

MINUTES

MONTANA SENATE
51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON FINANCE AND CLAIMS

Call to Order: By CHAIRMAN PETE STORY, on APRIL 6, 1989, at
8:00 A.M.

ROLL CALL

Members Present: Senator Gary Aklestad, Senator Loren Jenkins, Senator Esther Bengtson, Senator Matt Himsl, Senator Paul Boylan, Senator Tom Keating, Senator Judy Jacobson, 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

Members Excused: Senator H.W. "Swede" Hammond

Members Absent: None

Staff Present: Clayton Schenck, LFA

Announcements/Discussion: None

HEARING ON HOUSE BILL 233

Presentation and Opening Statement by Sponsor: Representative Dave Brown presented the bill. He said the bill puts indirect costs at 100% recovery at the university level. Indirect costs are incurred by colleges and universities in a process associated with the administration of grants and contracts. These costs are reimbursed by the funding agency in recognition of a large number of institutional resources that are associated with administration research. The reimbursements are intended to report the resource infra-structure, departmental administration, research facilities, research equipment, maintenance, library service, and etc. It is a bonus incentive to produce additional grants and proposals that might benefit the funding agency. He went on further to say that by allowing the university system to keep indirect costs that are associated with grants, for contract research and development it would provide 25 million dollars to the university system.

List of Testifying Proponents and What Group they Represent:

Carroll Krause, Commissioner of Higher Education
Ray Murray, University of Montana
John Judalove, Vice President of Research at MSU
Bill Shirachler, Professor at MSU
John Hanson, Montana Tech
Terry Minow, representing the faculty of University of Montana
Stacy Farmer, Associated Students of MSU

List of Testifying Opponents and What Group They Represent:

None

Testimony:

Proponents:

Carroll Krause commented that the bill is a long term goal for the Board of Regents to be able to redeem 100% of indirect cost. He pointed out that most states do allow for 100% retention of indirect costs.

Ray Murray testified that after indirect costs were raised to 50%, three years ago, the challenge was to support economic development and to bring additional grant money into the state. This was accomplished at the University of Montana and was raised by a 1/2 a million dollars. He said that a number of companies in the state, through that research, have developed products to be manufactured in Montana.

John Judalove (163), Vice President of Research at MSU, commented on investments in areas of enhancing performance and research in engineering and scientific areas. He said investments have ultimately served to enrich the instructional programs by encounters with new ideas and new machines. He said that there are a number of companies that have been attracted to Bozeman, partially because of technical capability found in engineering and scientific areas in the institutions. He urged support of HB 233.

Bill Shirackles, Professor of Engineering at MSU, testified in support of the bill. He mentioned two ways the money was used effectively in the programs. The amount of state of the art equipment available for instructional purposes at the University, as well as for research was increased. He said that investments made, attracted private industry. He noted that 12 major national corporations were attracted to the 50% of research activity, and are now providing approximately 50% of research funding in the College of Engineering. The money is a motivating factor for faculty members since

exploratory research can be done.

John Hanson (245) spoke about the contribution and support research has to advancing technology. It also has a significant impact on economic development, he said.

Terry Minnow testified in support of the bill. She urged the Committee to give it a do pass recommendation.

Stacy Farmer, of the Associated Students of MSU, urged serious consideration and support of HB 233.

Questions From Committee Members: Senator Keating asked for a definition of indirect costs.(285)

Carroll Krause replied that indirect costs are funds that included overhead costs in order to provide for possible equipment purchases and include the support costs.

Senator Keating commented that this would include maintenance, utilities, and administration.

Senator Keating asked whether equipment, that was part of the project, would be considered an indirect cost.

Mr. Krause said that specialized research equipment could be a part of the grant itself, but equipment such as a computer would be part of the indirect cost.

Senator Keating asked if some sort of percentage of overheard cost was arrived at.

Mr. Krause replied that state agencies go as low as 8%, but could go as high as 50%. However, most of the federal grants and the private grants range from 25 to 50%, he said. (454)

Senator Keating asked if there was a duplication of certain items.

Mr. Krause replied that there was probably about a 10% duplication of utilities.

Senator Keating asked if there was a 10% duplication in indirect costs or an overlapping.

Mr. Krause said this was the estimate worked out about two years ago, but was not put into specific dollars.

Senator Jenkins asked what the 50% indirect costs had brought in. (520)

Mr. Krause said that just this past year the amount of grants and contracts that were brought in were a 12% increase.

Senator Jenkins asked about the companies that have provided some research funding. Dr. Shirackle replied that many of them are multi-national companies and that the indirect costs provide a leverage and an investment for him to attract these corporations and their funding. He noted that there had not been any major shifting into Montana, however.

(Tape 1-B)

Closing by Sponsor: Representative Brown closed. He addressed Senator Keatings question on what increment of the overhead is duplicated in the system. He pointed out that the university system was failing for educational opportunity, so it was acceptable for companies to come into the state, with the incentive of the faculty, offers research/contract/grants for additional opportunities of education of students, academic rise of the faculty, and the chance for the system to expand. The incentive enhances the activity and raises the level of academic excellence in the system. He asked the Committee to support the bill.

Senator Jacobson moved to concur with HB 233. She also agreed to carry the bill.

DISPOSITION OF HOUSE BILL 233

Discussion: None

Amendments and Votes: None

Recommendation and Vote: The motion carried unanimously.

HEARING ON HOUSE BILL 526

Presentation and Opening Statement by Sponsor: Representative Iverson presented HB 526. He explained that this earmarks the coal tax money on the renewable energy conservation grant loan program. He explained that the program was set up in 1975, because the energy shortage and interest in developing alternate renewable energy. But there has been a change in emphasis and this bill reflects this change by taking the money from that account. He listed the history of other transfers from the account. Because of fiscal problems and a continuing decline in interest the program was discontinued. The assessment of energy, solar, and wind is being picked up 100% with federal funding. He said a program to retro-

fit state building and make them more energy efficient has been taken care of by Representative Quilici's bill, setting up a bonding program for energy retro-fit. Since there has been a de-emphasis in the program it doesn't seem to make sense to run the money into an account that is no longer being used. To take care of some loans that are still out there, there is a small balance left.

List of Testifying Proponents and What Group they Represent:

Dave Darby, Deputy Director of the Department of Natural Resources.

List of Testifying Opponents and What Group they Represent:

None

Testimony:

Proponents:

Dave Darby (245), Deputy Director of the Department of Natural Resources spoke in support of the legislation. He pointed out that the bill does retain the account. It breaks the total tax stream into the account, retains the account so that grant loan repayments to the Department of Commerce and to the Department of Natural Resources have a place to go when those repayments are made. The bill would make 1.7 million dollars in revenue available to the general fund, it does not mean that the department is de-emphasizing alternative energy or energy issues, he said.

Opponents: None

Questions From Committee Members: Senator Hofman asked if there were any more people asking for help in trying to put in a small generator on a stream or wind generator.

Representative Iverson replied there were some small generators going on the streams, but nothing going in the wind area. He noted that grants of \$5,000 made a lot of wood stoves. He pointed out that if there is a need for somebody to get \$5,000 they would still be able to do it. They can still go to the DNRC and submit the report and if the department thinks it is a good idea they can come to the Appropriations Committee and get the money.

Closing by Sponsor: Representative Iverson closed.

DISPOSITION OF HOUSE BILL 526

Discussion: Senator Jergeson moved to DO PASS on HB 526

Amendments and Votes: None

Recommendation and Vote: The motion passed unanimously.

HEARING ON HOUSE BILL 452
DISPOSITION OF HOUSE BILL 452

Discussion: Senator Keating proposed an amendment on HB 452, on page 6, line 24. (See Exhibit #1.)

Senator Aklestad pointed out that this may increase the cost in the long run and the amount of service that will be provided may be expanded.

Senator Story asked if there was a screening required before a person is eligible to receive this benefit.

Senator Keating replied (570) that all of the services that are provided through the medicaid program, every recipient has to be determined eligible. The number of case loads is what drive the appropriations. He said that the case load are the determining factor for the appropriation and those clients receive those services within that case load area and can go to anyone of the providers to receive that service and psychologist and social workers do the same thing as licensed professional counselors, including professional counselors as a service is not a new service. However, those that are eligible can go to a different provider for the service, he said. He explained qualifications of licensed professional counselors and the social workers. He said they have the same licensing board and the same degree of education.

He pointed out that wherever the licensed professional counselor is part of the professional clinic, the clinic itself is medicare eligible. Of the 210 professional licensed counselors, two thirds of them are in clinics. They are medicaid eligible and the clinics are receiving medicaid reimbursements for those licensed professional counselor services within their institutions.

Senator Jacobson commented that medicaid is already paying for these people to deliver those kinds of services.

(Tape 2-A)

Questions From Committee Members: Senator Devlin asked if this would expand the program.

Senator Keating replied that it could.

Amendments and Votes: Senator Keating proposed an amendment that passed on a roll call vote of 12 for and 5 against.

Recommendation and Vote: Senator Van Valkenburg moved to do pass HB 452 as amended, it passed with one no vote.

HEARING ON HOUSE BILL 583

Presentation and Opening Statement by Sponsor: Senator Aklestad noted that the number of people that came in pertaining to the tourist and the motel and hotel industry, were concerned about having these monies earmarked since the results of this program have brought people into the state. The program is working for the state of Montana and is generating revenue with the promotion and brings additional people into the state. Since it is such a new program, it should function and work within the parameters of which it was originally intended, he said. He moved the amendment. (See Exhibit #2.) (158)

Discussion: Senator Jenkins pointed out that the intention of this bill, two years ago was to promote tourism. This increased tourism for the whole state of Montana, not just for the motels, but for the restaurants, the gas stations, the gift shops, etc. He noted that there was only a year or so to show results even though it was a drought year last year, and Montana was burning up, tourism has gone up. This is a good return for taxpayers money.

Senator Keating said as long as the program is functioning and the results are obvious, then it should stay the way it is.

Questions From Committee Members: None

Amendments and Votes: Senator Aklestad proposed an amendment that passed on a roll call vote of 14 for and 5 against.

Discussion: Senator Bengtson offered an amendment that takes section five out of the bill, that deals with education. She pointed out that there isn't money in their budget and this money is for 22,000 teachers. (614)

Senator Keating pointed out the fear among the various departments in the government when there is a raid on statutory appropriation by putting it into state special revenue. The state auditors budget, two years ago, accepted the ordinance of the industry who wanted to charge their consumer an additional payment cost of

insurance to pay for actuarial. He explained that additional tax on premiums paid by the consumer, raised some \$200,000, but the sub-committee only appropriated \$40,000 for an actuarial when in the marketplace, everybody knows that an actuarial costs more. The tax was not repealed, the money was merely transferred to the general fund and never spent for the purpose for which it was authorized. He noted that the teachers are paying a couple of dollars for certification and then they are relieved of the statutory obligation which should put that money towards a specific purpose.

Amendments and Votes: Senator Bengtson proposed an amendment that failed on a roll call vote of 7 for and 11 against.

Senator Regan made a motion to do pass as amended. The motion passed on a roll call vote of 14 for and 4 against.

Judy Ripplingale (870) discussed adjustments that were needed in the amendment. She said that the committee took a motion on vacancy saving, taking it out, some agencies prepared amendments on vacancy savings out of personal services. The Committee reversed their decision so the adjustment was needed. Minor adjustments have been taken care of, she said.

