

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
51st LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON GENERAL GOVERNMENT AND HIGHWAYS

Call to Order: By Chairman Quilici, on January 20, 1989, at
8:03 a.m.

ROLL CALL

Members Present: All members were present.

Members Excused: None.

Members Absent: None.

Staff Present: Pam Joehler, analyst
Flo Smith, OBPP
Mary Liedle, secretary

Announcements/Discussion: Chairman Quilici announced that the subcommittee would meet Saturday, January 21 at 7:45 a.m. to take executive action on Department of Administration programs of Procurement and Printing, General Services, Central Mail and Tort Claims.

DISPOSITION OF DEPARTMENT OF ADMINISTRATION: DIRECTOR'S
OFFICE

Tape No. 24A

Motion: Rep. Swysgood moved to accept the LFA current level budget.

Discussion: Differences between the LFA and executive budgets were briefly discussed.

Amendments, Discussion, and Votes: The motion PASSED unanimously.

Motion: Sen. Regan moved to approve \$3022 in FY90 and \$4422 in FY91 for contracted services and remove \$3000 from the equipment portion of the budget.

Amendments, Discussion, and Votes: The motion PASSED unanimously.

DISPOSITION OF DEPARTMENT OF ADMINISTRATION: ACCOUNTING
DIVISION

Tape No. 24A

Motion: Sen. Regan moved to accept the LFA current level budget.

Discussion: Rep. Quilici asked about the decrease in the budget. Pam Joehler explained that the large reduction in this program is due to the implementation of the on-line SBAS edit and entry feature.

Amendments, Discussion, and Votes: The motion PASSED unanimously.

DISPOSITION OF DEPARTMENT OF ADMINISTRATION: CENTRAL
SERVICES DIVISION

Tape No. 24A

Motion: Sen. Regan moved to accept the LFA current level budget.

Discussion: The difference between the executive and LFA budgets was discussed.

Amendments, Discussion, and Votes: The motion PASSED unanimously.

Motion: Sen. Regan moved to fund \$2224 each year of the biennium for computer charges.

Discussion: Dave Ashley, acting Director of the Department of Administration, explained they were deleting .5 FTE largely due to the computerization of the treasury bureau. The requested computer charges are the other side of the coin of dropping .5 FTE.

Amendments, Discussion, and Votes: The motion PASSED unanimously.

DISPOSITION OF DEPARTMENT OF ADMINISTRATION: STATE TAX
APPEAL BOARD

Tape No. 24A

Motion: Sen. Regan moved to accept the LFA current level budget.

Discussion: The differences between the LFA and the

executive budgets were discussed. Pam explained that when she made her estimate for the additional FTE as a result of some counties electing to have their secretaries be state employees, she estimated the benefits and her estimates were high by about \$3600 per year.

Amendments, Discussion, and Votes: The motion PASSED with Sen. Tveit and Rep. Swysgood voting nay.

Motion: Rep. Nisbet moved to removed \$3600 each year of the biennium.

Amendments, Discussion, and Votes: The motion PASSED unanimously.

Discussion: The committee discussed the option of separating the state board and county board expenditures.

No Action Was Taken.

DISPOSITION OF DEPARTMENT OF ADMINISTRATION: PERSONNEL PROGRAM

Tape No. 24A

Motion: Sen. Regan moved to accept the executive budget.

Amendments, Discussion, and Votes: The motion PASSED with Rep. Swysgood voting nay.

DISPOSITION OF DEPARTMENT OF ADMINISTRATION: EMPLOYEE BENEFITS PROGRAM

Tape No. 24A

Motion: Rep. Nisbet moved to accept the LFA current level budget.

Discussion: The differences between the LFA and executive budgets were discussed.

Amendments, Discussion, and Votes: The motion PASSED unanimously.

Motion: Sen. Regan moved to approve the 1 FTE needed due to the implementation of the Cobra Act.

Amendments, Discussion, and Votes: The motion PASSED

unanimously.

DISPOSITION OF DEPARTMENT OF ADMINISTRATION: TRAINING
PROGRAM

Tape No. 24B

Motion: Sen. Regan moved to accept the executive budget.

Discussion: Pam Joehler explained the major difference between the LFA current level and the executive recommendation is \$15,000 per year in operating expenses. This would allow the agency to step up its training program.

Amendments, Discussion, and Votes: The motion PASSED with Rep. Swysgood voting nay.

DISPOSITION OF DEPARTMENT OF ADMINISTRATION: WORKERS
COMPENSATION COURT

Tape No. 24B

Motion: Rep. Swysgood moved to accept the executive budget.

Discussion: There was discussion regarding the differences between the LFA and executive budgets.

Amendments, Discussion, and Votes: The motion carried with Rep. Quilici voting nay.

