LFA (over) under	OCPP	LFA	
Full Time Equivalent (FTE)	120.35	117.85	119.35	(1.50)	117.85	119.35	(1.50)
The OCPP reduced the department's request by 2.50 FTE and the LFA reduced the department's request by 1.00 FTE. The reductions consist of the following:							
Mach/Mech							
Service/Comb. A.							
Admin. Officer II							
Total		OBPP 1.00 1.00 <u>.50</u> 2.50	LFA 1.00 1.00 <u>1.00</u> 1.00				
Salaries	\$2,690,818*	\$2,789,606	\$2,821,142	\$(-31,536)	\$2,783,332	\$2,814,749	\$31,417
The LFA increased salaries by \$31,536 in FY88 and \$31,417 in FY89 to reflect the additional 1.50 FTE.							
Employee Benefits	\$637,136*	\$530,122	\$526,979	\$3,143	\$549,476	\$546,646	\$2,830
The LFA increased benefits \$6,850 in FY88 and \$7,163 in FY89 to reflect the additional 1.50 FTE, but they did not allow \$9,993 in FY88 or FY89 for benefits on the overtime and differential requests; although, it appears to be included in the 1800 category.							
Health Insurance	\$165,255	\$166,635	\$(-1,380)	\$165,255	\$166,635	\$(-1,380)	
The LFA increased health insurance by \$1,380 to reflect the additional 1.50 FTE.							
Vacancy Savings	\$(-139,399)	\$(-136,920)	\$(-2,479)	\$(-139,923)	\$(-137,291)	\$(-2,632)	
The difference in vacancy savings is the result of the LFA personal services adjustments.							
Supplies & Materials (Base)							
Gasoline	\$1,712,330	\$1,504,605	\$1,504,605	\$1,504,605	\$1,504,605	\$1,504,605	
Diesel	692,168	633,043	633,043	633,043	633,043	633,043	
Other Items	<u>298,029</u>	<u>296,804</u>	<u>280,794</u>	<u>\$16,010</u>	<u>296,804</u>	<u>280,794</u>	<u>\$16,010</u>
Total Base	\$2,702,527	\$2,435,452	\$2,418,442	\$16,010	\$2,434,452	\$2,418,442	\$16,010

FOU' ¹ (Continued)
 ANALYSIS OF OBPB AND '88-'89 BIENIUM RECOMMENDATIONS
 CURRENT LEVEL SERVICES ONLY

Date: 2/6/87

Description	FY88			FY89			Difference LFA (over) under
	Current Level Actual FY86 Expenditures	OBPP	LFA	Difference LFA (over) under	OBPP	LFA	
Supplies & Materials (Inflation)							
Gasoline	\$15,197	(\$105,371)	\$120,568	\$66,804	\$969		\$65,935
Diesel	<u>46</u>	<u>(\$105,325)</u>	<u>\$120,568</u>	<u>83</u>	<u>\$1,050</u>		<u>2</u>
Other Items	<u>\$15,243</u>			<u>\$66,887</u>			<u>\$65,837</u>
Total Inflation							
Supplies & Materials (Total)							
Gasoline	\$1,712,330	\$1,519,802	\$1,399,234	\$120,568	\$1,571,409	\$1,505,574	\$65,835
Diesel	692,168	633,043	633,043		633,043	633,043	
Other Items	<u>298,029</u>	<u>296,850</u>	<u>280,840</u>	<u>16,010</u>	<u>296,887</u>	<u>280,875</u>	<u>16,012</u>
Total Base & Inflation	<u>\$2,702,527</u>	<u>\$2,449,695</u>	<u>\$2,313,117</u>	<u>\$136,578</u>	<u>\$2,501,339</u>	<u>\$2,419,492</u>	<u>\$81,847</u>

The difference between the OBPP and the LFA is due to different inflation factors being applied on gasoline and reductions in minor tools and equipment and minor maintenance field equipment.

