

MINUTES

MONTANA SENATE  
51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON FINANCE AND CLAIMS

Call to Order: By SENATOR PETE STORY, CHAIRMAN, on  
WEDNESDAY, JANUARY 11, 1989, at 7:00 A.M. IN ROOM 108  
OF THE CAPITOL BUILDING.

ROLL CALL

Members Present: ALL MEMBERS PRESENT

Staff Present: CURT NICHOLS, LEGISLATIVE FISCAL ANALYST;  
DEB THOMPSON, SECRETARY

Announcements/Discussion:

Representative Bardanouve presented HB 65. He explained the bill as the traditional feed bill that included travel expenses for Legislators and expenses incurred by the Legislative Council performing services for the Legislature. He said the House portion was exactly the same as last session with two exceptions. The retirement and pension for Legislators was increased since more Legislators were retiring and there was a larger group.

Representative Bardanouve explained that one amendment proposed would increase Legislative travel expenses and allow for two more trips home. Another amendment adds funds for a pay increase for temporary legislative employees. If a pay increase for State employees is approved then this amendment would be a means for the House to have a step increase. The Senate already has funding in the bill for this.

Larry Fasbender, Chief Clerk of the House, clarified amendments to the bill. The addition of two days per diem would require \$10,008 for the House and \$5,000 for the Senate (See Exhibit). This is based on the Leadership decision to take Easter Saturday and Monday. In addition, travel by subcommittees were not figured into the original legislation so is requested.

If HJR 3 is approved there will be a step increase for employees in the Legislature if the state pay freeze ends.

Senator Aklestad asked about the state employees pay. Mr. Fasbender clarified that House Joint Resolution 3 would handle the state employees pay issue. Senator Story pointed out that HB 65 included start up funds for next session.

Senator Van Valkenburg asked if passage of this bill was contingent on pay raises for other state employees, whether an appropriations bill will be needed or could it be included in the other bill. Representative Bardanouve explained that the bill containing state employees wouldn't take effect until July 1 unless other provisions were made.

Representative John Vincent explained that the money for the pay raise was already granted in the Senate in this bill but the money was not there for the House side. The amendment was offered in the House that unless additional money is granted, the House would have to wait for an appropriation.

Extra per diem.

Senator Van Valkenburg moved to amend HB 65 to budget extra per diem by adding \$10,008 in the House and \$5,000 in the Senate and to provide two extra days off.

The Question was called. The motion passed with three No votes.

Extra travel.

Senator Devlin asked if the extra travel was new. Representative Bardanouve explained that this was over and above trips that were included in the budget.

Senator Regan moved to amend HB 65 to increase travel expenses by \$8,338.

Larry Fasbender clarified that prior to the 1987 session pre-session travel by the Institution Subcommittee was undertaken with funds from the 1985 feed bill but that money was needed to travel during this session. Senator Van Valkenburg said there was no travel money available now.

The Question was called. The motion passed unanimously.

Extra employee personal services.

Senator Manning moved to amend HB 65 to add \$2,564 for the House and \$5,641 for the Council for extra employee personal services if HJR 3 passes.

SENATE COMMITTEE ON FINANCE AND CLAIMS

JANUARY 11, 1989

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Senator Van Valkenburg asked why the Council was affected and not other Legislative agencies. Bob Person, of the Legislative Council, clarified that the Council has a number of employees that are paid out of the feed bill. He said this would allow pay to those employees to be consistent. No other agencies pay employees out of the feed bill.

Senator Jenkins pointed out there would be a problem if regular employees didn't see a pay raise. Senator Regan pointed out that permanent employees have more benefits. She said that it is hard to get temporary employees who would quit their jobs to work for the Legislature. Senator Aklestad agreed that most employees should have a raise, however it is the wrong message for Legislative employees to have preferential treatment.

Senator Story pointed out that the bill was contingent on the passage of HJR 3. If the money is not allocated then the funds will revert back to the general fund. He pointed out that there would be trouble if there were no money.

The Question was called. The motion was passed with three No votes.

Representative Hannah testified in support of the bill. He arrived late but wanted to recommend its passage. He pointed out the personal cost of working for the Legislature. He said that an increase of paid trips home and the expense allotment would result in a better product with a healthy membership. He recommended that the per diem allowance be increased from \$50 to \$66 per day, the federal maximum.

Senator Himsl moved to Concur as Amended HB 65. The Question was called. The motion passed unanimously.

ADJOURNMENT

Adjournment At: 7:38 A.M.

  
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SENATOR PETE STORY, Chairman

PS/DT  
SFC111

DAILY ROLL CALL

FINANCE AND CLAIMS

COMMITTEE - 1989

DATE 1-11-89

NAME	PRESENT	ABSENT	EXCUSED
Senator Gary Aklestad			
Senator Loren Jenkins			
Senator Esther Bengtson			
Senator Matt Himsl			
Senator Paul Boylan			
Senator Tom Keating			
Senator Judy Jacobson			
Senator H.W. "Swede" Hammond			
Senator Pat Regan			
Senator Larry Tveit			
Senator Fred Van Valkenburg			
Senator Dennis Nathe			
Senator Greg Jergeson			
Senator Gerry Devlin			
Senator Richard Manning			
Senator Sam Hofman			
Senator Lawrence Stimatz			
Senator Ethel Harding			
Senator Pete Story			



exhibit 1

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 1  
DATE 1-11-89  
BILL NO. HR 65

During the eighties this nation's economic expansion has created 17 million new jobs, and even with tax rate cuts this expanding national economy has produced 8 percent per year growth in federal tax revenue.

If Montana had participated in an average way in this national growth, we would have today 55,000 more jobs in Montana and \$240 million dollars more to spend in Montana's present biennium general fund.

Clearly, Montana has not participated in the national economic recovery -- the reasons are varied -- but the result is very modest revenue sources for balancing our budget, and a state per capita income which is falling ever more behind the national level.