Senator Regan moved to accept the corrections made by the LFA staff in HB 100.

The Question was called. The motion passed unanimously.

HEARING ON HOUSE BILL 933 786

Presentation and Opening Statement by Sponsor: Representative Kelly Addy, District 94 Yellowstone County, presented HB 786 933. He explained that the bill provided a 2 and 1/2 percent pay raise or a \$560 pay raise, whichever is greater. The percentage of the pay raise will be larger for those who are on the lower end of the pay matrix. He distributed amendments that would make elected officials in the statutes match the figures in the matrix. (See Exhibit #4 and 4a.)

List of Testifying Proponents and the Group they Represent:

Rod Sundsted, Chief Negotiator for the Executive Branch
Representative Vicki Cocchiarella
Tom Schneider, Highway Patrol, proposed an amendment
Nadine Jensen, Executive Director of Montana Council
Diana Top, MPA
Gene Fenderson, Montana District Council of Labor

Christy Milligan, Great Falls
Representative Iverson, House District 12
Representative Swysgood, House District 73
Representative Bardanouve, House District 16
Patti Gunderson, MSU
Mr. Tietz, President of MSU
Judy Halbrook, President of Staff
Stacey Farmer, Associated Students of MSU
Phil Campbell, Montana Education Association

List of Testifying Opponents and the Group they Represent:

Representative Menahan, House District 67
Wilber Raymond, Montana Nursing Association
Jim McGarvey, President of Montana Federation of State
Employees
Richard Baretta
Henry Hislop, Deerlodge
Colleen Rodgers, President of SRS Employees
Terry Bomar
Ann Bethan, M.S.H., G.C., MNA
Wanda Hislop, Montana Tech
Linda Fanon, Veterans Home
Melba Hain, Columbia Falls
Eleanor Lynch, Montana Veterans Home
Olivia Werner, Montana Veterans Home
Linda Heath, Montana Veterans Home
Thelma Carter, Montana Veterans Home
Bruce Arnold
Mike Haldan, Warm Springs
John Safourus, Galen

Testimony:

Proponents:

(Tape 2-B)

Rod Sunstad appeared in support of HB 786. He said HB 786 establishes the salary schedule for all classified employees including the university system, blue collar, and the executive branch, but excluding the university system teachers that are institutional, family services, and liquor store employees. He pointed out that HB 100 and this bill together do include the fundings for salary increases for all employees, including exempt employees, judicial branch, legislative employees and employees of the school for the blind. The bill also establishes the state contribution for insurance, which is a part of the compensation package, he said. He explained that the schedules contained in HB 786 reflect the tentative agreements reached in collective bargaining between the state and unions. Fair and equitable compensation to state employees has been agreed upon and commitment to

supporting the settlements reached, he stated. He pointed out that the unions which have entered into these agreements are also legally and ethically committed to support the settlements.

The bill addresses the effect of medical inflation on the state Health Plan. The bill addresses concerns that a straight percentage didn't give enough to lower graded employees by putting the flat dollar in the bottom. It also allows the 2.5% at the top in order to address the professional occupations, such as nurses, where recruitment and retention is the greatest problem. The collective bargaining agreement signed in a number of areas, one in which is a prison, was ratified. He urged the committee not to change the matrix in the bill or those agreements would be out the window and are no longer in effect.

He pointed out a concern that the bill was amended to provide teachers with three additional sets of approximately 11% above the increases that were already contained in the bill. In its original form they received the same increase as other state employees. All employees should be treated equally unless there is a reason to do otherwise and a reason does not exist in this case, he stated. Teachers argue that they are paid less than their counterparts outside of state government, but that is certainly not unique. Teachers, data processing professionals, engineers, could make the same or stronger case, he noted. Also last session other employees had their salaries frozen while teachers just received a salary increase of 8.5%. That increase has been built into the base in this bill. Mountain View School and Montana State Hospital, Women's Prison, Women's Developmental Center, the Men's Prison, and Swan River did receive increases. The only places where they haven't was at Pine Hills School and in that case no agreement had been reached. The increases have been offered retroactively as soon as the contract is settled. He also noted that during the last two years, a Supreme Court ruling said that state teachers were not school teachers and were not eligible for holiday and annual leave. HB 100 already includes funding to pay that annual leave and holidays on top of the matrix which would provide an additional 11% increase for those 9 month teachers, that is not equitable, he pointed out. (See Exhibit #5.)

Representative Cochiarrella (133) spoke in support of HB 786. She discussed concerns about the funding of the pay plan for university people. She said that making an exception this year would lead to bigger problems for the

SENATE COMMITTEE ON FINANCE AND CLAIMS

APRIL 6, 1989

Page 11 of 22

university. She pointed out that state employees need a pay raise. There are state employees that are on energy assistance, food stamps, and have families of four living at grade 8 salary. She urged the Committee to consider putting the money into the pay plan for the classified non-faculty people in the university system and give consideration to funding the faculty increase.

Tom Schneider (192), Montana Public Employees Association, presented amendments to the bill. (See Exhibit #6, 6a) He noted that one union did negotiate and signed an agreement, done 18 months ago, that gave a 6% salary adjustment in addition to the pay plan. He pointed out that they are the lowest paid faculty people in the country and deserve that. Correction officers and highway patrolmen are the lowest paid in the country. Nurses are \$3.00 an hour behind the hospitals that are 20 miles away from where they work. A salary survey done by the state shows that all state employees are 17% behind. He offered an amendment to provide that all employees receive a cost adjustment in addition to the pay plan. The amendment is basically for 6% or \$1,000 whichever is greater as a one time adjustment each year of the biennium so everybody benefits from what the union does, he said. He suggested an amendment to allow the union to negotiate classification in order to address the problems of the memberships. He supported an increase for the university people. See Exhibit #6a for written testimony.

Nadine Jensen, Executive Director of Montana Council #9, American Federation of State and County Municipal Employees, said they have reached a tentative agreement with the state of Montana concerning HB 786. It was the perception of the negotiating committees from the institutions and the highways that an across the board pay increase was necessary and there should be no extra out-of-pocket money from the employees for health insurance, she noted. The feeling of union members and state employees, is that there is not enough money in the raise since there has been a wage freeze for the last two years. She asked the Committee to support HB 786. See Exhibit #7 for written testimony.

Diana Top, President of MPA, MSU Chapter, employee at MSU for 17 years, discussed the tough times and wage freeze. She suggested a fully funded HB 786 for non-faculty employees of \$561.60 a year plus insurance, and funding for classified employees at 100%. A 6% raise for faculty is unfair since they have not had a wage freeze or had to take leave without pay, she said.

Gene Fenderson, Montana District Council of Labor, spoke in support of HB 786. He urged the Committee to stand in good faith with the negotiators and with the Governor.

Christy Milligan, Human Services, described her life as a grade 11, having over 12 years of service. She said there are five members in her family, five daughters, and she is almost poverty level.

Representative Iverson testified in support of the pay plan as written. He noted there has been a dramatic change in the pay plan from two years ago or even four years ago. He pointed out that this was a matter of fairness and was time for a pay increase. He offered an amendment that was broken into three parts and were basically technical. (See Exhibit #8a, 8b, 8c) The first one was a different way to present the figures in the bill. The second one strikes some language that is no longer necessary. The third one deals with a study and a pay plan for the next two years.

Representative Swysgood testified in support of the bill. He pointed out that this was a result of a lot of hard work, coming up with a fair compensation package for state employees.

Representative Bardanouve said the plan was a result of a bi-partisan committee and asked for support of the bill.

Patti Gunderson, an employee at MSU for the past 8 years and on the board of MPEA, testified in support of HB 786. She read a letter from Wayne Larson, Chair of the Faculty Council from MSU. No exhibit was given.

Carroll Krause (661) explained that the pay plan did not include faculty and also excludes a portion of contract professionals. He pointed out the pay plan has approximately 1.9 less dollars than it would actually take to fund all of the professionals and the classified people, not counting faculty. He said there was some question about how to fund it. He asked if it was the intent of the legislature that this be funded internally. He pointed out that the university system could not absorb more cuts if other funds are reduced.

Bill Teitz, President of MSU, supported the bill but with reservations. He stressed the maintenance of the investment of the people of the state of Montana in the faculties. A funding formula worked out in 1979 and 1981, was so detailed that it was determined to be complex. Salaries have never been included in the formula. Salaries have been exempt from the categories

of academic support and general support, however, there has been a re-definition of those support dollar figures to include salaries. He was concerned that a precedent was being established that would say the formula includes salary. He stated if that was the case the formula needs to be adjusted again.

Judy Holbrook, President of Staff Senate at the University of Montana, said that it was important that the pay plan for non-faculty at the university be included in the pay plan bill.

Stacey Farmer, Associated Students of MSU, said she realized the importance of the non-faculty members as well as on the university campus and urged support for the non-faculty members to be included in the pay plan bill.

Phil Campbell urged the committee to support the bill. He pointed out that teachers from Pine Hills and Mountain View on the average, get about \$2,000 less than their counterparts. The steps that were added to this bill brings these teachers closer to what they ought to have.

Opponents:

Representative Menahan (880) spoke as an opponent without reservations. He suggested a plan that would give people who work in the institutions and hazardous jobs more compensation. The problem with industrial accidents, because of the nature of the job, people are being hurt. There is a lot of lifting in the institutions that should be taken into consideration. People should be paid for what they are doing, he said. He was opposed to this bill.

Wilbur Raymond, Labor Relations Director for the Montana Nurses Association, appeared before the committee in opposition to HB 786. He distributed copies of a fact sheet (Exhibit #9). He pointed out that registered nurses at the state hospital are not covered by this bill in any kind of fairness or equity. The fact sheet handed out sets forth a comparison. Nurses at the state hospital are going to be \$3.63 below competing private non-profit hospitals in the region, because of this there are 15 vacancies at the state hospital. How will the patients, the most severely mentally ill, at the state hospital, people at Galen, and alcohol treatment programs be taken care of, he asked. The patients are going to suffer when they are short staffed. If nurses and staff are paid a fair salary it will attract good professional people to those positions. He suggested that it was a better investment for the state of Montana

to pay good qualified staff than to face law suits. He stressed that the people in state institutions are working hard, are under dangerous situations and are \$3.50 an hour behind their counterparts in the private sector.

Jim McGarvey, President of Montana Federation of Teachers and Montana Federation of State Employees testified on behalf of frustrated state and university employees. He issued a call for fairness when considering it is important for employees to receive their fair share and funded compensation not only for jobs well done, but for shouldering Montana's fiscal hardship on their backs and their families for the past several years, he said. He said the Montana Federation of State Employees asked that HB 786 be amended to include an increase in both years of \$1,000 rather than the 2.5% or the \$561.60, whichever is largest. Reinstitution of the new institutional pay plan beginning in 1990, 1991 including a shift differential and equity adjustment equal to three steps for teachers at the School for the Deaf and Blind. An appropriation bill to include university system employees in the pay bill funded and reinstatement of the longevity steps in the general pay matrix. The diminishing returns of state jobs drives more experienced employees out of their jobs and brightest students from considering public service in this state, he said. (See exhibits #10 and 10a.)

Richard Barrett, Legislative Coordinator for the University Teachers Union for the University of Montana, said the teachers union supports the proposed amendments. He pointed out that for 20 years the state employees have not kept up with inflation and have slipped in their relative economic position in the state of Montana. During that same 20 year period of time government general revenue of the state of Montana has risen by 380%. The university system has an obligation to pay the 2 1/2% raise to all employees and they need the funds to do that. If those increases have to be funded, the university system will not be strengthened. A good deal of the money that will be put up for strengthening will simply be used and may mean cutting programs, firing faculty and firing staff. (See exhibit #11.)

