

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON STATE ADMINISTRATION PAY PLAN BILLS

Call to Order: By GARY FORRESTER CHAIR, on March 6, 1991, at
4:15 P.M.

ROLL CALL

Members Present:

Rep. Gary Forrester (D)
Rep. Vicki Cocchiarella (D)
Rep. Gary Beck (D)
Rep. John Phillips (R)
Rep. William Spring (R)

Staff Present: Sheri Heffelfinger, Legislative Council
Lois O'Connor, Committee Secretary

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

Discussion:

REP. FORRESTER stated the subcommittee had time over the transmittal to think about their position on the state pay plan. We know what the problems are in the system. REP. COCCHIARELLA stated it is important that state employees hear what plan the subcommittee presents so they may have a chance to react. They deserve the opportunity to participate in the process. REP. FORRESTER stated it was time to move a bill forward into the full committee for debate.

Motion: REP. BECK MOVED HB 514 INTO THE FULL COMMITTEE.

Discussion:

REP. COCCHIARELLA asked what he meant by HB 514. REP. BECK stated HB 514 would be moved as a vehicle out of the subcommittee and there will be some changes made. It is not HB 514 in its entirety. The money figures and some of the language will be changed. Shift differential and hazardous duty pay will be kept in the language.

REP. SPRING asked if the proposal included all of the state employees and what the cost would be. REP. BECK stated it did include all 14,000 state employees and wanted to give all employees a dollar an hour increase. It would maintain the language of shift differential and hazardous duty pay.

No money figure will be put into that language so people may have the option of negotiation. Insurance would include a \$20 increase the first year of the biennium and \$25 the second.

REP. PHILLIPS stated the plan only covers 10,789 FTEs. REP. BECK stated the plan covered all 14,000 employees. This is a vehicle to address the most number of state employees. REP. COCCHIARELLA said the plan involves all employees including university systems and faculty. The plan is to amend HB 514 to include everyone. REP. PHILLIPS said a fiscal note is needed to see what the cost will be. REP. BECK said he would have all the information needed by the time the full committee addressed the plan.

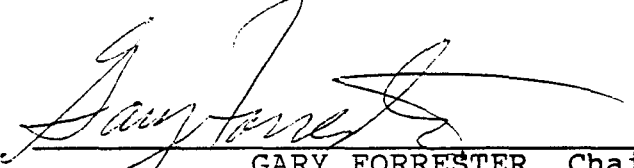
REP. COCCHIARELLA restated the elements proposed by moving HB 514. They are (1) a one dollar an hour raise for all employees; (2) insurance of \$20 the first year of the biennium and \$25 the second; and (3) maintain the language of shift differential and hazardous duty pay with no monetary value so that employees may negotiate if needed. She said that her rough figures for the cost of the plan are a dollar an hour, times 2,000 hours, times 14,000 state employees, times 3 because it is paid over the years to total 57 million dollars. The percentage of general fund money is not known.


REP. PHILLIPS said that he was going to vote against the plan but was in agreement to move some vehicle into the full committee. If we go above the Administration's proposed budget, we must have taxes to pay for it. REP. COCCHIARELLA said a group of state employees made a proposal for revenue increases. She didn't think employees would object to paying more taxes. State employees have been overtaxed by receiving less money for years. REP. BECK said if it takes state employees 10 years to catch up, they would never catch up to the market. Market is the average. REP. SPRING asked REP. BECK what he meant by catching up. REP. BECK said that in the last 12 years, state employee steps have been frozen. By the time they paid the increase in insurance, they had no pay left. Nothing was gained. REP. COCCHIARELLA said to address the pay plan right, they would need over 200 million dollars just to catch up. This idea is intended to spread the money as far as it could to be fair to everyone. REP. PHILLIPS said that a market based concept is good, but we must base it on the Montana Market. We will not be taxing people in surrounding state but Montana people. Taxes must be raised. REP. BECK said the plan reaches the largest number of people but it is not perfect and called for the question.

Vote: Motion to move HB 514 with changes carried 3 to 2 with REPS. SPRING and PHILLIPS voting no.

ADJOURNMENT

Adjournment: 4:40 p.m.


GARY FORRESTER, Chair


LOIS O'CONNOR, Secretary

GF/lo