This administration's budget recognizes these present realities, but it is also striking out in several new directions which are designed to revive the Montana economy and bring Montana into the mainstream of the fast changing national and international economy.

As long ago as 1981, those who analyzed our state budget saw that we had on-going expenditures exceeding on-going tax collections.

That problem still faces us today. The balanced budget we present you with today still contains a gap between on-going revenues and expenditures.

ex. #1  
11/11/89

We are striving in some of our budget recommendations to close part of this gap by promoting economic recovery in the state.

We are neither proposing nor recommending any tax rate hikes to balance this budget, since such measures would be counter productive to economic recovery and we have alternatives.

Our revenues start with a beginning fund balance of <sup>32.0</sup>~~\$32.8~~ million dollars. Using the Governor's Revenue Estimating Advisory Council estimate of revenue as a starting point at this early date in the legislative session, we propose to spend an additional total of \$767.7 million dollars of on-going revenue plus taxes previously collected from Montanans.

We propose an additional source of revenue amounting to \$47.9 million dollars over the biennium and present three options for your consideration. No option involves a new tax rate hike on Montanans.

We suggest that the permanent Coal Trust principle -- now approaching \$400 million dollars in size -- be capped and that additional revenues which would flow into that fund in the future be used to fund those aspects of our budget related to maintaining the capital infrastructure of our state.

Spread out among the budgets of our cities, counties, schools, universities, institutions and the state government, there is clearly an identifiable collection of expenditures for maintaining public capital items which adds up to more than \$24 million dollars per year.

The Coal Trust principle is eroding because of inflation. We have real needs, today, to prevent erosion of our public infrastructure for which use of the future coal tax revenues are most suitable.

This capping of the Trust could be done for this biennium only, or if you wish, to significantly close the gap between on-going expenditures and on-going revenues, you could make this cap permanent.

We point out a third alternative for providing the \$47.9 million dollars needed to balance this budget. By changing to federal rules for making quarterly estimated tax payments for corporations and individuals with significant income not subject to withholding, we will obtain \$47.9 million dollars in one-time accelerations of revenue into this biennium without adversely depleting future biennium revenues. This action can not be repeated -- stressing the point that it will not become a new, permanent tax rate hike on Montanans. This action does not affect very small corporations and the majority of individuals whose income is subject to withholding.

Let me now describe in more detail some of the administration's significant budget initiatives.

1) Personal Property Tax Relief

We propose to bring the classification rates of personal property down to a common 4% through a phased-in 4 year plan. In the process, we would eliminate the personal property tax entirely on a collection of small-revenue items which are a nuisance to both taxpayers and tax collectors.

Our final personal property effective tax rates will thereby become competitive with those in other states -- they are not competitive today. We expect this program to stimulate more business activity in this state, and the validation of this initiative would be creation of more jobs in Montana. We have budgeted \$20 million for this biennium's general fund impact of this program. That money reimburses schools and local governments for the tax-base loss -- schools are reimbursed through greater state equalization of their funding by increases in the foundation program schedules. Cities and counties will be reimbursed by a block-grant type program.



2) Equalization of County Levies for School Employee Retirement Benefits

We are initiating a program of greater equalization of school funding by proposing elimination of the unequalized county levies for school retirement benefits -- levies which vary from 6 mills to 50 mills around the state -- and instituting a uniform state-wide mill levy of about 22 mills as a replacement. The state revenue and the lottery revenue will be distributed to the schools on an equalized basis by an increase in foundation schedules which absorbs the approximately \$52 million dollars per year of revenue. Retirement benefits will become a part of school general fund budgeting.

This action plus the equalization which occurs in our personal property tax reimbursements moves us about 1/3 the way toward a final solution of the equalization issue. It is a significant step. Equalization of some other funds, such as the comprehensive insurance funds and the transportation funds, could also be discussed this session, but they are clearly more complex issues.

We budget a \$2 million dollar general fund impact of the school equalization plan which will result from lower severance tax collections from the resource industries to balance the higher proceeds property taxes they will pay under the statewide levy. We are sharing their present tax effort among all the State's schools, our plan is not to increase their already substantial tax loads.

We will be sending our school funding legislation to you within a few days, so that you can expedite its consideration and let the schools know where they stand in time to prepare their budgets.

### 3) Increased University System Funding

One problem with Montana's economy is its lack of diversity and its less than full participation in the high-tech revolutions occurring in the national and world economy. We look to our university system to help us improve our state economy and help prepare our young people for tomorrow's economy.

We are budgeting \$13 million dollars of increased monies for the university system. Adding in revenues to be raised by the Board of Regents through tuition and fee increases, we significantly strengthen our university system budget and give them the tools to more effectively compete for quality teaching and research faculty. This proposal includes giving the universities 100% reimbursement of the indirect costs they generate from outside on their research grants. We will expect in return that the universities use their indirect cost revenues as "seed and nourishment" monies for their research programs, for increasing the productivity of their present research and for leveraging the state monies by finding new research grants from outside agencies, and with a focus on developing research programs which are relevant to strengthening Montana's economy. These indirect cost monies are not to be spent for general university budget purposes.

