

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 54th LEGISLATURE - REGULAR SESSION

JOINT SUBCOMMITTEE ON GENERAL GOVERNMENT & TRANSPORTATION

Call to Order: By **CHAIRMAN ED GRADY**, on February 3, 1995, at 8:14 a.m.

ROLL CALL

Members Present:

Rep. Edward J. "Ed" Grady, Chairman (R)
Sen. Thomas A. "Tom" Beck, Vice Chairman (R)
Rep. Gary Feland (R)
Sen. Eve Franklin (D)
Rep. Joe Quilici (D)

Members Excused: None

Members Absent: None

Staff Present: Lorene Thorson, Legislative Fiscal Analyst
John Patrick, Office of Budget & Program Planning
Rosa Fields, Committee Secretary

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

Committee Business Summary:

Hearing: None
Executive Action: Governor's Office

{Tape: 1; Side: A}

EXECUTIVE ACTION ON GOVERNOR'S OFFICE

Lorene Thorson, Legislative Fiscal Analyst, gave a general overview of the request for the executive office budget. The present law adjustments would be an increase of \$418,000 in FY96 and a little over \$400,000 in FY97. Most of that increase is the Montana Community Services Act, which is being proposed to be transferred to the Department of Labor and Industry, so it would net out.

CHAIRMAN ED GRADY asked why some of the programs, such as Community Services, are in present law adjustment rather than in base. **Ms. Thorson** explained some of the programs are funded by statutory appropriations which aren't shown in the base. Some programs were only partially funded over the course of the biennium, which is why some present law adjustments look so large.

EXECUTIVE OFFICE**BUDGET ITEM: Base budget plus present law adjustments in the Executive Office program**

Motion/Vote: REP. JOE QUILICI moved to accept the base budget plus the present law adjustments. Motion **CARRIED** unanimously.

BUDGET ITEM: New Proposals: #3 - Move MT Community Services Office to DOLI; #4 - Personal Services Reductions

Motion/Vote: SEN. TOM BECK moved to accept New Proposals 3 and 4. Motion **CARRIED** unanimously.

CHAIRMAN ED GRADY commented that this year the budget process is trying to focus on looking at the reduction of programs to reduce the overall costs of government. This isn't necessarily "taking on" the Governor's Office budget, but some of the program in this office may not be vital services. **CHAIRMAN GRADY** recommended the elimination of the Mental Disabilities Board of Visitors and the Montana Consensus Council. He also recommended delaying action on the Citizens' Advocate Office until further information could be obtained about the possibility of getting an automated phone system. It isn't that these programs are not good, but it is a matter of trying to prioritize the programs in state government.

BUDGET ITEM: New Proposal #1 - Correspondence Tracking Software

Motion: REP. QUILICI moved to accept New Proposal #1.

Discussion: Ms. Thorson explained there was a misunderstanding in the budget book. There is not a duplication of this software in the Office of Budget and Program Planning (OBPP). Rather the software component is budgeted in the Executive office and the hardware is budgeted in OBPP. If the subcommittee wants to combine these in one budget, it would amount to about \$30,000. **Judy Browning, Chief of Staff, Governor's Office,** said the reason the hardware and software was split is because all the hardware is kept and maintained in OBPP. There would be no objection to combining the two budget items.

Dave Lewis, Director, Office of Budget and Program Planning (OBPP), agreed it makes sense to combine the two items and it does not matter in which budget they are combined.

Amended Motion/Vote: REP. QUILICI amended his motion to add the hardware costs to the software costs in New Proposal #1, with the understanding that the hardware costs presented in the Office of Budget and Program Planning would not be accepted. Motion **CARRIED** 4-1 with REP. GARY FELAND voting no.

BUDGET ITEM: New Proposal #2 - Montana Consensus Council (MCC)

REP. QUILICI asked if there had been a recommendation to change the method of funding the Montana Consensus Council. **John Patrick, OBPP**, said while total funds would remain the same, the general fund portion would decrease from 75% to 50%, which would be a reduction of \$22,000 each year of the biennium.

CHAIRMAN GRADY said he was not comfortable with a portion of the additional FTE being used as a fundraiser.