Henry Hislop representing the state employees in the Deer Lodge Valley, appeared in opposition to HB 786. He said that the past five years state employees have been treated less than fair and are far behind counterparts in the private sector. Many dedicated people have left due to the poor pay and have not been replaced. State employees need money in their pockets, he said.

SENATE COMMITTEE ON FINANCE AND CLAIMS

APRIL 6, 1989

Page 15 of 22

Employees at Montana State Hospital work 40 hours a week and qualify for welfare. He distributed some letters to the Committee. No exhibit given.

Colleen Rodgers (254), President of FRF Workers, Local 4447, Montana Federation of State Employees, MFTA, spoke in opposition of HB 786. She said that the last four years state employees have watched the buying power of their limited dollar decrease as the cost of living has increased. The work load for those employees have increased as FTE positions have remained unfilled, used for vacancy savings and the increased public demand for services. State employees morale has reached an all time low and keeping qualified employees is increasingly difficult. (See exhibit #12.)

Terry Bomar testified in opposition to the bill. She stated the bottom line is not fair and she opposed the bill.

Ann Benton, an RN at the Montana State Hospital, representing the employees, not only as an RN, but also the employees from grade 5 on up. She pointed out that the people cannot live with HB 786 as it stand today and be able to pay the bills. Over all many of the people might see \$11.00 a month in their pockets and that is contingent on whether they border on a tax level, she said. It is not fair, as state employees, who work hard and try to take care of poor and unfortunate people. The cannot afford to work for the state of Montana if the trend continues.

Wanda Hislop, employed at Montana Tech and representing Chapter President of MPAR on the campus oppose HB 786. The majority of the classified employees are at a lower grade in this state and the dollar amount in their pockets is what matters. She asked why the upper level people, who are already making more, be the ones to bring home more money again. She asked the committee to consider amending HB 786 to read \$1,000 across the board, plus insurance benefits, step increases for all state employees, including university the university personnel, the staff at the campuses deserve a fair wage increase also. She pointed out that savings have completely vanished and most have taken on second jobs to meet financial obligations.

Linda Faber, an LPN and the Montana Veterans Home, opposed HB 786. She felt that Veterans fought for freedom for the country and are not being treated properly, there is low morale, poor management, and not enough time to give them the care they deserve. Because of low wages they are very short-staffed. Most nurses get jobs in other

facilities where they are paid at least \$3.00 an hour more.

Melba Payne, an LPN at the Montana Veterans Home in Columbia Falls, opposed HB 786. She said RN's and LPN's are so short at times at night an LPN will be in charge of 150 patients with three aides underneath her with no other registered personnel in the building. The shortage of nurses is going to get worse instead of better so wages must be made more comparative, she said.

Eleanor Lynch, an RN at the Montana Veterans Home, agreed that the nurses are underpaid. Not being able to recruit nurses for the people that need care is wrong.

Linda Heath, a nurses aide at the Montana Veterans Home, opposed HB 786. She said she worked the grave yard shift at the home for a 6 month period, she virtually ran the place by herself. LPN's and RN's desperately need a wage increase to get the help and coverage that the veterans deserve.

Olivia Werner, a care giver at the Montana Veterans Home, said the home is understaffed and under paid. She felt that 2.5% given to workers that have 15-20 years is like a slap in the face. More staffing and better wages and compensation for good loyal work is needed. Veterans deserve good care and are not getting it because of under-staffing.

Thelma Carter, testified that she worked at the Montana Veterans Home for the last 12 or 14 years. She opposed the bill and did not think it was fair. She pointed out the need for help, maintenance, and housekeeping.

Jim McGarvey distributed testimony (see exhibit #13) by state employees who couldn't be at the meeting, in opposition to HB 786.

Bruce Arnold, spoke in opposition to the bill. He pointed out that at 2.5% he could receive more on welfare for the year. A decent pay raise will take a lot of people off of welfare, those who are currently working for state government, he said.

Mike Helda, representing the Warm Springs Independent Union testified. He pointed out that more money is needed and he supported the amendment for the \$1,000 across the board.

John Sporus, Galen, commented that many state employees have to do without so that their children don't have to do

without, such as a new pair of glasses, or a mouth full of teeth.

Closing by Sponsor: Representative Addy closed on HB 786. He said the state employees pay has been frozen for four years. The figures were arrived at through negotiations between the state and some labor representatives, he said. Both sides of the problem are laid out.

EXECUTIVE ACTION ON HB 786

Senator Manning offered an amendment (Exhibit #14) regarding the State Tax Appeal Board and the hiring of their own personnel. (907) He explained that these people have kind of a contract. Their salary has not been increased for a good number of years. There is sufficient money in their budget to do this. He moved the amendment.

Questions and Comments from Committee Members: Senator Keating commented that selective raises should not be started.

Senator Van Valkenburg pointed out the amendment that Representative Addy passed out precludes changes in the statutory salaries for elective officials. On the back page contains the raise for the members of the tax appeal board commensurate with the rest of the pay plan. Senator Manning's amendment would provide a substantially greater raise and he did not support that. (019)

The question was called. The motion failed.

Senator Manning offered an amendment (Exhibit #15) for a separate pay schedule for institutional workers. He moved the amendment.

Senator Regan asked if the differential pay was negotiated, in regard to Senator Manning's amendment.

Judy Rippingail answered the original bill had a differential pay of 50 cents. The way the amendment reads, the second year of the biennium, institutional workers would be on a separate pay matrix. It would be recognized by that language that they would be on a separate pay matrix, thus enabling them to negotiate differential for the next biennium.

The question was called. The motion failed.

Senator Boylan offered an amendment (Exhibit #16) to include the people that are not at the University System and are

not included in the pay plan. He moved the amendment. He said that these people were included in the pay freeze all the way along. The university system, thinking that these people were funded and would be included in the pay plan increase, left them out.

(Tape 3-B)

Judy Rippingail said that this bill does not contain money for instructional support or support program people in the university system, but in prior years it did.

Senator Manning distributed a summary sheet prepared by Mr. Lewis of HB 100 and HB 786. (Exhibit #17)

Senator Keating asked Rod Sundstad why the support staff was not included in this phase. Rod Sundstad replied that it was included in the increases put into the support factor.

Senator Jacobson (120) clarified that the university system negotiated for their faculty people. She said that it is not funded if they do not get that 2.5% increase. It is going to have to come out of increases given to the university system. There were other things, such as, libraries, physical plant and other things that were not accomplished, because they first are going to have to take care of the pay plan. The sub-committee never dealt with the pay plan because they were unaware that this was going to be a part of the dollars they were dealing with.

Senator Boylan asked Mr. Lewis of the Department of Administration why this didn't include these people when they were included in the freeze.

Mr. Lewis said their position was that there is money in HB 100 for the increases for those employees.

Representative Addy explained (Exhibit #4) that when the bill was drawn up the formula was figured assuming that the elected officials would get the same pay raise as other employees. When the bill was drawn up the substantive sections specifically referred to the elected employee officials was not amended. That is all this amendment does is coordinate those other sections.

Senator Aklestad said that he was not sure if this was a technical amendment, but rather a money amendment. These individuals would like a pay raise, but with the economy, he was against the amendment. He pointed out a long time problem in terms of adequately paying elected officials. Elected officials are always the last to get anything and that is not fair.

Senator Jacobson offered an amendment to increase the pay raise. (389) (Exhibit #18) She said testimony showed that these people are behind. They are going to need a \$1,000 across the board in order to keep it equitable and to reach those employees that are down at the lowest end of the scale. She said that this is a fairness and equity issue.

Senator Jenkins offered amendments proposed by Representative Iverson (Exhibit #19). An accounting procedure that shows the split on the appropriations to the office of the commissioner of higher education, but does not increase it all.

Senator Keating (501) asked if there was some of the support staff in some of that on instructional support in there.

Mr. Lewis replied that is the amount of money that was in the fiscal pay plan and all those others but it is not new money. It is part of the pay plan and they are just transferring into the budget office to equitably distribute to the campuses.

The question was called. The motion passed with one no vote.

Senator Jenkins offered an amendment (Exhibit #20) to allow a Legislative Council member on the committee to study salaried. He said there was no change in the budget.

The question was called. The motion passed unanimously. Senator Jenkins offered an amendment (Exhibit #21) to give the university latitude in their funding (587).

Senator Regan pointed out on page 18 it give the university system a little more latitude in their funding.

Carroll Krause said that one of the problems with the language is it requires the pay plan to be given specifically to all employees. There are provisions and contracts involving personnel policies on campuses. Salary increases are based upon that merit, that would give a salary increase of 2.5% to all employees and that is not consistent with the way salary increases have been given on the campuses, he said.

Senator Van Valkenburg (633) asked if the effect of this amendment would provide no money for contract faculty. There is some dispute about the contract between the universities teachers union and the University of Montana and the Board of Regents.

Mr. Barrett spoke about their interpretation of the contract

if there is a funded pay plan. He distributed a copy of the language from the contract to the Committee. (Exhibit #22). It reads "the normal increase for all full time faculty members for the 1989, 1990 academic year shall be equivalent to the average state wide classification case schedule appropriated by the 51st Legislature."

Senator Van Valkenburg said it seems like it doesn't matter to the union if this amendment is adopted or not.

Mr. Barrett replied that he was not sure what this amendment says. The union would like to see the 2.5% funded for the faculty as well as for the staff.

Mr. Krause responded to Senator Van Valkenburg's concern. He said that this was not the issue with this language. The intended language was not to give the faculty 9%, they are trying to maintain the flexibility and it has nothing to do with the agreement, he stated.

Senator Regan said there was nothing in this language that mandates any percentage. Flexibility is not being taken away. Funds will be used for salary upgrades it does not intend to impinge on flexibility to set it at one cent or \$500.00 or whatever, she said.

Mr. Krause replied that he interpreted the language to require giving everybody the pay plan, exactly they way it is appropriated.

Representative Addy said that coordination between HB 100 and instructional support staff was a different issue than the language of the contract. A fair normal increase is equivalent to the average state wide classification schedule pay increase appropriated and has nothing to do with the instructional support staff with the contract faculty on campus.

Senator Regan asked what the net effect of removing this language would be.

Judy Rippingail (833) replied that in her opinion it was not quite the intent. In the second line that said, "increases for contract faculty", they would have preferred it to read, "To fund increases in salaries in group benefits for support staff and instruction". She pointed out this is where the difficulty began because the increases in contract faculty are in there. That raises concerns potentially on both sides. From the Commissioners offices and in terms of how they negotiate their contract faculty salary and second for the law suit side is perhaps saying something that would be used in

a law suit saying the contract faculty did get two and one half plus six, she explained.

Senator Regan asked if it would be a more reasonable approach to strike for contract and increases.

Judy Rippingail said it would it struck on line three following increases "in salaries for contract faculty and increases", then it would read how it was intended to read.

Senator Regan moved a substitute motion to delete on page 18, line 3, in salaries for contract faculty and increases.