Governor Stephens' Executive Budget Modifications  
 General Fund Summary  
 (In Millions)

	Actual FY 88	Estimate FY 89	Recommend FY 90-91
Beginning Fund Balance	\$10.557	\$39.472	\$31.974
Receipts			
Estimated Receipts	\$391.152	\$377.357	\$767.727
Revenue Adjustments			\$47.900
Total Available	\$401.709	\$416.829	\$847.601
Disbursements			
Current Level Disbursements	370.795	362.752	720.020
Foundation Program at 0/0	0.000	0.000	9.655
Modified Level Disbursements		0.000	20.719
Disbursement Adjustments		0.000	40.500
Legislative Feed Bill		4.400	4.400
Miscellaneous Appropriations		0.382	
Pay Plan Proposal		0.000	0.000
Supplemental Requests		17.630	
Disaster		0.000	0.000
Trans Interest		0.000	3.719
Debt Service		11.088	22.041
Language Appropriations		0.302	
Administrative Appropriations		0.123	
Appropriation Transfers		-2.679	
Relinquish Appropriation Authority		-0.825	
Continuing Appropriations		3.665	
Reversions		-10.623	-13.000
Total Disbursements	\$370.795	\$386.215	\$808.054
Adjustments	4.707		0.000
Foundation Program Reversion	3.651		0.000
Residual Equity Transfer	0.200	1.360	0.000
Tax Reimbursement Adjustments			22.000
Ending Fund Balance	\$39.472	\$31.974	\$17.547
Surplus as % of Disbursements	10.65%	8.28%	2.17%

ex. #2  
1/11/89

Governor Stephens' Executive Budget Modifications  
General Fund Summary  
(In Millions)

	Actual FY 88	Estimate FY 89	Recommend FY 90-91
<b>Revenue Adjustments</b>			
A) Capping Permanent Coal Severance Tax Trust	1) Permanently	2) Only 1990-91 Biennium	\$47.900
- - - O R - - -			
B) Individual Income Tax(Quarterly Est. Payment)			\$26.500
B) Corporation Income Tax(Quarterly Est. Payment)			21.400
Total Revenue Adjustments			<u>\$47.900</u>
<b>Tax Reimbursement Adjustments</b>			
Personal Property Tax Relief			\$20.000
Equalization of Retirement Account			2.000
Total Tax Reimbursement Adjustments			<u>\$22.000</u>
<b>Disbursement Adjustments</b>			
Increased University System Funding			\$13.000
Fully Fund Pay Plan			16.000
Increased Special Education Funding			12.000
Increased Vocational Education Funding			1.800
Additional Modifications			1.700
Vacancy Savings From 2% to 4%			-4.000
Total Disbursement Adjustments			<u>\$40.500</u>

2  
Page 2Pay Plan

The budget endorses the prior administration's pay plan. The major difference is that funds are budgeted to pay for the increase. The Schwinden budget did not provide that money. State employees will receive a 1.7 to 2.3 percent increase in total compensation from FY89 to FY90 and an additional 1.7 to 2.7 percent increase in total compensation from FY90 to FY91. The lower grades in statewide salary schedule receive the largest percent increases in total compensation. This increase in compensation will provide for additional in state contribution for group insurance.

Public School Funding

A budget modification of \$60.7 million is needed to take a major step in addressing the public school issue. The Legislative proposals to be part of a long range solution are currently being prepared. Specifically, the budget modification funds the current Foundation program, combines the retirement with the general fund, eliminates the retirement fund county levy, equalizes the retirement fund needs statewide, equalizes special education costs statewide, and reinstates the secondary vocational education funding. These items take steps toward more equity and recognize the importance of maintaining the quality of our public schools.

University Funding

A budget modification of \$13 million is requested to increase funding for our higher education system. This budget increase includes raising the level of indirect funds utilized by the universities to 100%. These funds can only be used in the area of research and relate to the original funding source. The funds are not to be used for general operation and maintenance. The higher education system will also be required to completely join the states uniform reporting system and place their payroll into the state system.

Personal Property Tax Reduction Program

A budget modification of \$20 million for this biennium is proposed to reduce personal property taxes. This is part of a four year reduction plan. The final phase of this program will result in a common personal property tax classification tax rate of 4 percent.

ex. # 3

1/11/87

Page 3

Revenue loss of local governments will be replaced. The mechanism for schools will be through the Foundation Program and a Block Grant Program will be designed for reimbursing cities and counties.

#### Revenue and Tax Reimbursement Adjustments

Alternative revenue sources are proposed to balance this budget. Capping the permanent coal trust either permanently or for this biennium is one alternative. The other alternative will require both individual and corporations with income not subject to withholding to pay quarterly estimated income tax payments. This system follows the current federal income tax rules.

#### Summary

The budget presented is a balanced budget and meets the Governor's constitutional responsibility. The budget funds necessary programs, reduces the size of government, increases the commitment to higher education, takes action to address equal funding of public schools, and reduces personal property taxes. This is accomplished without tax increases and without the income tax surcharge.

(This sheet to be used by those testifying on a bill.) HB65

NAME: Larry Pasbender DATE: 1-11-89

ADDRESS: House of Representatives

PHONE: 444-4819

REPRESENTING WHOM? House

APPEARING ON WHICH PROPOSAL: HB-65

DO YOU: SUPPORT?  AMEND?  OPPOSE?

COMMENT: see exhibit #3

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

Senate Budget  
51st Legislature

Printed: 04-Jan-89

Object of  
Expenditure

51st Legislature  
Budget

Comment

TOTAL SENATE \$1,356,759 Compares to appropriation of \$1,449,818

Center 8901 51st Legislature Senate

EQUIPMENT AND INTANGIBLE ASSETS

Equipment

Computers & ofc eqpt.

\$10,000 Contingency amount for additional equipment needed according to plan to be developed.

Total equipment  
Intangible assets

\$10,000 Budgeted here was 5,000. Actual expenditure is shown.

Computer Software

\$5,000 Mostly for new operationg system if needed.

Total Intangible Assets

\$5,000 There was no budget. Actual is shown. Need a budget here for new network?

TOTAL EQPT & INTANGBLS

\$15,000

TOTAL CENTER 8901

\$820,873

DATE

1/11/89

BILL NO.