The LFA reduced minor tools and equipment \$7,000 below the fiscal year 1986 actual expenditures and they reduced minor maintenance field equipment \$9,010 below the fiscal year 1986 actuals. The department previously capitalized small tools over \$25. Department policy has been changed and only items over \$200 are capitalized; therefore, the expenditures are now reflected in supplies and materials and not in equipment. The department expects the same expenditure level in the future; therefore, we are requesting the 86 base for these items.

The department originally requested 1,567,297 gallons of gasoline at .96 per gallon and 695,652 gallons of diesel at .91 per gallon. The department has subsequently updated its performance budgeting system for the Equipment Program. This system reflects the need for 1,773,014 gallons of gasoline at .96 per gallon and 741,436 gallons of diesel at .91 per gallon. The department is requesting the OBPP recommendations on the other items and is requesting language regarding gasoline and diesel be input to the appropriation bill to read: The Equipment Program is authorized \$1,702,122 for gasoline and \$674,706 for diesel for a total of \$2,376,828. If, as a result of market fluctuations and/or loss of the federal fuel tax exemption, the combined expenditures for gasoline and diesel exceed this amount, the Equipment Program may request a budget amendment for additional spending authority. In the event the combined expenditures for gasoline and diesel are less than this amount, the Equipment Program shall revert the excess authority. The revised totals are as follows:

EQI
ANALYSIS OF OBPP AND LFA
FOR THE 1987-89 BIENNIAL RECOMMENDATIONS

Date: 2/6/87

(Continued)
CURRENT LEVEL SERVICES ONLY

Description	Current Level		FY88		FY89		Difference LFA (over) under
	Actual FY86 Expenditures	OBPP	LFA	OBPP	LFA		
Gasoline and Diesel		\$2,376,828	\$2,376,828				
Other Items		<u>296,850</u>	<u>296,887</u>				
Total		<u>\$2,673,678</u>	<u>\$2,673,715</u>				
Equipment	\$4,649,030*	\$4,905,659	\$4,650,099	\$255,560	\$4,905,659	\$4,650,099	\$255,560
Transfers	\$2,910,182	\$1,675,099		\$1,675,099	\$1,450,099	\$1,450,099	

The difference between the OBPP and the LFA is due to the 5% reduction imposed by the special session.
 The LFA reflects the DOH's request which was adjusted for the reduction.. The OBPP does not reflect the entire reduction.

* These figures have been adjusted to reflect budgeted activity only.

The LFA did not allow the transfer of funds from the State Special Revenue Fund to the Proprietary Fund.
 State Special Revenue Funds are used to fund a portion of the equipment purchases.

11-Feb-87

AGENCY: DEPARTMENT OF HIGHWAYS
PROGRAM: STORES

OFFICE OF THE LEGISLATIVE FISCAL ANALYST
BUDGET WORKSHEET

	FY 1986 ACTUAL	OBPP FY88	LFA FY88	DIFF FY88	OBPP FY89	LFA FY89	DIFF FY89
2022 SUPPLIES INFLATION		\$30,298	(\$112,681)	\$142,979	\$100,810	\$22,763	\$78,047
2100 CONTRACTED SERVICES	\$67,826	\$288,000	\$0	\$288,000	\$288,000	\$0	\$0
2200 SUPPLIES & MATERIALS	\$2,799,296	\$3,036,400	\$3,037,296	(\$896)	\$3,036,400	\$3,037,296	(\$896)
2300 COMMUNICATIONS	\$5,639	\$5,639	\$5,639	\$0	\$5,639	\$5,639	\$0
2400 TRAVEL	\$651	\$651	\$651	\$0	\$651	\$651	\$0
2500 RENT	\$737,299	\$737,299	\$737,299	\$0	\$737,299	\$737,299	\$0
2600 UTILITIES	\$346	\$346	\$346	\$0	\$346	\$346	\$0
2700 REPAIR & MAINTENANCE	\$8,831,504	\$9,503,665	\$9,902,948	(\$399,283)	\$9,503,665	\$9,902,948	(\$399,283)
TOTAL OPERATING COSTS	\$12,442,561	\$13,602,298	\$13,859,498	(\$257,200)	\$13,672,810	\$13,994,942	(\$322,132)
02422 HIGHWAY SPECIAL REVENUE	\$12,442,561	\$13,602,298	\$13,859,498	(\$257,200)	\$13,672,810	\$13,994,942	(\$322,132)