Mr. Lewis said that they were in favor of the original motion as presented as it was, he felt that it removed ambiguity. If the language is taken out it is clearly the responsibility of the Board of Regents to negotiate salary increases. The Administration has recommended at this point, and the bill says there is no money appropriated in this bill for the extra raise for the contract faculty. Removal of this language takes any ambiguity out of it. It makes it very clear as to what is in the bill and what it's support is, he said.

Mr. Krause (928) replied that solves the problem and concerns because he already gave the classified employees the letter which was referred to by one of the people that testified. The intent is to meet the pay plan for classified employees. The Board of Regents has the responsibility to negotiate all the contracts with all the employees of the system. He supported the amendment and felt that it solved the problem.

Senator Boylan pointed out that all it does is give them the flexibility to rob from plant or wherever to fund the employees.

Senator Regan withdrew the amendment. She said she thought there was six for six in there and almost made a goof. Senator Jenkins amendment (#21) was moved. The motion passed.

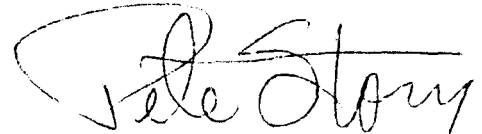
Senator Van Valkenburg asked about the step increase in the second year. He said he was holding an amendment (Exhibit #22) until he found out more information.

Senator Keating moved that HB 786 be concurred in, the motion carried.

Senator Boylan moved that the meeting be adjourned.

ADJOURNMENT

Adjournment At: 12:30

A handwritten signature in cursive script that reads "Pete Story". The signature is written in dark ink and is positioned above a horizontal line.

PETE STORY, Chairman

PS/dt

FCS406

DAILY ROLL CALL

FINANCE AND CLAIMS

COMMITTEE - 1989

DATE 4-6-89

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	✓		

Amendments to House Bill No.452
House Third Reading Copy

For the Committee on Senate Finance and Claims

Prepared by LFA
March 13, 1989

1. Page 6, following line 24.

Insert: "(L) services of professional counselors licensed under
Title 37, Chapter 23, MCA;"

Renumber: subsequent subsections

2

SENATE CHAMBER AND ...

... NO. 2

DATE 4-6

BILL NO. 583

ARRESTAD

Amendments to HOUSE BILL 583

1. Title, line 7.
Strike: "15-65-121,"

2. Page 3 through page 5.
Following: line 14 on page 3
Strike: Section 3 in its entirety
Re-number subsequent sections

4/6/89

EXHIBITS WERE MISNUMBERED. THERE IS NO EXHIBIT # 3 FOR THIS DAY.

4

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 4
DATE 4-6-89
BILL NO. 786

Amendments to House Bill No. 786
Third Reading Copy

Requested by Representative Addy
For the Senate Committee on Finance and Claims

April 5, 1989

1. Title, line 5.
Following: ";"
Insert: "INCREASING COMPENSATION FOR CERTAIN ELECTED OFFICIALS
AND STATE EMPLOYEES;"

2. Title, line 11.
Following: "SECTIONS"
Insert: "2-16-405,"
Following: "2-18-702,"
Strike: "AND"

3. Title, line 12.
Following: "2-18-703,"
Insert: "13-37-106, AND 15-2-102,"

4. Page 1.
Following: line 14
Insert: "Section 2-16-405, MCA, is amended to read:
"2-16-405. Salaries of certain elected state
officials. The salaries paid to certain elected officials of
the state of Montana for fiscal year ~~1986~~ 1990 and following
years are:

		<u>Fiscal Year</u> 1990	<u>Following</u> June 30, 1990
Governor	\$50,452	\$51,713	\$53,006
Lieutenant governor	\$36,141	\$37,044	\$37,970
Chief justice			
of the supreme court	\$51,722		
Justices of the supreme			
court, each	\$50,452		
Attorney general	\$46,016	\$47,166	\$48,345
State auditor	\$33,342	\$34,176	\$35,030
Superintendent of public instruction	\$39,672	\$40,664	\$41,681
Public service commission chairman	\$37,363	\$38,297	\$39,254
Public service commissioners, other than chairman	\$36,141	\$37,044	\$37,970
Secretary of state	\$33,342	\$34,176	\$35,030
Clerk of the supreme court	\$32,401	\$33,211	\$34,041"

Renumber: subsequent sections

5. Page 16.

Following: line 9

Insert: "Section 12. Section 13-27-106, MCA, is amended to read:

"13-37-106. Salary. The commissioner of political practices is entitled to receive a salary of ~~\$27,655~~ a \$28,346 in fiscal year 1990 and \$29,055 in fiscal year 1991 and thereafter."

Section 13. Section 15-2-102, MCA, is amended to read:

"15-2-102. Qualification and compensation. (1) To be appointed a member of the state tax appeal board, a person must possess knowledge of the subject of taxation and skill in matters pertaining thereto. No person so appointed may hold any other office under the laws of this state or any other state or any office under the government of the United States or under the government of any other state. He shall devote his entire time to the duties of the office and shall not hold any other position of trust or profit or engage in any occupation or business interfering or inconsistent with his duties. The state tax appeal board is transferred to the department of administration for administrative purposes only as is specified in 2-15-121. However, the board may hire its own personnel, and 2-15-121(2)(d) does not apply.

(2) The member designated chairman as provided for in 15-2-103 shall receive a salary of ~~\$28,373~~ a \$29,082 in fiscal year 1990 and \$29,809 in fiscal year 1991 and thereafter. The remaining state tax appeal board members shall be paid a salary of ~~\$27,635~~ a \$28,326 in fiscal year 1990 and \$29,034 in fiscal year 1991 and thereafter. All members of the board shall receive travel expenses as provided for in 2-18-501 through 2-18-503, as amended, when away from the capital on official business."

Renumber: subsequent sections

6. Page 18, line 7.

Strike: "11"

Insert: "14"

7. Page 18, line 9.

Strike: "11"

Insert: "14"

8. Page 18, line 14.

Strike: "2"

Insert: "3"

Montana House of Representatives
 Pay Plan Comparisons
 Figures in Millions

SENATE FINANCE AND CLAIMS

BILL NO. 4a

DATE 4-6-89

BILL NO. _____

4A

	Greater of \$560 / 2.5%	Constant \$560	Constant \$600	Constant \$1000
Projected Cost FY 90	\$9.616887	\$9.082845	\$9.591989	\$14.683417
Projected Cost FY 91	\$19.992318	\$18.867017	\$19.888145	\$30.099388
Totals	\$29.609205	\$27.949862	\$29.480134	\$44.782805
General Fund	\$13.412585	\$12.660924	\$13.354117	\$20.286028
Other Funds	\$16.196620	\$15.288938	\$16.126017	\$24.496777
Differences	NA	(\$1.659343)	(\$0.129071)	\$15.173600

Note : Calculations do not include University System.

SENATE FINANCE #5 LANDS

DEPARTMENT OF ADMINISTRATION EXHIBIT NO. 5
STATE PERSONNEL DIVISION DATE 4-6-89
BILL NO. 786
ROOM 130, MITCHELL BUILDING



STAN STEPHENS, GOVERNOR

STATE OF MONTANA

(406) 444-3871

HELENA, MONTANA 59620

TESTIMONY OF ROD SUNDSTED
CHIEF NEGOTIATOR FOR THE EXECUTIVE BRANCH
IN SUPPORT OF HOUSE BILL 786

Mr. Chairman, members of the committee, my name is Rod Sundsted and I am the chief negotiator representing the Governor in collective bargaining for the executive branch excluding the university system. I appear before you today in support of House Bill 786.

I would like to explain the provisions of the bill, discuss briefly how this proposal was developed, explain why I feel this bill should be passed and discuss an amendment that I feel should be made to the bill.

HB 786 establishes the salary schedules for the 1990-91 biennium for all classified employees on the statewide schedule including the university system, for blue collar employees of the executive branch excluding the university system, for teachers at the Departments of Institutions and Family Services and for employees in the state liquor stores. Although this bill establishes salaries for only the above employees, it does contain funding in combination with HB 100 for salaries for all employees including exempt employees, employees of the Judicial branch, legislative employees, employees at MSD&B and exempt university system employees. This bill also establishes the state contribution for group insurance for all employees of the state.

HB 786 increases the total compensation of all employees by an average of 4.0% each year of the biennium. This increase in compensation is in two parts. First, the state contribution towards group insurance is increased from the present \$1380 per year to \$1560 per year in FY90 and is increased to \$1800 per year in FY91. Second, each year of the biennium salaries are increased by \$560 per year or 2.5% whichever is greater. Because there is a guaranteed flat dollar increase, the actual percent increase in total compensation varies at each grade and step in the schedule. Lower graded employees receive the highest percentage increases while higher graded employees receive the lowest percentage increases. For example, a grade 4, step 2 employee receives a 6.3% increase in FY90 and a 6.4% increase in FY91. A grade 18, step 2 employee receives a 3.0% increase in FY90 and a 3.1% increase in FY91. There are more employees at grade 8 and step 2 than at any other grade and step. These employees receive a 5.0% increase in FY90 and a 5.1% increase in FY91.

2x5
4/6/89

The salary schedules contained in HB 786 reflect the tentative agreements that were recently reached in collective bargaining between the state and unions representing state employees. Tentative agreements have been reached with the Public Employees Craft Council (a voluntary coalition of Teamsters, Machinists, Laborers, Painters and Operating Engineers), the Montana Public Employees Association, the American Federation of State, County and Municipal Employees, the Laborers, the United Food and Commercial Workers Union and Teamsters at Montana State Hospital and Montana State Prison. These unions represent approximately 4400 employees which is the vast majority of all organized state employees. Excluding the university system they represent over 80% of all employees organized for collective bargaining purposes. House Bill 786 represents a very significant commitment by this administration towards the pay of state employees. The pay proposal offered by former Governor Schwinden called for an increase in total compensation of 2% but contained no funding to provide these increases. The first proposal put forth by this administration contained the same percentage increase but provided approximately \$23,000,000 to fund the increases. This bill, which reflects the negotiated settlements, now contains over \$34,000,000 in funding for pay increases. We entered into these agreements because we wanted to provide fair and equitable compensation to state employees and we are committed to supporting the settlements. I believe that the unions which entered into these agreements are also legally committed to support the settlements. There has been some discussion that the unions may now come in and ask that the salary schedules be adjusted upwards. If that happens then I am just as free to ask that the amounts in this bill be reduced.