HB 65



Ex. #3  
1/11/89

Senate Budget  
51st Legislature

Printed: 04-Jan-89  
51st Legislature  
Budget

Object of  
Expenditure

Comment

TOTAL SENATE  
CENTER 8902 ATTACHE SALARIES

\$1,356,759 Compares to appropriation of \$1,449,818

PERSONAL SERVICES

Salaries

Overtime

Salaries

Total salaries

Employee Benefits

FICA

Retirement

Workers' Compensation

Unemployment tax

Total Employee Benefits

TOTAL PERSONAL SERVICES

TOTAL CENTER 8902

\$80,229

\$349,834

\$430,063

\$32,298

\$1,591

\$3,656

\$37,544

\$467,607

\$467,607

Actual increased by \$10,000 for contingency.  
Budgeted amount was \$512,061

Figured at .0751 times salary budget  
How may employees will opt for this?

Figured at .0037 times total salaries

Figured at .0085 times total salaries

Budgeted at \$46,085 last time.

Budgeted last time was \$558,146. Need to check against hiring list, hours, etc.

Senate Budget  
51st Legislature  
Printed: 04-Jan-89  
51st Legislature  
Budget

Comment

TOTAL SENATE  
CENTER 8903 LEADERSHIP TRAVEL

SALARIES  
Legislative Salaries  
Total Salaries  
EMPLOYEE BENEFITS  
FICA  
Retirement - Other  
Workers Comp Insurance  
Total Employee Benefits  
TOTAL PERSONAL SERVICES

\$4,631  
\$4,631  
\$348  
\$16  
\$364  
\$4,995

Compares to appropriation of \$1,449,818

Figured as the proportion of the total actually spent last time by house. There was no budget.

Figured at .0751 times salary

Figured at .0037 x gross wage x .94 factor for house

OPERATING EXPENSES  
Travel  
Transportation  
Meals  
Lodging  
Total Travel  
TOTAL OPERATING EXPENSES  
TOTAL CENTER 8903

\$2,988  
\$714  
\$1,303  
\$5,006  
\$5,006  
\$10,000

Includes \$538.97 to make total for the center come to \$10,000

Printed: 04-Jan-89

Senate Budget  
51st Legislature

Object of Expenditure	51st Legislature Budget	Comment
TOTAL SENATE CENTER 8904 CAUCUS AND START UP	\$1,356,759	Compares to appropriation of \$1,449,818
PERSONAL SERVICES		
Salaries		
Caucus salaries	\$7,820	Budgeted for average of 3 days salary for each member
Leadership salaries	\$3,128	Budgeted for 60 legislator days for leadership start-up work
Staff salaries	\$21,869	Estimated actual salaries 1988 plus \$5,000.
Total Salaries	\$32,816	Budgeted this time is \$63,422
Employee Benefits		
FICA	\$2,510	Budgeted at new rate of .0765 for 1990 and beyond
Retirement		
Workers compensation	\$2,789	
Unemployment tax	\$263	
Total Employee Benefits	\$5,562	Budget this time is \$5417
TOTAL PERSONAL SERVICES	\$38,379	The total here is so dependent on how many days are included for staff and members.
OPERATING EXPENSES		
Supplies and Materials		
General	\$1,300	Estimated actual
Total Supp. & Materials	\$1,300	
Travel		
Transportation	\$11,950	One caucus round trip per member + 30 round trips for leadership.
Meals	\$2,900	
Lodging	\$3,750	Two nights average for caucus + 50 leadership nights
Total Travel	\$18,600	Current budget is \$25,122
TOTAL OPERATING EXPENSES	\$19,900	Additional amounts should be budgeted for other start up costs experienced.
TOTAL CENTER 8904	\$58,278	

Legislative Council Feed Bill Program Budget  
51st Legislature 04-Jan-89

Object of Expenditure	51st Legislature Budget	Comment
Total Council Feed Bill	\$606,235	Budget was \$690,100 for activities budgeted this year
Total Council Feed Bill	\$606,235	Budget was \$690,100 for activities budgeted this year

CENTER 28901 LEGISLATIVE INFORMATION

PERSONAL SERVICES		
Salaries		
Regular	\$19,923	Actual salaries + \$2,000 for start-up increased by 10% to allow for contingencies.
Overtime	\$13	Actual
Total salaries	\$19,936	Budgeted amount was \$26,836
Employee Benefits		
FICA	\$1,497	Figured at .0751 times salary budget
Retirement	\$0	
Workers' Compensation	\$74	Figured at .0035 times total salaries
Unemployment tax	\$169	Figured at .0085 times total salaries
Total Employee Benefits	\$1,740	Budget was \$2,415 last time
TOTAL PERSONAL SERVICES	\$21,677	Budgeted last time was \$29,251. Projection?

OPERATING EXPENSES		
Contracted Services		
Printing	\$500	Actual
Total Contracted Services	\$500	Budget was \$5,500
Supplies & Materials		
Photo & Reproduction	\$82	Actual
Books & Reference Materials	\$67	Actual
Ofc Supplies	\$140	Actual
Total Supplies and Materi	\$289	Budget was \$520
Communications		
Postage and Mailing	\$300	Actual
Advertising	\$25	Actual
Total Communications	\$325	Actual
TOTAL OPERATING EXPENSES	\$650	Budget was \$6,470
TOTAL CENTER 28901	\$22,791	Budget was \$31,721

Legislative Council Feed Bill Program Budget  
51st Legislature 04-Jan-89

Object of Expenditure 51st Legislature Budget

Comment

Total Council Feed Bill \$606,235 Budget was \$690,100 for activities budgeted this year

CENTER 28902 BILL PRINTING AND DISTRIBUTION

PERSONAL SERVICES

Salaries	\$46,995	Actual increased by 21%	-- Includes termination pay, etc.
Regular	\$4,903	Actual increased by 21%	
Overtime	\$51,898	\$57,256 was budgeted.	
Total salaries			
Employee Benefits			
FICA	\$3,898		
Retirement	\$0		
Workers' Compensation	\$192		
Unemployment tax	\$441		
Total Employee Benefits	\$4,531	Budget was \$5,154	
TOTAL PERSONAL SERVICES	\$56,428	Budget was \$62,419	