2-12-87

S
ANALYSIS OF OBPP AND L
-89 BIENNIAL RECOMMENDATIONS

Date: 2/11/87

CURRENT LEVEL SERVICES ONLY

Description	FY88			FY89		
	Current Level Expenditures	Actual FY86 Expenditures	Difference LFA	OBPP	LFA (over) under	Difference LFA (over) under
Supplies & Materials/Inflation	\$30,298	\$112,681	\$142,979	\$100,810	\$22,763	\$78,047
Repair & Maintenance	\$8,831,500	\$9,503,665	\$9,902,948	\$(399,283)	\$9,503,665	\$9,902,948

The difference between the OBPP and the LFA is due primarily to inflation on gasoline.

Repair & Maintenance

The difference between the OBPP and the LFA is due to road oil. The department requested \$3,466,476 for road oil which was the 86 base. The OBPP reduced the department's request by \$399,283 for the 5% reduction imposed by the special session. The LFA used the department's request.

Stores Program

	LFA Lower (Higher)	Than Executive	
	Fiscal	Fiscal	
	1988	1989	

Major Issues

- | | | |
|---|-----------|-----------|
| 1. Inflation - The executive budget uses higher inflation factors for gasoline than the LFA current level. | \$142,979 | \$78,047 |
| 2. Repairs - Road oil was reduced in the executive budget as a part of the 5 percent reduction. LFA current level did not make this reduction based on analysis of prior year's expenditure patterns. | (399,283) | (399,283) |
| 3. Funding for this program is from the Highway State Special Revenue fund. The subcommittee could take action on this when the expenditure levels have been determined. | | |

CONSTRUCT
Modified Level Services Only

2/11/87

Description FTE	FY88			FY89		
	DOH 29.6	LFA -0-	Difference 29.6	DOH 46.00	LFA -0-	Difference 46.00
1100 Salaries	502,798	-0-	502,798	768,611	-0-	768,611
1400 Employee Benefits	72,258	-0-	72,258	106,577	-0-	106,577
1500 Health Insurance	<u>40,848</u>	-0-	<u>40,848</u>	<u>63,480</u>	-0-	<u>63,480</u>
Total Level	615,904	-0-	615,904	938,668	-0-	938,668
2100 Contracted Services	20,419,382	-0-	20,419,382	31,550,671	-0-	31,550,671
2200 Supplies & Materials	11,157	-0-	11,157	17,205	-0-	17,205
2300 Communications	<u>4,504</u>	-0-	<u>4,504</u>	<u>6,199</u>	-0-	<u>6,199</u>
2400 Travel	53,201	-0-	53,201	81,557	-0-	81,557
2500 Rent	37,992	-0-	37,992	56,485	-0-	56,485
2600 Utilities	<u>4,003</u>	-0-	<u>4,003</u>	<u>5,431</u>	-0-	<u>5,431</u>
2700 Repair & Maintenance	5,231	-0-	5,231	4,451	-0-	4,451
2800 Other Expense	<u>841</u>	-0-	<u>841</u>	<u>1,071</u>	-0-	<u>1,071</u>
Total Level	20,536,311	-0-	20,536,311	31,723,070	-0-	31,723,070
Total Program	21,152,215	-0-	21,152,215	32,661,738	-0-	32,661,738
Highway Reconstruction	21,152,215	-0-	21,152,215	32,661,738	-0-	32,661,738