DISPOSITION OF DEPARTMENT OF ADMINISTRATION: TEACHERS
RETIREMENT DIVISION

Tape No. 24B

Motion: Sen. Stimatz moved to accept the executive budget.

Discussion: The differences between the executive and LFA budgets were discussed.

Amendments, Discussion, and Votes: The motion PASSED unanimously.

DISPOSITION OF DEPARTMENT OF ADMINISTRATION: ARCHITECTURE
AND ENGINEERING

Tape No. 24B

Motion: Rep. Swysgood moved to accept the LFA budget.

Discussion: There was discussion regarding the differences between the LFA and executive budgets.

Amendments, Discussion, and Votes: The motion PASSED unanimously.

Motion: Sen. Regan moved to grant \$2240 for travel.

Discussion: Sen. Regan asked if the difference in travel between the LFA and executive budgets was for out of state travel. Pam Joehler explained that the reason she reduced the travel budget was because that was where the overexpenditure occurred. She stated that she did not cut out of state travel, but rather, the travel budget in general. Sen. Regan asked how much out of state travel the agency has. A member of the agency explained that the out of state travel in the last fiscal year was for the department attorney and a construction person to attend a construction claims seminar in San Francisco and for the Great Plains Architectural Conference.

Amendments, Discussion, and Votes: The motion PASSED with Sen. Tveit and Rep. Swysgood voting nay.

DISPOSITION OF DEPARTMENT OF ADMINISTRATION: PUBLIC
EMPLOYEES RETIREMENT SYSTEM

Tape No. 24B

Motion: Sen. Regan moved to accept the LFA current level budget.

Discussion: Pam Joehler explained there are large differences between the LFA and executive budgets in this program. Much of the difference is due to the budget modification recommendations included in the executive budget.

Amendments, Discussion, and Votes: The motion PASSED unanimously.

Motion: Sen. Regan moved to grant \$4800 each year of the biennium for photocopy services.

Amendments, Discussion, and Votes: The motion PASSED unanimously.

Motion: Sen. Regan moved to grant the requested increase in printing (\$6541 in FY90 only).

Discussion: Rep. Quilici asked why the agency only expended \$5329 for printing in FY88 when they were appropriated \$17,000. He also questioned why the handbooks were not printed. Linda King responded that the agency spent \$9120 in printing during FY88. She said the handbooks were not reprinted because the subcommittee had requested they use all the old handbooks before reprinting. She stated this agency doesn't spend money if they don't need it.

Rep. Swysgood asked what it would cost to print the 30,000 needed handbooks. Pam Joehler said the agency estimates \$7500.

Amendments, Discussion, and Votes: The motion PASSED with Rep. Swysgood voting nay.

Motion: Sen. Regan moved to accept the modification request for computer enhancements, .4 FTE (buy-back) and pre-retirement seminars.

Discussion: Sen. Regan said employees who are getting ready to retire need to know what they are facing and the pre-retirement seminars are very helpful.

Sen. Regan asked Pam Joehler to discuss the computer enhancements and the request for .4 FTE. Pam explained the computer system is 20 years old and is running over capacity and does need something done. She is not sure about the figure of \$83,000, if that is to replace the system or upgrade what they currently have. Linda King explained that amount is to improve the system they currently have. The major enhancement would be a program rewrite for service buy-backs.

Sen. Regan asked if the agency would need the .4 FTE if the computer enhancement was granted. Linda King stated that the agency would still need the .4 FTE.

Amendments, Discussion, and Votes: The motion PASSED with Sen. Tveit and Rep. Swysgood voting nay.

Motion: Sen. Stimatz moved to reinstate position 3821 which was deleted by the Appropriations Committee.

Discussion: Rep. Quilici asked Linda King to explain the social security position. Linda explained that when the agency prepared its budget, they anticipated that the social security program would continue to be phased out. As of January 1, 1987 the IRS handles all collection, whereas the State used to handle collection from all state and local government employers. All the

agency then had to do was close out all the audit years that were still open up through December 30 of 1986. The agency anticipated they'd be able to reduce another FTE for this biennium. (2 FTE were previously removed.) What has happened is there has been a statutory assessment levied by the social security administration against the state of Montana for 39 million dollars. The agency is contesting the issue. It will probably be four years before this is resolved. They will not close out those audit years so they have to have people working on those audits. They also have to have people verifying the salaries of the people the social security system claims should have been covered as well as the continuing responsibilities in the social security area which are to extend and modify existing social security agreements and extend new social security agreements to local government entities who are not now covered.

Rep. Swysgood asked how much money this would add to the budget. Pam said it would add \$22,442 the first year and \$22,581 the second year.

Amendments, Discussion, and Votes: The motion PASSED with Rep. Swysgood voting nay.