OPERATING EXPENSES

Contracted Services	\$170	Actual	
Consulting Services	\$664	Actual for TIPE cost for rules	
Computer Processing D of A	\$282,200	For 14,500,000 Impressions @.019; \$2,000 for binders; \$4,700 for rules.	
Printing P&G	\$283,034	Budget was \$306,700	
Total Contracted Services			
Supplies & Materials			
Photo & Reproduction	\$736	Actual + \$445 contingency	
Office Supplies	\$264	Actual	
Total Supplies and Materi	\$1,000	Budget was \$3,000	
Communications			
Postage & Mailing	\$15,000	Increased from actual to account for postage increase plus extra mailing.	
Total Communications	\$15,000	Budget was \$15,000	
Repair and Maintenance			
Office Equipment	\$111	Actual	
Total Repair & Maintenan	\$111	There was no budget	
TOTAL OPERATING EXPENSES	\$299,146		

EQUIPMENT

Office	\$500	Increased from actual to \$500
TOTAL EQUIPMENT	\$500	Budget was \$500

TOTAL CENTER 28902 \$356,074 Budget was \$387,619

Legislative Council Feed Bill Program Budget  
51st Legislature 04-Jan-89

Object of Expenditure	51st Legislature Budget	Comment
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Total Council Feed Bill	\$606,235	Budget was \$690,100 for activities budgeted this year
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CENTER 28903 -- BUSINESS OFFICE

PERSONAL SERVICES

Salaries		
Regular	\$7,300	Anticipate more work in the office this time + \$2,800 start up.
Overtime	\$550	Anticipate more overtime
Total salaries	\$7,850	Budget was \$7,154
Employee Benefits		
FICA	\$601	
Retirement	\$0	
Workers' Compensation	\$29	
Unemployment tax	\$67	
Total Employee Benefits	\$696	Budget was \$644
TOTAL PERSONAL SERVICES	\$8,546	Budget was \$7,798

EQUIPMENT

Office Equipment	\$250	Actual
TOTAL EQUIPMENT	\$250	Budget was \$250
TOTAL CENTER 28903	\$8,796	Budget was \$8,048

Legislative Council Feed Bill Program Budget  
51st Legislature 04-Jan-89

Object of Expenditure 51st Legislature Budget Comment

Total Council Feed Bill \$606,235 Budget was \$690,100 for activities budgeted this year

CENTER 28904 -- LEGISLATIVE PUBLICATIONS, PRINT

OPERATING EXPENSES

Contracted Services	\$2,542	Actual
Computer processing D of A		
Printing		
Session Laws	\$29,400	Based on awarded bid -- firm in Denver.
Sess Law Camera Ready	\$5,250	3000 pp. @ \$1.75
Final Status	\$13,140	Based on second lowest bid two years ago.
Journals	\$45,300	Based on second lowest bid two years ago.
Journals camera ready	\$7,875	4500 pp. @ \$1.75
Total printing	\$100,965	
Total Contracted Services	\$103,507	Budget was \$100,376
Supplies and Materials		
Photo and reproduction	\$863	Actual increased 15% for contingency
Total Supplies & Material	\$863	Budget was \$500
Communications		
Postage & mailing	\$1,200	U.S. mail \$2.00 times 600.
Total Communications	\$1,200	Budget was \$5,000
Travel		
Transportation		
Meals	\$1,350	Trips to out of state printer -- 3 ea @ \$450
Lodging	\$270	Meals out of state for 12 days total
Total travel	\$600	Lodging out of state for 12 nights
Other Expenses	\$2,220	Budget was \$0
Freight & Express		
Sess Law UPS	\$1,680	Actual increased 15% for contingency
Sess Law Express	\$100	To Denver
Journal UPS	\$1,050	To Denver
Journal Express	\$100	Estimated 10#, average zone 4.
Total Freight & Express	\$2,930	
Total Other Expenses	\$2,930	Budget was \$0
TOTAL OPERATING EXPENSES	\$110,720	Budget was \$105,876

TOTAL CENTER 28904 \$110,720

Legislative Council Feed Bill Program Budget  
04-Jan-89  
51st Legislature

Object of Expenditure 51st Legislature Budget Comment

Total Council Feed Bill \$606,235 Budget was \$690,100 for activities budgeted this year

CENTER 28905 LEGISLATIVE TELEPHONE SERVICE

PERSONAL SERVICES

Salaries  
Regular \$8,823 Actual increased 10% contingency  
Overtime \$500 Increased from actual for contingency  
Total salaries \$9,323 Budget was \$8073  
Employee Benefits \$667  
FICA \$0  
Retirement \$34  
Workers' Compensation \$79  
Unemployment tax \$780 Budget was \$727  
Total Employee Benefits \$10,103 Budget was \$8,800  
TOTAL PERSONAL SERVICES

OPERATING EXPENSES

Communications  
Telephone equip charge \$25,000 Actual was \$23,371  
Telephone Add/Move \$10,500 Actual is about \$7,170. \$75 for each phone or computer add/move/change: \$3,000 included.  
Long Distance Charge State \$57,000 Actual is about \$56,812  
Long Distance Charge Commer \$1,200 About \$1800  
Credit Card Calls \$3,351 Actual. Major policy area. Is LRIC proposal to be adopted? #cards times limit.  
Telephone Directories \$700 Actual was \$671  
Total Communications \$97,751 Budget was \$144,036  
TOTAL OPERATING EXPENSES

TOTAL CENTER 28905 \$107,854 Budget was \$152,836.