I support HB 786 and urge a "do pass" recommendation for several reasons. First, this bill addresses the effect of medical inflation on the state health insurance plan. This bill puts enough funding into the employees health insurance plan so that most, if not all, of the increased costs of health insurance will be covered by the state and not the employee. Second, this bill addresses the concerns raised that a straight percentage increase does not provide enough of an increase to lower graded employees. This bill is a compromise which provides larger increases for lower graded employees while still providing for a percentage increase in the higher grades where the pay schedules fall furthest behind the market and where recruitment and retention of professional occupations is the greatest problem. Third, the state has adopted a collective bargaining act for public employees and this bill reflects the results of bargaining under that act. The legislature has adopted the negotiated settlements in nearly every case since the passage of this act, to do otherwise would put the legislature in a position of having to negotiate directly with state employee unions.

ex. #5
4/6/89

I am requesting that you amend a section of this bill dealing with the salary schedules for teachers. The bill as introduced contained the same increases for teachers as for all other state employees. On the floor of the house this bill was amended to provide teachers with a three additional steps or approximately 11% above the increases already contained in the bill. I am requesting that you amend this bill back to its original form by removing the three additional steps. I request that you make this amendment for the following reasons. First, I believe that all employees should be treated equally unless there is a compelling reason to do otherwise. No such reason exists in this case. While teachers may argue that they are paid less than their counterparts outside of state government, they are certainly not unique in this situation. In fact, other occupations such as nurses, data processing professionals, engineers and others can probably make a stronger case than teachers. Second, last session, when all other employees in the state had their salary frozen, teachers received a salary increase of approximately 8.5%. This increase has already been built into the teachers base salaries for the 1990-91 biennium in this bill. There has been some testimony given this session that the teachers never received these increases but that is simply not correct. The teachers at Mountain View School, Montana State Hospital, the Women's Prison, Montana Developmental Center, the Men's Prison, and the Swan River Youth Forest Camp did receive these increases. The only case where the teachers have not received the increase is at Pine Hills School. In that case no agreement has yet been reached but we have offered these increases retroactively if the contract is settled. Third, during the last two years a supreme court ruling was issued which said that state teachers were not school teachers and as such were eligible for annual leave and holidays. House Bill 100 now includes an appropriation to pay for this leave on top of the salary schedules contained in this bill. This would provide an additional increase in salary of approximately 11% during the next biennium for nine month teachers. Fourth, the amendment added on the house floor provided the increases but did not add the funding required to implement them. As a result, the institutions are now under funded by approximately \$225,000 that is required to implement the increases. I believe it is neither fair nor equitable that some teachers would receive increases of over 30.0% during the same period that all other employees received increases of 2.5%.

I urge your support of HB 786 and of the amendment I have requested.

Amend HB 786
Third Reading Copy

6
SENATE FINANCE AND CLAIMS
DATE 4-6-89
BILL NO. 786

1. Page 15, Line 2

NEW SECTION. Section 9. Pay Adjustments. All employees covered by the pay matrixes in Sections 5,6,7 and 8 shall receive each year of the biennium a pay adjustment of 6% of their salary on June 30 of the preceding year or \$ 1000.00 whichever is greater.

2. Page 15, Line 2 renumber Section 9 10

3. Page 15, Line 19 renumber Section ~~10~~ 11

4. Page 16, Line 10

NEW SECTION. Section 12 Change of Classification. Amend 2-18-203 to provide that the employee organizations have the right to either negotiate or appeal grade level placement for employees.

5. Page 16, line 10 renumber Section ~~11~~ 13

6. Page 17, Line 8 renumber Section ~~12~~ 14.

(figures have to be changed to reflect increases)

7. Page 18, Line 10, renumber Section ~~13~~ 15

8. Page 18, Line 12, renumber Section ~~14~~ 16



6A
THOMAS E. SCHNEIDER — EXECUTIVE DIRECTOR

PHONE (406) 442-4600

P. O. BOX 5600 1426 CEDAR

HELENA, MONTANA 59601

1-800-221-3468

SENATE FINANCE AND

EXHIBIT NO. 6a

DATE 4-6-89

BILL NO. 786

TO: SENATE FINANCE AND CLAIMS COMMITTEE
FROM: TOM SCHNEIDER, MONTANA PUBLIC EMPLOYEES ASSOCIATION

Subject: HB 786

The situation concerning pay for state and university employees has been confused from the beginning. While the public perception is that one union has not signed an agreement, the truth is that that union, MFT/UTU, signed an agreement 18 months ago which gave university faculty 6% each year in addition to what state and university support receive under HB 786. While we agree that faculty salaries are the lowest in the nation, we also want this committee and the people of Montana to know that Correction Officers, Highway Patrolmen, Nurses, in fact, all state employees and university support staff are in the same position. A survey done by the Personnel Division and released to the legislature this Spring, points out that we are 17% behind -- just comparing to our neighboring states. Over the past 15 years this legislature has adopted a philosophy of taking all negotiated agreements and passing a unified pay plan covering all employees. MPEA is asking you to do that again this year. We are asking the Senate Appropriations Committee to amend a section into HB 786 which gives all employees covered by the pay plan a one-time pay adjustment of 6% or \$1000 whichever is greater, for each year of the biennium in addition to the increase provided by the may matrices.

In addition there is ample evidence that some of the problem with individual groups within the classification system could be resolved at the bargaining table if employees had the right to negotiate classification again. We would propose an amendment to allow negotiations of classification and/or the appealing of grade levels to take care of problems which both the state and our organization agree cannot be taken care of at this time.

2x #6a

4-6-87

When this bill left the House there was a question of whether there was adequate funding for university support staff. A commitment was made to seek additional funding in the Senate if more was needed. We are asking you to make sure the bill is fully funded by adding \$2.3 million for university support staff.

I want to emphasize that you are faced with two agreements. You should put those two agreements together to provide equal treatment for all of the employees who work for you. Even with the six percent or \$1000.00 added to the pay plan in HB 786 no employee will receive an amount which is necessary to bring them up to the level that they should be at but it will be a start.

Thank you for hearing our concerns and please support HB 786 with the amendments.

#7
EXHIBIT NO. 7
DATE 4-6-89
BILL NO 786 3

MONTANA STATE COUNCIL No. 9
AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES
Affiliated With A.F.L.—C.I.O.



Gerald W. McEntee
International President
William E. Lucy
International Secretary-Treasurer

COUNCIL OFFICERS

Jim Schweigert, President
102 N. Jordan
Miles City, MT 59301
Phone: 232-5522

Joyce Perszyk, Secretary
635 12th Street
Havre, MT 59501
Phone: 265-9834

George E. McCammon, Treasurer
Rte. 1, Box 144
Townsend, MT 59644
Phone: 266-3592

VICE-PRESIDENTS

Duane Hartman
Rt. 2, Box 2364
Lewistown, MT 59457
Phone: 538-5090

Don Davis
555 Edison
Butte, MT 59701
Phone: 723-5350

Dave Beadles
P. O. Box 307
Boulder, MT 59632
Phone: 225-3706

Leann Schaff
5807 Kerr Drive
Missoula, MT 59803
Phone: 251-3232

COUNCIL STAFF

Headquarters
P. O. Box 5356
Helena, MT 59604
Phone: 442-1192

F. Nadeian Jensen
Executive Director

George F. Hagerman
Field Representative

Sharon Donaldson
Field Representative

Jim Mayes
Field Representative

Debbie Lesmeister
Sec./Bookkeeper

**TESTIMONY OF R. NADIEAN JENSEN, EXECUTIVE DIRECTOR
MONTANA COUNCIL NO. 9, AFSCME, AFL-CIO**

Mr. Chairman; Members of the Committee:

For the record my name is Nadeian Jensen, Executive Director of Montana Council No. 9, American Federation of State, County and Municipal Employees.

AFSCME has reached a "Tentative Agreement" with the State of Montana as it concerns HB786. This "Tentative Agreement" includes Local #971 Montana Developmental Center, and nine Highway Maintenance Locals. Local #1620 Montana State Hospital, Galen Unit was a part of the "Tentative Agreement", the membership has since voted not to ratify. Local #971 has voted to ratify and the Highway Maintenance locals are in the process of voting at this time.

It was the perception of the negotiating committees from the Institutions and the Highways that an "Across The Board" pay increase was necessary and that there should be no extra "Out of Pocket" monies, from the employees, for Health Insurance. HB786 to some extent satisfies Across The Board and Insurance Coverage.

The feeling of our members and your employees is that there is not enough money in the raise, having been on a wage freeze for the last two years; but they also are concerned with Montana's economy.

We ask your support of HB786.

8a

Amendments to House Bill No. 786
Third Reading Copy

SENATE FINANCE AND CLAIMS

EMENDIT NO. 8a

DATE 4-6-89

CLAIMS
BILL NO. 786

For the Senate Committee on Finance and
April 5, 1989

- 1. Page 17, line 9.
- Strike: "\$17,227,616"
- Insert: "\$13,546,000"
- Following: "planning"
- Insert: "and \$3,681,616 to the office of the commissioner of
higher education"

86

SENATE FINANCE AND CL
EXHIBIT NO. 86
DATE 4-6-89
BILL NO. 786

Amendments to House Bill No. 786
Third Reading Copy

Requested by Representative Dennis Iverson
For the Senate Committee on Finance and Claims

March 29, 1989

1. Page 18, lines 2 through 5.
Strike: "IT" on line 2 through "." on line 5

8c

Amendments to House Bill No. 786
Third Reading Copy

SENATE FINANCE AND CLAIMS
BILL NO. 8c
DATE 4-6-89
BILL NO. 786

Requested by Representative Cobb
For the Senate Committee on Finance and Claims

April 5, 1989

- 1. Page 17, line 7.
Following: "administration,"
Insert: "and the Montana legislative council"

EXHIBIT NO. 9DATE 4-6-89BILL NO. 786

In Rep. Addy's HB 786, Registered Nurse's at the Montana State Hospital are not given anything like a competitive wage. For example,

A new graduate (BSN degree) starting work at St. James Hospital in Butte on the night shift working weekends will make the following:

BASE PAY - 10.80/per hour
Night Shift differential - \$.75
BSN degree differential - \$.30
Weekend (3rd in a row) -\$1.00

TOTAL WAGES \$12.85/per hour

The same new graduate working the night shift on weekends at the Montana State Hospital will make the following under HB 786:

GRADE 13
BASE PAY - \$9.23/per hour
Night Shift differential - 0
BSN degree differential - 0
Weekend differential - 0

TOTAL WAGES \$9.23/per hour

A similar comparison could be made with both St. Patrick's Hospital and Community Hospital in Missoula and the Anaconda Community Hospital, all neighboring and competitive hospitals. The Montana State Hospital is the only hospital in the state which doesn't offer its staff a shift differential.

RN wages are approximately \$3.00/per hour below the regional average at the state hospital.

Why would anyone go to work there?

Nurses are leaving the hospital and their positions are not being filled.

There are currently 15 RN vacancies at the Montana State Hospital.

thank you,

Wilbur W. Rehmann
Labor Relations Director
Montana Nurses' Association



MONTANA FEDERATION OF STATE EMPLOYEES

AFT, AFL-CIO

P.O. Box 1246

Helena, Montana 59624

ARTCRAFT, BUTTE

(406) 442-2123

SENATE FINANCE AND CLAIMS
JIM MCGARVEY
President NO. 10

DATE 4-6-87

BILL NO. 786

TESTIMONY BEFORE THE SENATE FINANCE AND CLAIMS COMMITTEE ON HB 786, STATE EMPLOYEE SALARIES

Mr. Chairman and members of the committee, I am Jim McGarvey, President of the Montana Federation of Teachers and the Montana Federation of State Employees, FSE/AFT, AFL-CIO.

MFSE has members in the Montana State Hospital, Montana Developmental Center, Montana State Prison, Department of Institutions, Social and Rehabilitative Services Services, School for the Deaf and Blind, Montana Historical Society, Department of Family Services, Department of Administration and the University System.

I am here today on behalf of frustrated state and university employees to testify that HB 786, as currently structured, is woefully inadequate considering the economic plight of these employees over the past several years. I am also here to issue a call for fairness--to call upon you to amend HB 786 so that state and university employees receive fair and funded compensation not only for jobs well done, but also for shouldering much of Montana's fiscal hardships on their backs and the backs of their families.

You know the sad history. For four years now, salaries for state and university employees have been either partially or completely frozen. Considering inflation, this has meant a 15 percent loss in real wages for these employees between 1983 and 1988. Since 1982, wages for these employees have fallen far below the national average and remain the lowest in the region.