Motion: **REP. QUILICI** moved to accept the proposal for the Montana Consensus Council, funded 50% general fund and 50% private funds, which is \$44,000 each year of the biennium from general fund.

Discussion: **SEN. EVE FRANKLIN** said MCC is moving positively in the direction of getting additional private funding. MCC potentially can save astounding amounts of money in litigation, particularly in such volatile issues as in-stream flow.

REP. QUILICI commented that MCC has already proven its ability to pull together very diverse, and traditionally opposing, groups for consensus building.

CHAIRMAN GRADY said that prior to MCC there have been some very volatile issues, such as stream-access legislation, which have been decided through acceptable consensus and compromise.

Vote: Motion **FAILED** 2-3 with **SEN. FRANKLIN** and **REP. QUILICI** voting yes.

MANSION MAINTENANCE PROGRAM

BUDGET ITEM: Base budget plus present law adjustments

Motion/Vote: **REP. QUILICI** moved to accept the base budget plus present law adjustments. Motion **CARRIED** unanimously.

AIR TRANSPORTATION PROGRAM

BUDGET ITEM: Base budget plus present law adjustments

Motion/Vote: **REP. QUILICI** moved to accept the base budget plus present law adjustments. Motion **CARRIED** unanimously.

OFFICE OF BUDGET AND PROGRAM PLANNING

Mr. Lewis presented some changes to the budget proposal for OBPP.
EXHIBITS 1 and 2

{Tape: 1; Side: B; Approx. Counter: 000; Comments: n/a}

BUDGET ITEM: Base budget plus present law adjustments

Motion/Vote: REP. QUILICI moved to accept the base budget plus present law as adjusted - the "contracted services" is \$50,000 for FY96 as presented in EXHIBIT 2 - for OBPP. Motion CARRIED unanimously.

BUDGET ITEM: New proposal for administrative support

REP. QUILICI reminded the subcommittee that the computer hardware has been shuffled to the Executive office budget and should not be considered in this proposal.

CHAIRMAN GRADY said OBPP has taken the laptop portables and the fax machine out and is asking us to add in the .75 FTE in lieu.

SEN. FRANKLIN asked why OBPP determined the clerical person was more important than the equipment. Mr. Lewis responded that in prioritizing it is more important to have the additional clerical help than to save the inconvenience of sharing a fax machine with the Executive Office.

Motion/Vote: REP. QUILICI moved to accept the proposal for a 0.75 FTE for administrative support, which eliminates the new equipment requests. Motion CARRIED unanimously.

LIEUTENANT GOVERNOR'S OFFICE

BUDGET ITEM: Base budget plus present law adjustments

Motion/Vote: SEN. BECK moved to accept the base budget plus present law adjustments. Motion CARRIED unanimously.

BUDGET ITEM: New proposal #1 - Personal Services Reductions; #2 - Montana Rural Development Council

Motion/Vote: SEN. BECK moved to accept new proposals #1 and #2. Motion CARRIED unanimously.

CITIZENS' ADVOCATE OFFICE

CHAIRMAN GRADY said this is the program where it is possible that an automated phone system could deter some calls that are not appropriate for this office. He requested a delay in executive action until this possibility could be studied further.

Myrna Omholt-Mason, Citizen's Advocate, said the Information Services Division (ISD) of the Department of Administration has

reported it is not possible to set up an interactive voice system which can respond to "unknown" questions. The system is good for general questions - such as calls to the Department of Justice concerning DUI convictions, license suspensions, etc. - but would not be compatible with callers who don't know specifically what agency or department they need.

SEN. FELAND commented that a general information directory could be set up providing the numbers of popular agencies and programs.

SEN. BECK said the Citizens' Advocate office is probably the closest touch the Montana citizens have to state government. If there's anything the Governor would like to see left in his office it is the Citizen Advocacy Office.

REP. QUILICI agreed that personal contact with the public is exceptional from this agency.

CHAIRMAN GRADY said there has been testimony about 3.0 FTE in the Secretary of State's Office just to answer phones, and there must be many more people throughout state government who just answer phones. Although it is nice to have the personal response on the phone, private industry has overwhelmingly moved away from that as a cost and time saver.