House of Reps Budget  
51st Legislature

Printed: 04-Jan-89

Object of Expenditure  
51st Legislature Budget

Comment

TOTAL HOUSE OF REPRESENTATIVES \$2,248,341 Compares to total appropriation in 87 of \$2,156,473  
Center 8901 51st Legislature House

SALARIES

Legislative Salaries  
Session 100 members x \$52.13 a day x 90 days + \$5 a day for the speaker in session Adj. for Boharski  
Interim \$521 Speaker and other leaders post session and interim? 10 days shown. Any other from leader travel

Total Salaries \$474,520  
OTHER COMPENSATION \$475,041  
Per Diem \$534,600 105 session days + 3 extra days (Adj for Boharski)  
Total Other Compensation \$534,600

EMPLOYEE BENEFITS

FICA \$35,676 .0751 FICA rate times the total personal services budget.  
Retirement - Other \$50,213 This is .0636 of total salaries which was actual + \$20,000 to cover recent billings.  
Group Insurance \$303,000 This follows the Governor's proposal for contribution increases.  
Workers Comp Insurance \$2,779 Used .00585 which was actual proportion of salary last year. Higher rate to cover minimums?  
Total Employee Benefits \$391,667  
TOTAL PERSONAL SERVICES \$1,401,309

House of Reps Budget  
51st Legislature  
Printed: 04-Jan-89  
51st Legislature  
Budget

Comment

TOTAL HOUSE OF REPRESENTATIVES	\$2,248,341	Compares to total appropriation in 87 of \$2,156,473
Center 8901 51st Legislature House		
OPERATING EXPENSES		
Contracted Services		
Consulting services		
Engraving	\$772	Approximate actual. All for Don Liles Co. Will be spent under craftsman.
Computer service D of A	\$892	
Training	\$3,276	PC support subscriptions. For session: 6 mo. for 18 machines; 4 others for 18 mo. \$20/mo. each.
Printing	\$2,080	Figured @ \$40 a day for 2 days for 26 students
Craftsman services	\$8,318	Actual increased by 25% to account for increased charges on letterhead etc.
General	\$65	Should most of professional services be put here?
Total Contracted Services	\$15,413	All payment for memorial service
Supplies & Materials		
Photo and reproduction	\$8,920	Actual shown. Cost will be 5.5 cents a copy for 7 copies
Books and reference materia	\$380	7 hard Mason's: \$35 each soft: \$40 hard. \$100 for other such things.
Paper (non state)	\$303	Actual shown. Cost this year was \$692.40. Include in pre-session?
Office supplies	\$9,323	
General	\$23	Memorial service again.
Total Supplies & Material	\$18,949	\$32,000 was budgeted here last time
Communications		
Postage and mailing	\$6,559	Actual increased by 1.136 to include postage increase.
Total communications	\$6,559	Budget last time was \$6000
Travel		
Personal car mileage	\$35,232	Assume 367 mile average round trip @ .24 four times each member. Post session from excess or lea
Commercial transport	\$625	Approximate actual.
Motor pool	\$1,125	Approximate actual plus \$1,000 for approp committee travel.
Meals	\$145	Ten person days post session. More needed if more post session work planned.
Lodging	\$250	Ten person days post session. More needed if more post session work planned.
Total Travel	\$37,377	Last time, \$36,000 was budgeted
Rent		
Computer terminals	\$864	This was actual. Used for IBM letter quality printer rent from Tech Services.
Office equipment	\$9,500	Transcribers; sound system (6 mo. each). Includes \$3500 for sound assistance for hard of hearing
Computers	\$12,160	Model 70 2 ea; xt 4 ea; AT 2 ea. Cost \$190 a month ea or \$1520/mo. for 8 mo.
General	\$106	Last time actual. Memorial service costs.
Total Rent	\$22,630	Budgeted at \$7,000 last time
Repair & Maintenance		
Office equipment	\$2,352	This was actual. Covers typewriter and Lektriever maintenance and miscellaneous.
Maintenance contracts	\$240	To provide on-site maintenance during warranty on Model 30's and model 70.
Warranty upgrades	\$416	Two at \$26 a month for 8 months.
PC/XT's	\$88	Eight months.
5218 Printers	\$100	Eight months.
5216 Printer	\$108	Eight months.
5201 Quietwriter	\$0	If use is desired between sessions for anything below, budget is needed. \$118.75 per machine per
Model 30's	\$0	Recommend 2 ea on maintenance.
Model 50's	\$405	For 3 months after warranty expires. Interim?
Xerox 4045-150	\$0	Software upgrades? Daktronics maintenance <\$3,000?
Other	\$1,357	
Total maint. contracts	\$3,709	Budget last time was \$7680
Total Repair & Maint.		
Other Expenses		
Freight & express	\$35	
Merchandise rental	\$45	
Handyman charges	\$664	Remodeling?
General	\$20	Memorial service.
Total Other Expenses	\$764	Budgeted last time was \$2,250. This approximates actual expense.

House of Reps Budget  
51st Legislature

Printed: 04-Jan-89

Ex. # 3  
1/11/89

Object of Expenditure	51st Legislature Budget	Comment
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TOTAL HOUSE OF REPRESENTATIVES	\$2,248,341	Compares to total appropriation in 87 of \$2,156,473
TOTAL OPERATING EXPENSES	\$105,401	

TOTAL HOUSE OF REPRESENTATIVES Center 8901 51st Legislature House \$2,248,341 Compares to total appropriation in 87 of \$2,156,473

EQUIPMENT AND INTANGIBLE ASSETS

Equipment Computers & ofc eqpt. \$139,000

Total equipment Intangible assets \$139,000 Budgeted here was 26,000. Actual expenditure is shown.

Computer Software \$10,000

Total Intangible Assets \$10,000

TOTAL EQPT & INTANGBLS \$149,000

TOTAL CENTER 8901 \$1,655,709

There was no budget. Actual was \$98,076+. Expenditure dependent on planning process.