DISPOSITION OF DEPARTMENT OF ADMINISTRATION: PURCHASING AND
PRINT PROGRAM

Tape No. 25A

Motion: Rep. Nisbet moved to accept the LFA budget.

Discussion: Pam Joehler discussed the differences between the LFA and executive budgets.

Amendments, Discussion, and Votes: The motion PASSED unanimously.

Motion: Sen. Regan moved to accept the modification request to increase the level of printing sent to private vendors at \$600,000 spending authority in FY90 and \$800,000 spending authority in FY91.

Discussion: There was discussion among the committee members regarding whether a budget amendment would be granted later, if the full request was not considered at this point.

Amendments, Discussion, and Votes: Sen. Stimatz offered a substitute motion to line item and approve an additional 1.2 million spending authority in FY90 and

1.6 million spending authority in FY91.

The substitute motion PASSED unanimously.

DISPOSITION OF DEPARTMENT OF ADMINISTRATION: OPERATIONS
PROGRAM

Tape No. 25A

Motion: Sen. Tveit moved to accept the LFA current level budget.

Discussion: The differences between the LFA and executive budgets were discussed.

Amendments, Discussion, and Votes: The motion PASSED unanimously.

DISPOSITION OF DEPARTMENT OF ADMINISTRATION: PUBLICATIONS
AND GRAPHICS ADMINISTRATION PROGRAM

Tape No. 25A

Motion: Rep. Nisbet moved to accept the LFA budget.

Discussion: The differences between the LFA and executive budgets were addressed by Pam Joehler.

Amendments, Discussion, and Votes: The motion PASSED unanimously.

Motion: Rep. Nisbet moved to approve an additional \$12,500 each year of the biennium for the photocopy pool request.

Discussion: There was discussion among the committee members regarding whether or not this appropriation would meet the needs of the agency. Marvin Eicholtz informed the committee that without the full requested appropriation of \$75,000 the agency would be unable to continue the photocopy pool service.

Amendments, Discussion, and Votes: Rep. Nisbet amended the motion to approve an additional \$50,000 for the photocopy pool. This is to be line-itemed.

The amended motion PASSED with Sen. Tveit voting nay.

DISPOSITION OF DEPARTMENT OF ADMINISTRATION: PURCHASING
PROGRAM

Tape No. 25A

Motion: Sen. Tveit moved to accept the LFA budget.

Discussion: Pam Joehler outlined the differences between
the LFA and executive budgets.

Amendments, Discussion, and Votes: The motion PASSED
unanimously.

Motion: Sen. Regan moved to accept the request for
computerized procurement system enhancement and
contracted services.

Discussion: Some committee members voiced discomfort
regarding the information presented dealing with
contracted services.

Amendments, Discussion, and Votes: The motion FAILED with
Sen. Regan and Sen. Stimatz voting aye.

Motion: Sen. Regan moved to accept the request for
computerized
procurement
system
enhancement
at
a
cost
of
\$17,000 in
FY90
and
\$2,000 in
FY91.

Amendments, Discussion, and Votes: The motion PASSED with
Sen. Tveit voting nay.

DISPOSITION OF DEPARTMENT OF ADMINISTRATION: CENTRAL STORES
PROGRAM

Tape No. 25A

Motion: Sen. Tveit moved to accept the LFA budget.

Discussion: Pam Joehler explained the differences between the LFA and executive budgets.

Amendments, Discussion, and Votes: The motion PASSED unanimously.

Motion: Rep. Nisbet moved to accept the requested funds for growth in services at \$194,089 in FY90 and \$416,279 in FY91.

Amendments, Discussion, and Votes: The motion PASSED with Sen. Tveit and Rep. Swysgood voting nay.

Motion: Sen. Stimatz moved to approve the addition of 1 FTE warehouse worker at a total cost of \$17,744 in FY90 and \$17,745 in FY91.

Discussion: Committee members asked questions of Marvin Eicholtz. He explained the need for this position to keep pace with the increased demands in surplus properties.

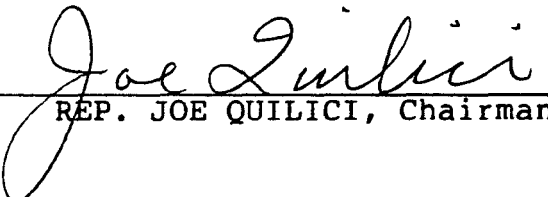
Amendments, Discussion, and Votes: The motion PASSED with Sen. Tveit and Rep. Swysgood voting nay.

Motion: Rep. Swysgood moved to approve \$29,600 to upgrade the WANG system.

Discussion: The committee discussed the implications of this motion. It was decided that further information was needed in order to make a decision on this matter. Rep. Swysgood withdrew the motion.

ADJOURNMENT

Adjournment At: 11:03 a.m.


REP. JOE QUILICI, Chairman