2-14-87

CONSTRUCTION MODIFIED

	<u>FY88</u>	<u>FY89</u>
Engineering Tech II	13.00	22.00
Survey Aid II	<u>16.60</u>	<u>24.00</u>
	29.60	46.00

PRECONST~~ITION~~
Modified Level Services Only

2/4/87

Description	FY88			FY89		
	DOH	LFA	Difference	DOH	LFA	Difference
FTE	20.0	-0-	20.0	20.0	-0-	20.0
1100 Salaries	406,676	-0-	406,676	405,320	-0-	405,320
1400 Employee Benefits	61,579	-0-	61,579	62,534	-0-	62,534
1500 Health Insurance	27,600	-0-	27,600	27,600	-0-	27,600
1600 Vacancy Savings	(19,834)	-0-	(19,834)	(19,818)	-0-	(19,818)
Total Level	476,021	-0-	476,021	475,636	-0-	475,636
2100 Contracted Services	100,000	-0-	100,000	100,000	-0-	100,000
2200 Supplies & Materials	5,000	-0-	5,000	5,000	-0-	5,000
2300 Communications	6,000	-0-	6,000	6,000	-0-	6,000
2400 Travel	10,000	-0-	10,000	10,000	-0-	10,000
2700 Repair & Maintenance	3,560	-0-	3,560	3,618	-0-	3,618
2800 Other Expense	4,669	-0-	4,669	9,204	-0-	9,204
Total Level	129,229	-0-	129,229	133,822	-0-	133,822
4100 Land & Related Costs	1,855,650	-0-	1,855,650	586,500	-0-	586,500
Total Level	2,460,900	-0-	2,460,900	1,195,958	-0-	1,195,958
02422 Highway Special Revenue	843,815	-0-	843,815	410,080	-0-	410,080
02424 Highway Reconstruction	50,000	-0-	50,000	24,300	-0-	24,300
03407 Highway Trust - Federal	1,567,085	-0-	1,567,085	761,578	-0-	761,578
Total Program	2,460,900	-0-	2,460,900	1,195,958	-0-	1,195,958

11
2-12-87SUBCOMMITTEE ACTION
INCLUDES MODIFIEDS

DEPARTMENT OF ADMINISTRATION

FEBRUARY 1987

10-Feb-87

	General Fund	A & E St Spec	Workers Comp	LRBP Cash Acct	Capitol Bldg Fund	Investment Earnings	Agency User Fees	Self Insurance	TOTAL
Dir Office	\$254,147						\$48,076		\$303,223
Gov Elect	\$0								\$0
Accounting	\$828,224								\$828,224
A & E	\$560,373			\$560,373					\$1,120,746
P&G-Print Coord						\$2,033,844			\$2,033,844
P&G-Operations						\$1,129,984			\$1,129,984
P&G-Admin						\$699,975			\$699,975
ISD-Admin						\$313,642			\$313,642
ISD-Operations						\$5,532,217			\$5,532,217
ISD-Info Center						\$447,458			\$447,458
ISD-Systems Dev						\$1,059,913			\$1,059,913
ISD-Telecommunic						\$7,893,870			\$7,893,870
ISD-911 Emerg						\$76,671			\$76,671
Gen Svcs-Security	\$55,043								\$55,043
General Services	\$353,281				\$58,801		\$3,052,813		\$3,474,995
Purchasing	\$463,159								\$463,159
Property & Supply						\$2,888,530			\$2,888,530
Mail & Messenger						\$1,130,305			\$1,130,305
Central Services	\$417,204					\$30,964			\$448,168
Bd. Investments						\$924,137			\$924,137
Tort Claims						\$738,490	\$1,457,899		\$2,196,389
Personnel-Personnel	\$871,753								\$871,753
Personnel-Emp Benefits	\$31,530					\$268,254			\$299,784
Personnel-Training	\$34,572						\$145,781		\$180,353
MWS Comp Court			\$306,303						\$306,303
STAB	\$314,165								\$314,165
PERD						\$762,132			\$762,132
TRS						\$420,400			\$420,400
TOTAL DEPARTMENT	\$3,623,078	\$560,373	\$306,303	\$560,373	\$58,801	\$2,405,887	\$27,202,569	\$1,457,899	\$36,175,283