House of Reps Budget  
51st Legislature  
Printed: 04-Jan-89

51st Legislature  
Budget  
Comment

TOTAL HOUSE OF REPRESENTATIVES  
CENTER 8902 ATTACHE SALARIES \$2,248,341 Compares to total appropriation in 87 of \$2,156,473

PERSONAL SERVICES

Salaries	\$108,129	
Overtime	\$371,740	
Salaries	\$479,869	Budgeted amount was \$516,351
Total salaries		
Employee Benefits		
FICA	\$36,038	Figured at .0751 times salary budget
Retirement		How may employees will opt for this?
Workers' Compensation	\$1,776	Figured at .0035 times total salaries
Unemployment tax	\$4,079	Figured at .0085 times total salaries
Total Employee Benefits	\$41,893	
TOTAL PERSONAL SERVICES	\$521,762	Budgeted last time was \$562,823. Need to check against hiring list, hours, etc.
TOTAL CENTER 8902	\$521,762	

House of Reps Budget  
51st Legislature

Printed:  
04-Jan-89

Ex. # 3  
1/11/89

Object of  
Expenditure  
51st Legislature  
Budget  
Comment

TOTAL HOUSE OF REPRESENTATIVES  
CENTER 8903 LEADERSHIP TRAVEL

\$2,248,341 Compares to total appropriation in 87 of \$2,156,473

SALARIES

Legislative Salaries

Total Salaries

\$4,631

\$4,631

Figured as the proportion of the total actually spent last time. There was no budget.

EMPLOYEE BENEFITS

FICA

\$348 Figured at .0751 times salary

Retirement - Other

Workers Comp Insurance

Total Employee Benefits

\$16

\$364

Figured at .0037 x gross wage x .94 factor for house

\$4,995

TOTAL PERSONAL SERVICES

OPERATING EXPENSES

Travel

Transportation

Meals

Lodging

Total Travel

TOTAL OPERATING EXPENSES

\$2,988 Includes \$538.97 to make total for the center come to \$10,000

\$714

\$1,303

\$5,006

\$5,006

TOTAL CENTER 8903

\$10,000

House of Reps Budget  
51st Legislature

Printed:  
04-Jan-89

Object of Expenditure	51st Legislature Budget	Comment
TOTAL HOUSE OF REPRESENTATIVES CENTER 8904 CAUCUS AND START UP	\$2,248,341	Compares to total appropriation in 87 of \$2,156,473
PERSONAL SERVICES		
Salaries		
Caucus salaries	\$15,639	Budgeted for average of 3 days salary for each member
Leadership salaries	\$3,128	Budgeted for 60 legislator days for leadership start-up work
Staff salaries	\$12,075	Five employees at average of \$69 a day for 35 days
Total Salaries	\$30,842	Budgeted this time is \$63,422
Employee Benefits		
FICA	\$2,359	Budgeted at new rate of .0765 for 1990 and beyond
Retirement		How many?
Workers compensation	\$2,622	
Unemployment tax	\$247	
Total Employee Benefits	\$5,228	Budget this time is \$5417
TOTAL PERSONAL SERVICES	\$36,069	The total here is so dependent on how many days are included for staff and members.
OPERATING EXPENSES		
Supplies and Materials		
General	\$1,300	There have been \$1106.17 in pre-session obligations so far.
Total Supp. & Materials	\$1,300	
Travel		
Transportation	\$11,450	One caucus round trip per member + 30 round trips for leadership.
Meals	\$5,800	
Lodging	\$6,250	Two nights average for caucus + 50 leadership nights
Total Travel	\$23,500	Current budget is \$25,122
TOTAL OPERATING EXPENSES	\$24,800	Additional amounts should be budgeted for other start up costs experienced.
TOTAL CENTER 8904	\$60,870	

Object of Expenditure      51st Legislature Budget      Comment

TOTAL SENATE Center 8901 51st Legislature Senate \$1,356,759 Compares to appropriation of \$1,449,818

SALARIES  
Legislative Salaries

Session Interim \$235,035 50 members x \$52.13 a day x 90 days + \$5 a day for the president in session  
\$521 President and other leaders post session and interim? 10 days shown.  
Total Salaries \$235,556

OTHER COMPENSATION Per Diem \$270,000 105 session days + 3 extra days  
Total Other Compensation \$270,000

EMPLOYEE BENEFITS

FICA \$17,690 .0751 FICA rate times the total personal services budget.  
Retirement - Other \$14,981 This is .0636 of total salaries. What is the basis for figuring it?  
Group Insurance \$151,500 This follows the Governor's proposal for contribution increases.  
Workers Comp Insurance \$1,378 Used .00585: act prop of sal last year in House. Senate:.0061. Higher rate to cover minimums?  
Total Employee Benefits \$185,550  
TOTAL PERSONAL SERVICES \$691,106



Ex. #3 1/11/89

Senate Budget  
51st Legislature  
Printed: 04-Jan-89  
Object of  
Expenditure 51st Legislature  
Budget