Now, here we are once again, discussing a bill that inflicts further hardship on these employees by handing them a pay decrease. That's right, a decrease.

You see, despite the rosy scenarios some are attempting to paint around this bill, the bottom line is this:

First, no matter how one cooks the figures, those who will receive raises will only receive a grand total of just \$46.66 more a month. This increase is actually a decrease when one considers the fact that \$46.66 a month still leaves these employees far behind the increases in the cost of living they have seen in past years and will continue to see over the next two years. For these employees and their families, that's another year of watching the purchasing power of a stagnant paycheck decrease even further. That's another year of putting off new coats for the kids or stretching just a few thousand more miles out of the clunker in the driveway, all the while wondering how much longer one can afford to serve Montana's future in state employment.

Ex. #10

4-6-89

Second, while the Cobb bill provided a 2 percent increase for all 14,000 state and university employees, when this tentative agreement was reached, the funding was provided for less than 10,000 of these employees, leaving 4,000 university employees out in the cold with no pay increase whatsoever. University employees also would face another year of watching their purchasing shrink even further and wondering how one can afford to have a reasonable standard of living and support a family while in public employment.

Clearly, HB 786 does nothing to reverse the trend of eroding purchasing power for state and university employees. More importantly, it does nothing to compensate these employees for the burden they have shouldered for the state over the past several years. It does nothing to send a positive message on the value of public services and the worth of public employees. In fact, HB 786, as currently structured, does the exact opposite of all these things.

But what is the solution? Well, surely I do not come before you today with a naive notion that the State of Montana can afford to correct the sad economic plight of its state and university employees in one fell swoop. I do come before you, however, with the sincere belief that the state not only can--but must--give these employees a salary package that reflects a spirit of fairness by taking some positive first steps. Specifically, the Montana Federation of State Employees asks that HB 786 be amended to include:

--An increase in both years of \$1,000, rather than 2.5 percent or \$560, whichever is greater.

--A new institutional pay plan beginning in 1990-91 that includes a shift differential.

--An equity adjustment equal to three steps for teachers at the School for the Deaf and Blind.

--An appropriation bill to include university system employees in the pay plan bill.

--A reinstatement of longevity steps in the general pay matrix.

As you discuss these proposed amendments, I ask you to consider the impact the shrinking purchasing power of our state and university employees will continue to have on our state and local economies.

I ask you to consider the impact on all of Montana as the diminishing returns of a state job drive more experienced employees out of their jobs and more of our brightest students from ever considering public service as a career.

Finally, I ask you to consider the 14,000 state employees as real people trying to meet the mortgage and to feed and clothe their families. They have done their fair share to help Montana through its difficult financial times, but they can do no more. It's time for Montana to do its fair share for them.

Amendments to House Bill No. 786
Third Reading Copy

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 10a

DATE 4-6-89

BILL NO. 786

For the Senate Committee on Finance and Claims

April 5, 1989

1. Page 4.

Following: line 2

Insert: "(iii) In compliance with rules adopted to implement this part, each employee is eligible on his anniversary date to advance one step in the pay schedules for fiscal years 1990 and 1991. However, if the employee's anniversary date falls between July 1 and the first day of the first pay period, inclusive, of fiscal year 1990 or 1991, he may advance one step on the first day of that pay period."

11

SELECTED FINANCE AND CLAIMS

ENRUIT NO. 11

DATE 4-6-89

BILL NO. 786

SELECTED ECONOMIC INDICATORS

MONTANA

PERCENT CHANGE 1970 - 1987

<u>INDICATOR</u>	<u>% CHANGE</u>
State govt. genl. rev. *	383
Total personal income	296
Per capita pers. income	247
Consumer prices	189
<i>Avg. state employee</i> **#	177

*percent change is for the period 1970-1986

#excludes instruction

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

#12

NO. 12

DATE 4-6-89

NAME: COLLEEN RODGERS

DATE BILL NO 6-89 286

ADDRESS: 923 BUTTE AVE. - HELENA

(P.O. Box 9242
HELENA, MT. 59604

PHONE: 442-2123

REPRESENTING WHOM? FEDERATION OF S.R.S. WORKERS, LOCAL 4447, MFSG

APPEARING ON WHICH PROPOSAL: HB 786

DO YOU: SUPPORT? _____

AMEND?

OPPOSE? _____

COMMENT: SEE ATTACHED exhibit 12

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

April 6, 1989

Ex. #12

4-6-89

Testimony Before the Senate Finance and Claims Committee.

Mr. Chairman and Members of the Committee:

My name is Colleen Rodgers. I am President of the Federation of S.R.S. Employees, Local 4447, Montana Federation of State Employees, AFT, AFL-CIO. I am here today to speak in opposition to House Bill 786, as currently structured, and to add my support to the amendments about which Mr. McGarvey testified.

For the last four years, state employees have stood by and watched the buying power of their limited dollars steadily decrease as the day to day cost of living has steadily increased. And the workloads of those employees have increased as FTE positions have remained unfilled by the use of vacancy savings and the increased public demand for services. Stress levels have reached the point where some agencies have found it imperative to offer stress management workshops to employees in order to attempt to alleviate at least some of the symptoms. State employee morale has reached all time lows and getting and keeping good, qualified employees is becoming increasingly difficult.

And once again state employees are being asked to accept an unacceptable pay plan.

We have been patient for four years now but we can be patient no longer. Like you we have mortgages to meet, families to feed, kids to send to school. These are things which are getting harder and harder, and for some impossible, to do as a state employee.

The amendments we support to HB 786 do not completely makeup for the economic injustices state employees have suffered over the last four years. However, they do offer a strong and positive step in the right direction.

Thank you.

4/6/89

EXHIBIT # 13 WAS NEVER RECEIVED BY THE COMMITTEE SECRETARY FOR THIS DAY.

#14

SENATE FINANCE AND CLA
BILL NO. 14
DATE 4-6-89
BILL NO. 786

Amendments to House Bill No. 786
Third Reading Copy

Requested by Senator Manning
For the Senate Committee on Finance and Claims

April 5, 1989

1. Title, line 9.

Following: "THEREAFTER;"

Insert: "INCREASING COMPENSATION FOR STATE TAX APPEAL BOARD MEMBERS;"

2. Title, line 11.

Strike: "AND"

3. Title, line 12.

Following: "2-18-703,"

Insert: "AND 15-2-102,"

4. Page 16.

Following: line 9

Insert: "Section 11. Section 15-2-102, MCA, is amended to read:

"15-2-102. Qualification and compensation. (1) To be appointed a member of the state tax appeal board, a person must possess knowledge of the subject of taxation and skill in matters pertaining thereto. No person so appointed may hold any other office under the laws of this state or any other state or any office under the government of the United States or under the government of any other state. He shall devote his entire time to the duties of the office and shall not hold any other position of trust or profit or engage in any occupation or business interfering or inconsistent with his duties. The state tax appeal board is transferred to the department of administration for administrative purposes only as is specified in 2-15-121. However, the board may hire its own personnel, and 2-15-121(2)(d) does not apply.

(2) The member designated chairman as provided for in 15-2-103 shall receive a salary of ~~\$28,373~~ \$33,373 a year. The remaining state tax appeal board members shall be paid a salary of ~~\$27,635~~ \$32,635 a year. All members of the board shall receive travel expenses as provided for in 2-18-501 through 2-18-503, as amended, when away from the capital on official business."

Renumber: subsequent sections

5. Page 18, line 7.

Strike: "11"

Insert: "12"

6. Page 18, line 9.

Strike: "11"

Insert: "12"

15

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 15

DATE 4-6-89

BILL NO. 786

Amendments to House Bill No. 786
Third Reading Copy

For the Senate Committee on Finance and Claims

April 5, 1989

1. Title, line 7.
Following: "EMPLOYEES;"
Insert: "PROVIDING FOR SEPARATE PAY SCHEDULES FOR INSTITUTIONAL WORKERS;"

2. Page 3, line 2.
Following: "2-18-315"
Insert: "and [section 9]"

3. Page 3, line 4.
Following: "2-18-315"
Insert: "and [section 9]"

4. Page 3, line 6.
Following: "2-18-315"
Insert: "and [section 9]"

5. Page 3, line 18.
Following: "chapter"
Insert: ", except as provided in subsection (2)"

6. Page 4, line 4.
Strike: "or"
Following: "blue-collar occupations"
Insert: ", or institutional workers"

7. Page 4, line 5.
Following: "2-18-315"
Insert: "and [section 9]"

8. Page 5, line 4.
Following: "2-18-315"
Insert: "and [section 9]"

9. Page 5, line 13.
Following: "2-18-315"
Insert: "and [section 9]"

10. Page 5, line 15.
Following: "2-18-315"
Insert: "and [section 9]"

11. Page 15.
Following: line 1
Insert: "NEW SECTION. Section 9. Pay schedules for employees of state institutions. (1) The departments of institutions and family services shall develop, through collective

bargaining, pay schedules for fiscal years 1990 and 1991 for employees of the following state institutions, except teachers whose compensation is provided for in 2-18-313:

- (a) Montana state prison;
- (b) women's correction center;
- (c) Swan River forest camp;
- (d) Montana veterans' home;
- (e) Montana center for the aged;
- (f) Montana state hospital;
- (g) Montana developmental center;
- (h) Eastmont human services center;
- (i) Mountain View school; and
- (j) Pine Hills school.

(2) The pay schedules required in [this section] must provide for shift differential pay.

Renumber: subsequent sections

12. Page 18, line 7.

Strike: "11"

Insert: "12"

13. Page 18, line 9.

Strike: "11"

Insert: "12"

#16

SENATE FINANCE AND CLAIMS

AMENDMENT NO. 16

DATE 4-6-89

BILL NO. 786

Amendments to House Bill No. 786
Third Reading Copy

Requested by Senator Boylan
For the Senate Committee on Finance and Claims

April 5, 1989

1. Page 17, line 9.
Strike: "\$17,227,616"
Insert: "\$19,186,616"

17

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 17

DATE 4-6-89

BILL NO. 100

UNIVERSITY SYSTEM PAY PLAN
SUMMARY

HB100

INSTRUCTION-Funding is included for salary increases for all contract faculty.
(6% each fiscal year)
Funding for instruction support salary increases varies by fiscal year and unit from 3.8% to 12.6%.

PLANT-Funding is included for salary increases by a 4% increase in the program each fiscal year.

SUPPORT-Funding is included for salary increases and varies by fiscal year and by unit from 1/2% to 6%.

HB786

RESEARCH-Pay Plan and Health Insurance is funded.

PUBLIC SERVICE-Pay Plan and Health Insurance is funded.

PLANT PROGRAM-Pay Plan and Health Insurance is funded.

CONTRACT FACULTY-Health Insurance is funded.

AGRICULTURE EXPERIMENT STATION-Pay Plan and Health Insurance is funded.(Except for Contract Faculty)

COOPERATIVE EXTENSION SERVICE-Pay Plan and Health Insurance is funded.(Except for Contract Faculty)

FORESTRY & CONSERVATION EXPERIMENT STATION-Pay Plan and Health Insurance is funded.(Except for Contract Faculty)

BUREAU OF MINES-Pay Plan and Health Insurance in funded.(Except for Contract Faculty)

VOCATIONAL-TECHNICAL CENTERS-Pay Plan and Health Insurance is funded.

The administration is confident that the proposed funding in HB786, when combined with HB100, meets the personal services obligations of the University System.