SUBCOMMITTEE ACTION
INCLUDES MODIFIEDS

DEPARTMENT OF ADMINISTRATION

10-Feb-87

	General Fund	A & E St Spec	Workers Comp	LRBP Cash Acct	Capitol Bldg Fund	Investment Earnings	Agency User fees	Self Insurance	TOTAL
Dir Office	\$255,153						\$48,569		\$303,842
Gov Elect	\$25,000								\$25,000
Accounting	\$774,870								\$774,870
A & E	\$562,400			\$562,400					\$1,124,800
P&G-Print Coord						\$2,034,093			\$2,034,093
P&G-Operations						\$1,399,877			\$1,399,877
P&G-Admin						\$712,883			\$712,883
ISD-Admin						\$281,127			\$281,127
ISD-Operations						\$5,423,025			\$5,423,025
ISD-Info Center						\$447,969			\$447,969
ISD-Systems Dev						\$980,067			\$980,067
ISD-Telecommunic						\$7,960,693			\$7,960,693
ISD-911 Emerg						\$76,671			\$76,671
Gen Svcs-Security	\$54,963								\$54,963
General Services	\$366,033				\$58,801		\$3,169,076		\$3,593,810
Purchasing	\$463,523								\$463,523
Property & Supply						\$2,882,591			\$2,882,591
Mail & Messenger						\$1,226,129			\$1,226,129
Central Services	\$408,266					\$30,909			\$439,175
Bd. Investments						\$854,757			\$854,757
Tort Claims						\$726,058	\$1,445,467		\$2,171,525
Personnel-Personnel	\$872,040								\$872,040
Personnel-Emp Benefits	\$34,030					\$266,746			\$300,776
Personnel-Training	\$34,544						\$145,812		\$180,056
MWS Comp Court			\$297,179						\$297,179
STAB	\$312,682								\$312,682
PERD						\$713,064			\$713,064
TRS						\$397,093			\$397,093
TOTAL DEPARTMENT	\$3,601,104	\$562,400	\$297,179	\$562,400	\$58,801	\$2,262,569	\$27,494,460	\$1,445,467	\$36,294,360

SUBCOMMITTEE ACTION
INCLUDES MODIFIEDS

10-Feb-87

STATE SPECIAL REVENUE

FEDERAL REVENUE

PROPRIETARY

	General Fund	Highways St Spec	RIT Interest	Video Poker Lic Fees	Unclaimed Property	Cigarette Enforcement	Mongame Wildlife	Oil & Gas	St Lands Res Dev	Federal Royalty Audit	Child Support	Welfare Fraud	Medicaid Fraud	Liquor Division	TOTAL
Dir Office	\$387,727	\$95,482												\$28,800	\$512,009
Law Bureau	\$219,734													\$47,870	\$267,604
Centralized Services	\$880,546		\$55,096,750								\$6,800				\$5,963,895
Research & Info	\$1,005,278													\$419,408	\$1,424,686
I & E - Administrati	\$50,397										\$49,399	\$3,119	\$3,119	\$18,712	\$124,746
I & E - Investigatio	\$30,584			\$13,875								\$105,885	\$23,800	\$299,222	\$473,366
I & E - Child Suppor	\$499,750										\$1,130,102				\$1,829,852
I & E - Video Poker				\$128,125											\$128,125
Income Tax Division	\$3,091,947				\$60,000	\$15,000	\$7,884								\$3,174,831
Net Rev & Corp Tax	\$1,124,853							\$24,010	\$33,038	\$122,128					\$1,304,029
PA - Assessors	\$769,479														\$769,479
PA - App & Non-E Ass	\$8,446,088														\$8,446,088
PA - Helena	\$362,527														\$362,527
PA - Administration	\$620,008														\$620,008
Motor Fuel Division		\$710,785													\$710,785
TOTAL DEPARTMENT	\$17,488,918	\$806,267	\$55,096,750	\$142,000	\$60,000	\$15,000	\$7,884	\$24,010	\$33,038	\$122,128	\$1,186,101	\$109,004	\$26,919	\$814,012	\$25,932,031