Comment

TOTAL SENATE	\$1,356,759	Compares to appropriation of \$1,449,818	
Center 8901 51st Legislature Senate			
OPERATING EXPENSES			
Contracted Services			
Consulting services	\$20,000	Most of this is for Applied Management contract (\$17,000). Actual should be lower.	
Engraving	\$808	Actual	
Computer service D of A	\$4,062	PC support subscriptions. For session: 6 mo. for 23 machines; 4 others for 18 mo. \$20/mo. each.	
Computer training	\$2,400	\$40 a day for 2 days for 30 students	
Printing	\$6,049	Actual increased 25% for increased estimate from P & G	
Craftsman services	\$580	Actual	
General	\$10	Actual	
Total Contracted Services	\$33,910	\$15,000 was budgeted for contracted services in the allocation last time.	
Supplies & Materials	\$15,337	Actual	
Photo and reproduction	\$201	How many Mason's etc. are wanted? \$35 each soft \$40 hard	
Books and reference materia	\$1,114	Includes the \$72 actual + 1042 for multi part paper.	
Paper (non state)	\$6,017	Actual	
Office supplies	\$33	Actual	
General	\$22,701	\$26,500 was budgeted here last time	
Total Supplies & Material			
Communications	\$5,180	Actual increased 1.136 for postage increase.	
Postage and mailing	\$30	Actual	
Advertising	\$5,210	Budget last time was \$6000	
Total communications			
Travel	\$18,384	Assume 383 mile average round trip @ .24 four times each member	
Personal car mileage	\$0	Approximate actual	
Commercial transport	\$69	Approximate actual	
Motor pool	\$145	Ten person days post session. More needed if more post session work planned.	
Meals	\$250	Ten person days post session. More needed if more post session work planned.	
Lodging	\$18,848	Last time, \$18,383 was budgeted	
Total Travel			
Rent	\$0	This was actual. What do we need?	
Computer terminals	\$1,200	Transcribers 5 ea for 6 mos. Ralph and Norm want more?	
Office equipment	\$12,160	ISD computers: 8 PC's @\$190/mo. each or \$1520/mo for 8 mo.	
Computers	\$17,000	Rent and maintenance International Roll Call per last contract	
Software programs	\$106	Last time actual	
General	\$30,466	Budgeted at \$24,140 last time	
Total Rent			
Repair & Maintenance	\$1,030	Actual. Covers typewriters etc.	
Office equipment		This will be a big area with new equipment. Need to discuss how many for what months in detail.	
Maintenance contracts	\$725	Maintenance for 5 months.	
IBM Series 1 etc	\$63	Maintenance for 5 months.	
IBM Display terminal	\$416		
PC XT's	\$88		
5218 Printers	\$405	Items here down are on warranty. What interim maintenance will be needed?	
Xerox 4045-150	\$0		
Acer 1100's	\$0		
Acer 910's color	\$0		
Acer 910's mono	\$0		
Okidata 293	\$0		
Okidata 393	\$720	Maintenance for 4 computers for 18 months	
Total maint. contracts	\$2,417		
Other (software upgrades)			
Total Repair & Maint.	\$3,446	Budget last time was \$6700	
Other Expenses	\$5	Actual	
Freight & express			

Senate Budget  
51st Legislature

Printed: 04-Jan-89

1/11/89

Object of  
Expenditure

51st Legislature  
Budget

Comment

TOTAL SENATE	\$1,356,759	Compares to appropriation of \$1,449,818
Merchandise rental	\$20 Actual	
Handyman charges	\$144 Actual	
General	\$18 Actual	
Total Other Expenses	\$186 Budgeted	last time was \$3,750. This approximates actual expense.
TOTAL OPERATING EXPENSES	\$114,767	

Feed Bill Changes  
For consideration in Finance and Claims  
Extra Per Diem

Based on Leadership Decision to take Easter Saturday and Monday

House \$10,008  
Senate \$5,000

Extra Travel For Appropriations / Finance and Claims

Motor Pool \$376 Van @ .2835 and car @ .187 a mile for 800 miles  
Airplane rental \$2,830 Based on quote from local vendor for 2 planes for 3 days  
Meals \$1,175 For nine days' meals  
Lodging \$1,123 For 5 nights

Total Extra Travel \$5,504 Put all in one house or divide equitably

Extra employee personal services -- House Required if HJR 003 Passes as passed in the House

Salary \$1,798 Hourly increase (2.665) times hours to be worked (includes extra for exempt)+post session  
Overtime \$560 140 hours of overtime times the rate increase at 1.5

Total Salaries \$2,358

Employee Benefits

FICA \$177 Figured at .0751 times salary budget  
Retirement  
Workers' Compensation \$9 Figured at .0035 times total salaries  
Unemployment tax \$20 Figured at .0085 times total salaries  
Total Employee Benefits \$206  
Total Extra Pers Svcs \$2,564 Total to be added to the House

Extra personal services -- Council

Legislative Information  
Salaries \$1,063 Increased by 5.33%  
Benefits \$93 Increased by 5.33%  
Total \$1,155  
Bill Printing \$3,633 Increased by 7%  
Benefits \$317 Increased by 7%  
Total \$3,950  
Business Office \$494 Increased by 5.3%  
Salaries \$41 Increased by 5.3%  
Benefits \$535 Increased by 5.3%  
Total \$5,641  
Council total \$5,641

GRAND TOTALS TO BE ADDED TO BILL

House \$18,076  
Senate \$5,641  
Legislative Council

*Need Council m*

HB 65  
1/11/89



SENATE MEMBERS  
J.D. LYNCH  
CHAIRMAN  
PAUL F. BOYLAN  
JACK E. GALT

HOUSE MEMBERS  
RALPH S. EUDAILY  
VICE CHAIRMAN  
REX MANUEL  
ROBERT L. MARKS  
JOHN VINCENT

**Montana Legislative Council**  
**Office of the Executive Director**  
State Capitol  
Helena, Montana 59620  
(406) 444-3064

EXECUTIVE DIRECTOR  
ROBERT B. PERSON

TO: Committee on Finance and Claims  
FROM: Bob Person *Bob*  
RE: Amendments to HB 65

As a result of actions taken in the House of Representatives, by joint leadership, and plans made by the subcommittees of appropriations and finance and claims, adjustments are required in HB 65. These are outlined below and are detailed on the attached spreadsheet.

1. Extra per diem.

Leadership has agreed that Easter Saturday and Easter Monday will be days off. This decision requires two extra days of per diem to be budgeted. The total additional amounts for the two days is \$10,008 in the House and \$5,000 in the Senate. The odd amount in the House provides the extra benefit budget for the member using the House Bill 48 option.

2. Extra travel

Appropriations and Finance and Claims subcommittees have planned trips that were not included in the budget. The total additional cost for these trips is \$8,338. This is shown as an addition to the House appropriation. It could be either. It is easier for accounting if it is all in one budget.

3. Extra employee personal services

If HJR 3 passes the Senate with a step increase policy consistent for all employees and includes the step increases, money will be needed for the House and the Legislative Council. The total for the House is \$2,564; for the Council it is \$5,641.

If all the above changes are included the totals to add are shown at the bottom of the spreadsheet.