#18

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 18
DATE 4-6-89
BILL NO. 786

Amendments to House Bill No. 786
Third Reading Copy
For the Senate Committee on Finance and Claims

April 5, 1989

1. Page 7, line 3 through page 8, line 4.
Strike: page 7, line 3 through page 8, line 4
Insert: "

1	10.572	11.279	11.481	11.687	11.897	12.111	12.330	12.553	12.780	13.012	13.249	13.490	13.982
2	11.054	11.797	12.009	12.226	12.447	12.672	12.902	13.136	13.375	13.619	13.868	14.122	14.640
3	11.578	12.361	12.585	12.813	13.046	13.283	13.525	13.772	14.024	14.281	14.543	14.810	15.355
4	12.151	12.977	13.213	13.454	13.699	13.949	14.204	14.464	14.730	15.001	15.277	15.559	16.134
5	12.783	13.656	13.906	14.161	14.421	14.686	14.956	15.232	15.513	15.800	16.092	16.390	16.998
6	13.475	14.400	14.664	14.934	15.209	15.490	15.776	16.068	16.366	16.670	16.980	17.296	17.941
7	14.242	15.225	15.506	15.793	16.085	16.383	16.687	16.997	17.313	17.636	17.965	18.301	18.986
8	15.069	16.114	16.413	16.718	17.029	17.346	17.669	17.999	18.335	18.678	19.028	19.385	20.113
9	15.987	17.102	17.420	17.745	18.076	18.414	18.759	19.111	19.470	19.836	20.209	20.590	21.366
10	16.993	18.183	18.523	18.870	19.224	19.585	19.953	20.328	20.711	21.102	21.500	21.906	22.735
11	18.092	19.365	19.729	20.100	20.478	20.864	21.258	21.660	22.070	22.488	22.914	23.349	24.236
12	19.308	20.673	21.063	21.461	21.867	22.281	22.703	23.133	23.572	24.020	24.477	24.943	25.894
13	20.644	22.109	22.528	22.955	23.391	23.835	24.288	24.750	25.221	25.702	26.192	26.692	27.712
14	22.320	23.911	24.366	24.830	25.303	25.785	26.277	26.779	27.291	27.813	28.346	28.889	29.997
15	24.065	25.788	26.280	26.782	27.294	27.816	28.349	28.892	29.446	30.011	30.588	31.176	32.376
16	26.026	27.896	28.430	28.975	29.531	30.098	30.676	31.266	31.868	32.482	33.108	33.747	35.050
17	28.147	30.177	30.757	31.349	31.952	32.567	33.195	33.835	34.488	35.154	35.833	36.526	37.940
18	30.492	32.698	33.328	33.971	34.627	35.296	35.978	36.674	37.384	38.108	38.847	39.600	41.137
19	33.068	35.468	36.154	36.853	37.566	38.294	39.036	39.793	40.565	41.353	42.156	42.976	44.626
20	35.881	38.493	39.239	40.000	40.776	41.568	42.376	43.200	44.040	44.897	45.771	46.661	48.436
21	38.975	41.820	42.633	43.462	44.308	45.171	46.051	46.948	47.863	48.797	49.750	50.722	52.626
22	42.371	45.471	46.357	47.261	48.183	49.123	50.082	51.060	52.058	52.058	52.058	52.058	52.058
23	46.086	49.466	50.432	51.417	52.422	53.447	54.492	55.558	55.558	55.558	55.558	55.558	55.558
24	50.168	53.855	54.909	55.984	57.080	58.198	59.338	59.338	59.338	59.338	59.338	59.338	59.338
25	54.651	58.676	59.826	60.999	62.195	63.415	63.415	63.415	63.415	63.415	63.415	63.415	63.415

2. Page 8, line 8 through page 9, line 9.
Strike: page 8, line 8 through page 9, line 9
Insert:

1	11.812	12.519	12.721	12.927	13.137	13.351	13.570	13.793	14.020	14.252	14.489	14.730	15.222
2	12.294	13.037	13.249	13.466	13.687	13.912	14.142	14.376	14.615	14.859	15.108	15.362	15.880
3	12.818	13.601	13.825	14.053	14.286	14.523	14.765	15.012	15.264	15.521	15.783	16.050	16.595
4	13.391	14.217	14.453	14.694	14.939	15.189	15.444	15.704	15.970	16.241	16.517	16.799	17.374
5	14.023	14.896	15.146	15.401	15.661	15.926	16.196	16.472	16.753	17.040	17.332	17.630	18.238
6	14.715	15.640	15.904	16.174	16.449	16.730	17.016	17.308	17.606	17.910	18.220	18.536	19.181
7	15.482	16.465	16.746	17.033	17.325	17.623	17.927	18.237	18.553	18.876	19.205	19.541	20.226
8	16.309	17.354	17.653	17.958	18.269	18.586	18.909	19.239	19.575	19.918	20.268	20.625	21.353
9	17.227	18.342	18.660	18.985	19.316	19.654	19.999	20.351	20.710	21.076	21.449	21.830	22.606
10	18.233	19.423	19.763	20.110	20.464	20.825	21.193	21.568	21.951	22.342	22.740	23.146	23.975
11	19.332	20.605	20.969	21.340	21.718	22.104	22.498	22.900	23.310	23.728	24.154	24.589	25.476
12	20.548	21.913	22.303	22.701	23.107	23.521	23.943	24.373	24.812	25.260	25.717	26.183	27.134
13	21.884	23.349	23.768	24.195	24.631	25.075	25.528	25.990	26.461	26.942	27.432	27.932	28.952
14	23.560	25.151	25.606	26.070	26.543	27.025	27.517	28.019	28.531	29.053	29.586	30.129	31.237
15	25.305	27.028	27.520	28.022	28.534	29.056	29.589	30.132	30.686	31.251	31.828	32.416	33.616
16	27.266	29.136	29.670	30.215	30.771	31.338	31.916	32.506	33.108	33.722	34.348	34.987	36.290
17	29.387	31.417	31.997	32.589	33.192	33.807	34.435	35.075	35.728	36.394	37.073	37.766	39.180
18	31.732	33.938	34.568	35.211	35.867	36.536	37.218	37.914	38.624	39.348	40.087	40.840	42.377
19	34.308	36.708	37.394	38.093	38.806	39.534	40.276	41.033	41.805	42.593	43.396	44.216	44.216
20	37.121	39.733	40.479	41.240	42.016	42.808	43.616	44.440	45.280	46.137	47.011	47.011	47.011
21	40.215	43.060	43.873	44.702	45.548	46.411	47.291	48.188	49.103	50.037	50.037	50.037	50.037
22	43.611	46.711	47.597	48.501	49.423	50.363	51.322	52.300	53.298	53.298	53.298	53.298	53.298
23	47.326	50.706	51.672	52.657	53.662	54.687	55.732	56.798	56.798	56.798	56.798	56.798	56.798
24	51.408	55.095	56.149	57.224	58.320	59.438	60.578	60.578	60.578	60.578	60.578	60.578	60.578
25	55.891	59.916	61.066	62.239	63.435	64.655	64.655	64.655	64.655	64.655	64.655	64.655	64.655

3. Page 9, line 19 through page 10, line 6.
 Strike: page 9, line 19 through page 10, line 6
 Insert: "

1	21,668	22,310	22,969	23,290	23,613	24,272
2	22,423	23,139	23,856	24,215	24,574	25,291
3	23,178	23,969	24,742	25,142	25,535	26,311
4	23,934	24,802	25,629	26,065	26,498	27,330
5	24,687	25,629	26,516	26,988	27,462	28,350
6	25,444	26,462	27,406	27,914	28,425	29,370
7	26,195	27,290	28,291	28,839	29,386	30,387
8	26,951	28,121	29,181	29,766	30,351	31,405
9	27,706	28,950	30,068	30,689	31,314	32,426
10	28,461	29,783	30,954	31,614	32,275	33,446
11	29,218	30,586	31,839	32,539	33,238	34,463
12	29,218	30,586	31,839	32,539	33,238	34,463
13	29,218	30,586	31,839	32,539	33,238	34,463

4. Page 10, lines 12 through 24.
 Strike: lines 12 through 24
 Insert: "

1	16,891	17,373	17,867	18,108	18,350	18,844
2	17,457	17,994	18,532	18,801	19,071	19,608
3	18,023	18,616	19,197	19,496	19,792	20,373
4	18,591	19,241	19,862	20,189	20,514	21,137
5	19,155	19,862	20,527	20,881	21,236	21,903
6	19,723	20,487	21,195	21,576	21,958	22,668
7	20,286	21,107	21,858	22,269	22,679	23,430
8	20,854	21,731	22,526	22,964	23,403	24,194
9	21,420	22,353	23,191	23,657	24,125	24,959
10	21,986	22,977	23,856	24,350	24,846	25,725
11	22,553	23,579	24,519	25,044	25,568	26,487
12	22,553	23,579	24,519	25,044	25,568	26,487
13	22,553	23,579	24,519	25,044	25,568	26,487

5. Page 11, lines 5 through 17.
 Strike: lines 5 through 17
 Insert: "

1	22,908	23,550	24,209	24,530	24,853	25,512
2	23,663	24,379	25,096	25,455	25,814	26,531
3	24,418	25,209	25,982	26,382	26,775	27,551
4	25,174	26,042	26,869	27,305	27,738	28,570
5	25,927	26,869	27,756	28,228	28,702	29,590
6	26,684	27,702	28,646	29,154	29,665	30,610
7	27,435	28,530	29,531	30,079	30,626	31,627
8	28,191	29,361	30,421	31,006	31,591	32,645
9	28,946	30,190	31,308	31,929	32,554	33,666
10	29,701	31,023	32,194	32,854	33,515	34,686
11	30,458	31,826	33,079	33,779	34,478	35,703
12	30,458	31,826	33,079	33,779	34,478	35,703
13	30,458	31,826	33,079	33,779	34,478	35,703

Ex. #18

4-6-89

6. Page 11, line 23 through page 12, line 10.
Strike: page 11, line 23 through page 12, line 10
Insert: "

1	18,131	18,613	19,107	19,348	19,590	20,084
2	18,697	19,234	19,772	20,041	20,311	20,848
3	19,263	19,856	20,437	20,736	21,032	21,613
4	19,831	20,481	21,102	21,429	21,754	22,377
5	20,395	21,102	21,767	22,121	22,476	23,143
6	20,963	21,727	22,435	22,816	23,198	23,908
7	21,526	22,347	23,098	23,509	23,919	24,670
8	22,094	22,971	23,766	24,204	24,643	25,434
9	22,660	23,593	24,431	24,897	25,365	26,199
10	23,226	24,217	25,096	25,590	26,086	26,965
11	23,793	24,819	25,759	26,284	26,808	27,727
12	23,793	24,819	25,759	26,284	26,808	27,727
13	23,793	24,819	25,759	26,284	26,808	27,727

6. Page 12, line 19.
Strike: "8.040"
Insert: "8.25"

7. Page 12, line 20.
Strike: "8.540"
Insert: "8.75"

8. Page 12, line 21.
Strike: "8.820"
Insert: "9.03"

9. Page 12, line 22.
Strike: "9.110"
Insert: "9.32"

10. Page 12, line 23.
Strike: "9.720"
Insert: "9.93"

11. Page 12, line 24.
Strike: "10.380"
Insert: "10.59"

12. Page 12, line 25.
Strike: "11.130"
Insert: "11.34"

13. Page 13, line 7.
Strike: "8.425"
Insert: "8.85"

14. Page 13,, line 8.
Strike: "8.925"
Insert: "9.35"

15. Page 13,, line 9.
Strike: "9.205"
Insert: "9.63"

Ex. #18

4-6-89

30. Page 14, line 6.

Strike: "12.51"