SUBCOMMITTEE ACTION
INCLUDES MODIFIEDS

DEPARTMENT OF REVENUE

10-Feb-87

STATE SPECIAL REVENUE

FEDERAL REVENUE

PROPRIETARY

	General Fund	Highways St Spec	RIT Interest	Video Poker Lic Fees	Unclaimed Property	Cigarette Enforcement	Mongame Wildlife	Oil & Gas	St Lands Res Dev	Federal Royalty Audit	Child Support	Welfare Fraud	Medicaid Fraud	Liquor Division	TOTAL
Dir Office	\$316,548	\$80,365												\$0	\$397,013
Law Bureau	\$219,049													\$48,600	\$267,649
Centralized Services	\$886,766		\$4,536,500								\$6,800				\$5,429,866
Research & Info	\$1,007,144													\$422,380	\$1,429,524
I & E - Administrati	\$50,470										\$49,470	\$3,123	\$3,123	\$18,739	\$124,925
I & E - Investigatio	\$22,948			\$21,712								\$105,933	\$23,750	\$299,606	\$473,949
I & E - Child Suppor	\$497,519										\$1,140,772				\$1,638,291
I & E - Video Poker				\$128,288											\$128,288
Income Tax Division	\$3,172,087				\$65,000	\$15,000	\$7,884								\$3,259,971
Net Rev & Corp Tax	\$1,125,564							\$24,010	\$33,038	\$122,128					\$1,304,740
PA - Assessors	\$770,886														\$770,886
PA - App & Non-E Ass	\$8,514,834														\$8,514,834
PA - Helena	\$354,058														\$354,058
PA - Administration	\$619,468														\$619,468
Motor Fuel Division		\$708,349													\$708,349
TOTAL DEPARTMENT	\$17,557,441	\$788,714	\$4,536,500	\$150,000	\$65,000	\$15,000	\$7,884	\$24,010	\$33,038	\$122,128	\$1,196,842	\$109,056	\$26,873	\$789,325	\$25,421,811

DEPARTMENT OF JUSTICE
MANAGING BY PROGRAM
COMMITTEE RECOMMENDATION
General Fund 01100

10-700-07

Funding by Program										
Subcommittee Recommendation			Program Total							
General Fund	Highways	Echelated Drivers Lic	Federal and Other Funds	MSAP	Crime	Fed Drug	Agency	Legal	Drug	Program Total
01100	Vehicle	Spec Rev Estates Collections	to DOJ	03600	Investig	Assistance	Legal	Suic	Assistance	\$100,000
FISCAL 1988	02404	02422	03007	03600	03166	03626	03164	03600	03166	\$100,000
Legal Services Division	Highway Patrol Division	Highway Patrol	Academy	02013	Tuition	02019	02018	02019	02018	\$100,000
Indian Legal Jurisdiction	Highway Patrol Modified	Highway Patrol	Inurance	02014	Clearing	02019	02018	02019	02018	\$100,000
County Prosecutor Services	Motor Vehicles Registrar	Motor Vehicles	Academy	02013	Tuition	02019	02018	02019	02018	\$100,000
General Legal Services	Enforcement Services Admin	Enforcement Services	Inurance	02014	Clearing	02019	02018	02019	02018	\$100,000
County Attorney Payroll	Highway Patrol Division	Highway Patrol	Academy	02013	Tuition	02019	02018	02019	02018	\$100,000
Law Enforcement Academy	Highway Patrol Modified	Highway Patrol	Inurance	02014	Clearing	02019	02018	02019	02018	\$100,000
Fire Marshall Bureau	Motor Vehicles Registrar	Motor Vehicles	Academy	02013	Tuition	02019	02018	02019	02018	\$100,000
Identification Bureau	Central Services Division	Central Services	Inurance	02014	Clearing	02019	02018	02019	02018	\$100,000
Central Investigation Bureau	State Processing Division	State Processing	Academy	02013	Tuition	02019	02018	02019	02018	\$100,000
Central Investigation Bureau	Transportation of Prisoners	Transportation of Prisoners	Inurance	02014	Clearing	02019	02018	02019	02018	\$100,000
Central Investigation Bureau	Forensic Science Division	Forensic Science	Academy	02013	Tuition	02019	02018	02019	02018	\$100,000
Total Current Level	\$35,071,130	\$3,647,765	\$9,658,785	\$22,035	\$47,358	\$77,500	\$1,494	\$65,495	\$11,826	\$100,000
Total Modified Level	\$0	\$201,857	\$71,633	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Approved Funding	\$35,071,130	\$3,850,622	\$9,730,418	\$22,035	\$47,358	\$77,500	\$1,494	\$65,495	\$11,826	\$100,000
General Fund	Highways	Echelated Drivers Lic	Federal and Other Funds	MSAP	Crime	Fed Drug	Agency	Legal	Drug	Program Total
01100	Vehicle	Spec Rev Estates Collections	to DOJ	03600	Investig	03626	03164	03600	03166	\$100,000
FISCAL 1989	02404	02422	03007	03600	03166	03626	03164	03600	03166	\$100,000
Legal Services Division	Highway Patrol Division	Highway Patrol	Academy	02013	Tuition	02019	02018	02019	02018	\$100,000
Indian Legal Jurisdiction	Highway Patrol Modified	Highway Patrol	Inurance	02014	Clearing	02019	02018	02019	02018	\$100,000
County Prosecutor Services	Motor Vehicles Registrar	Motor Vehicles	Academy	02013	Tuition	02019	02018	02019	02018	\$100,000
General Legal Services	Enforcement Services Admin	Enforcement Services	Inurance	02014	Clearing	02019	02018	02019	02018	\$100,000
County Attorney Payroll	Highway Patrol Division	Highway Patrol	Academy	02013	Tuition	02019	02018	02019	02018	\$100,000
Law Enforcement Academy	Highway Patrol Modified	Highway Patrol	Inurance	02014	Clearing	02019	02018	02019	02018	\$100,000
Fire Marshall Bureau	Motor Vehicles Registrar	Motor Vehicles	Academy	02013	Tuition	02019	02018	02019	02018	\$100,000
Identification Bureau	Central Services Division	Central Services	Inurance	02014	Clearing	02019	02018	02019	02018	\$100,000
Central Investigation Bureau	State Processing Division	State Processing	Academy	02013	Tuition	02019	02018	02019	02018	\$100,000
Total Current Level	\$66,140,645	\$3,178,921	\$9,742,468	\$21,880	\$47,721	\$77,500	\$1,494	\$65,264	\$11,826	\$100,000
Total Modified Level	\$0	\$177,864	\$5,863,864	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Approved Funding	\$66,140,645	\$3,178,921	\$9,742,468	\$21,880	\$47,721	\$77,500	\$1,494	\$65,264	\$11,826	\$100,000

VISITOR'S REGISTER

GENERAL GOVERNMENT & HIGHWAYS

SUBCOMMITTEE

AGENCY (S) _____

DATE Feb. 12, 1987

DEPARTMENT OF HIGHWAYS

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT.
IF YOU HAVE WRITTEN COMMENTS, PLEASE GIVE A COPY TO THE SECRETARY.