Insert: "12.72"

31. Page 14, line 7.

Strike: "12.91"

Insert: "13.12"

32. Page 14, line 8.

Strike: "13.31"

Insert: "13.52"

33. Page 14, line 14.

Strike: "8.90"

Insert: "9.32"

34. Page 14, line 15.

Strike: "9.30"

Insert: "9.72"

35. Page 14, line 16.

Strike: "9.70"

Insert: "10.12"

36. Page 14, line 17.

Strike: "10.10"

Insert: "10.52"

37. Page 14, line 18.

Strike: "10.50"

Insert: "10.92"

38. Page 14, line 19.

Strike: "10.90"

Insert: "11.32"

39. Page 14, line 20.

Strike: "11.30"

Insert: "11.72"

40. Page 14, line 21.

Strike: "11.70"

Insert: "12.12"

41. Page 14, line 22.

Strike: "12.10"

Insert: "12.52"

42. Page 14, line 23.

Strike: "12.50"

Insert: "12.92"

43. Page 14, line 24.

Strike: "12.90"

#19

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 19

DATE 4-6-89

BILL NO. 786

Amendments to House Bill No. 786
Third Reading Copy

For the Senate Committee on Finance and Claims
April 5, 1989

- 1. Page 17, line 9.
Strike: "\$17,227,616"
Insert: "\$13,546,000"
Following: "planning"
Insert: "and \$3,681,616 to the office of the commissioner of
higher education"

#20
SENATE FINANCE AND CLAIMS
AMENDMENT NO. 20
DATE 4-6-89
BILL NO. 786

Amendments to House Bill No. 786
Third Reading Copy

Requested by Representative Cobb
For the Senate Committee on Finance and Claims

April 5, 1989

1. Page 17, line 7.
Following: "administration,"
Insert: "and the Montana legislative council"

#21

OFFICE OF FINANCE AND CLAIMS
OFF NO. 21
DATE 4-6-89
BILL NO. 786

Amendments to House Bill No. 786
Third Reading Copy

Requested by Representative Dennis Iverson
For the Senate Committee on Finance and Claims

March 29, 1989

- 1. Page 18, lines 2 through 5.
Strike: "IT" on line 2 through "." on line 5

#22

SEARCHED INDEXED AND CLAIMS
ART NO. 22
DATE 4.6-89
BILL NO. 786

COLLECTIVE BARGAINING AGREEMENT

UNIVERSITY TEACHERS UNION
UNIVERSITY OF MONTANA

13.220 NORMAL INCREASE

1. 1987-88 - The salaries of all full-time equivalent faculty members for the 1987-88 academic year shall be 0 percent.
2. 1988-89 - The salaries of all full-time equivalent faculty members for the 1988-89 academic year shall be 0 percent.
3. 1989-90 - The normal increase of all full-time equivalent faculty members for the 1989-90 academic year shall be equivalent to the average statewide classification pay schedule increase appropriated by the 51st Legislature.
4. 1990-91 - The normal increase of all full-time equivalent faculty members for the 1990-91 academic year shall be equivalent to the average statewide classification pay schedule increase appropriated by the 51st Legislature.

#22

SENATE FINANCE AND CLAIMS
COMMITTEE NO. 22
DATE 4-6-89
BILL NO. 786

Amendments to House Bill No. 786
Third Reading Copy

For the Senate Committee on Finance and Claims

April 5, 1989

1. Page 4.

Following: line 2

Insert: "(iii) In compliance with rules adopted to implement this part, each employee is eligible on his anniversary date to advance one step in the pay schedules for fiscal years 1990 and 1991. However, if the employee's anniversary date falls between July 1 and the first day of the first pay period, inclusive, of fiscal year 1990 or 1991, he may advance one step on the first day of that pay period."

DATE 4-6-89

COMMITTEE ON Finance + Claims 1063

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Ann Butts	Mont. State Hosp MNA	786	✓	✓
Rev. Chuck Svinggaard	State Rep.	786	✓	
Wynne Wilson	Mont Fed Teacher Statist	786		✓
Richard N. Bennett	University Teachers Union	786		✓
Terry Minow	MT Fed Teachers State Employees	786		✓
Glen Leavitt	Western MT College	786	✓	
Ken Leikes	Eastern mt coll	786	✓	
Eleanor Yanchus	Montana Veterans Home	786		✓
Kimberly Carter	Mt. V. H. M.	786		✓
Jimm Johnson	MT. VET. HOME	786		✓
Judy Egan	Cascade Co. O.H.S.	786		✓
Daryl Preece	Cascade Co. OHS	786		✓
Yvonne Klimas	Cascade Co. OHS	786		✓
Verdy Racial	Cascade Co. OHS	786		✓
Kristi Mulligan	Cascade Co. OHS	786		✓
Sindy Fisher	mont Veterans Home	786		✓
Nelda Payne	mt. Veterans Home	786		✓
Sharon + Ted Hansen	Cascade Co OHS	786		✓
Linda Hoerner	MT. Veterans Home	786		✓
Linda Heath	MT. Veterans Home	786		✓
Bartholomew C. Davie	State Employee	786	✓	
Karen Egan	UI Div	786		✓
Richard Jensen	AFSCME	786	✓	
Henry R. Devere	Univ of MT	786	✓	with union employees
Jim Mays	AFSCME	786	✓	
Mike Halvan	Western Savings and Loan	786		✓

(Please leave prepared statement with Secretary)

DATE

4-6-89

COMMITTEE ON

Finance & Claims

BILL NO.

VISITOR'S REGISTER

2 of 3

NAME	REPRESENTING	Check One	
		Support	Oppose
Joe Williams	O B P A		
John SERVED	M.S.H. G.C.		✓
Eunice Connelly	M.S.H. G.C.		✓
Irene Creeks	m.s.H. G.C.		✓
Ann Buttkie	M.S.H. / G.C. MNA		✓
Ken Hikes	EMC	HB 2-33 ✓	
Judy Waldron	LFA		
Ed Rennie	Institutions		
Wanda Hiskop	MT. Tech.		✓
Zenny Zuplog	MT. St. Hosp.		✓
Patty Anderson	MSU - MPEA	✓	
Eunice Connelly			
Deanna Jones	MSU - MPEA	✓	
Rep Dicki Cocchiarella	H.D. 59	✓	
Betsy Phillips	MPEA + Income Tax Div.		✓
Arly Halpern	MSU MPEA	✓	
Wilbert Rehnauer	Montana Nurses Assn		✓
Ernie Arnold	Dept. of Health		✓
Chris Imhoff	MPEA Missoula High School	✓	
Cynthia Murphy	MPEA Div of Worker Comp	✓	
Don Hable	Montana University System	✓	

(Please leave prepared statement with Secretary)

0858

ROLL CALL VOTE

FINANCE AND CLAIMS

COMMITTEE

DATE 4-6-89

BILL NO. HD 452

NUMBER 1

Keating

NAME	AYE	NAY
Senator Gary Aklestad		✓
Senator Loren Jenkins	✓	
Senator Esther Bengtson	✓	
Senator Matt Himsel		✓
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	✓	

TALLY

13 5

Debbie Thompson - 319
Secretary

Pete Story
Chairman

Motion: Keating Amendment passed

pass

ROLL CALL VOTE

FINANCE AND CLAIMS

COMMITTEE

DATE 4-6-89 BILL NO. HB 583 NUMBER #1

Aklestad

NAME	AYE	NAY
Senator Gary Aklestad	✓	
Senator Loren Jenkins	✓	
Senator Esther Bengtson	✓	
Senator Matt Himsel		✓
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	✓	

TALLY

14 4

Debbie Thompson - 319
Secretary

Pete Story
Chairman

Motion: Aklestad amendment passed

ROLL CALL VOTE

FINANCE AND CLAIMS

COMMITTEE

DATE 4-6

BILL NO. HB 583

NUMBER 2

By

NAME	AYE	NAY
Senator Gary Aklestad		✓
Senator Loren Jenkins		✓
Senator Esther Bengtson	✓	
Senator Matt Hims1		✓
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		✓

TALLY

7 11

Debbie Thompson - 319
Secretary

Pete Story
Chairman

Motion: Bengtson - delete sect. 5
failed

ROLL CALL VOTE

FINANCE AND CLAIMS

COMMITTEE

DATE 4-6-87

BILL NO. 583

NUMBER #3

PASS

NAME	AYE	NAY
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	✓	

TALLY

14 4

Debbie Thompson - 319
Secretary

Pete Story
Chairman

Motion: Regan - Do pass as amended
passed

ROLL CALL VOTE

Fail
vote #1

FINANCE AND CLAIMS COMMITTEE
DATE 4-6-89 BILL NO. 786 NUMBER 15

Manning (Inst.)

NAME	AYE	NAY
Senator Gary Aklestad		✓
Senator Loren Jenkins		✓
Senator Esther Bengtson		✓
Senator Matt Hims1		✓
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		✓

TALLY 5 13

Debbie Thompson - 319
Secretary

Pete Story
Chairman

Motion: Manning - separate pay schedule
for institutional workers failed

ROLL CALL VOTE

Fail

FINANCE AND CLAIMS

COMMITTEE

DATE 4-6-89

BILL NO. 786

NUMBER #4

VV Addy Elect officials

NAME	AYE	NAY
Senator Gary Aklestad		✓
Senator Loren Jenkins		✓
Senator Esther Bengtson	✓	
Senator Matt Hims1		✓
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		✓

TALLY

7 11

Debbie Thompson - 319
Secretary

Pete Story
Chairman

Motion: Addy motion - include elected officials

ROLL CALL VOTE

Fail

FINANCE AND CLAIMS

COMMITTEE

DATE 4-6

BILL NO. 786

NUMBER 16

Boylan

NAME	AYE	NAY
Senator Gary Aklestad		✓
Senator Loren Jenkins		✓
Senator Esther Bengtson		✓
Senator Matt Hims1		✓
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		✓

TALLY

7 11

Debbie Thompson - 319
Secretary

Pete Story
Chairman

Motion: Boylan - include people not
in U. system on pay plan - fail

ROLL CALL VOTE

Fail

FINANCE AND CLAIMS

COMMITTEE

DATE

4-6-89

BILL NO.

786

NUMBER

18

NAME	AYE	NAY
Senator Gary Aklestad		✓
Senator Loren Jenkins		✓
Senator Esther Bengtson		✓
Senator Matt Hims1		✓
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		✓

TALLY

5 13

Debbie Thompson - 319
Secretary

Pete Story
Chairman

Motion:

Jacobson increase pay raise

ROLL CALL VOTE

pass

FINANCE AND CLAIMS

COMMITTEE

DATE 4-6-89

BILL NO. HB 786

NUMBER 21

Jenkins

NAME	AYE	NAY
Senator Gary Aklestad	✓	
Senator Loren Jenkins	✓	
Senator Esther Bengtson	✓	
Senator Matt Hims1	✓	
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	✓	

TALLY

13 5

Debbie Thompson - 319
Secretary

Pete Story
Chairman

Motion: Jenkins- move to give university
latitude in funding- pass