Ms. Omholt-Mason said it is actually cheaper for the Citizens' Advocate office to serve as the intermediary with state agencies than to have callers routing through several different offices trying to get answers. The whole scope of the Citizens' Advocate Office is to give access for assistance and help and just general questions.

CHAIRMAN GRADY said the issue isn't the amount of money, which is small, but is the consideration of automated phone systems throughout government.

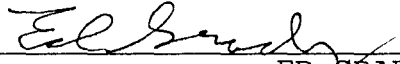
The subcommittee delayed action on Citizens' Advocate Office until further information about the phone system could be provided.


MENTAL DISABILITIES BOARD OF VISITORS

On **REP. FELAND'S** request the subcommittee delayed action on this budget until he could gather some additional information.

ADJOURNMENT

Adjournment: 9:39 a.m.


ED GRADY, Chairman


for PAULA CLAWSON, Recording Secretary

Note: These minutes were proofread and edited by Terri Perrigo,
LFA.

EG/pc

EXHIBIT 1
DATE 2/3/95
HB _____

GOVERNOR'S OFFICE

OFFICE OF BUDGET AND PROGRAM PLANNING

Proposed Adjustments to the Executive Budget

02-Feb-95

	General Fund	State Special	General Fund	State Special
<u>Present Law Base</u>	<u>FY96</u>	<u>FY96</u>	<u>FY97</u>	<u>FY97</u>
Update budget system (Fund 50% with support from state agencies)	(25,000)	25,000	(12,500)	12,500
Eliminate temporary peak workload contracts	(10,000)	0	(10,000)	0
<u>New Proposals</u>				
Eliminate new equipment requests	(25,500)	0	(5,000)	0
Administrative support 0.75 FTE	<u>17,309</u>	<u>0</u>	<u>17,367</u>	<u>0</u>
NET ADJUSTMENTS	<u>(43,191)</u>	<u>25,000</u>	<u>(10,133)</u>	<u>12,500</u>

3101 04 00000								
GOVERNORS OFFICE				OFFICE OF BDGET & PGM PLANNING				
Program Summary								
	Base Budget	PL Base Adjustment	New Proposals	Total Exec. Budget	PL Base Adjustment	New Proposals	Total Exec. Budget	Total Exec. Budget
Budget Item	Fiscal 1994	Fiscal 1996	Fiscal 1996	Fiscal 1996	Fiscal 1997	Fiscal 1997	Fiscal 1997	Fiscal 96-97
FTE	16.25	0.00	0.75	17.00	0.00	0.75	17.00	17.00
Personal Services	670,172	37,522	17,309	725,003	40,699	17,367	728,238	1,453,241
Operating Expenses	113,232	64,086	0	177,318	46,820	0	160,052	337,370
Equipment	3,859	13,501	0	17,360	9,041	0	12,900	30,260
Total Costs	\$787,263	\$115,109	\$17,309	\$919,681	\$96,560	\$17,367	\$901,190	\$1,820,871
Fund Sources								
General Fund	787,263	90,109	17,309	894,681	84,060	17,367	888,690	1,783,371
State Special		25,000		25,000	12,500		12,500	37,500
Total Funds	\$787,263	\$115,109	\$17,309	\$919,681	\$96,560	\$17,367	\$901,190	\$1,820,871

Present Law Adjustments/Issues

Description	FTE Fiscal 1996	Adjustments Fiscal 1996	FTE Fiscal 1997	Adjustments Fiscal 1997
<u>Statewide Present Law Adjustments</u>				
1 Personal Services		\$37,522		\$40,699
2 Inflation/Deflation		(296)		(187)
3 Fixed Costs		14,382		7
<u>Other Executive Present Law Adjustments</u>				
4 Contracted Services		\$50,000		\$46,000
5 Communications		0		1,000
6 Equipment		13,501		9,041
<u>Total Executive Present Law Adjustments</u>	<u>0.00</u>	<u>\$115,109</u>	<u>0.00</u>	<u>\$96,560</u>
<u>LFA Issues With Executive PL Adjustments</u>				
4 Contracted Services				

OBPP has proposed reducing contracted services by \$10,000 each year for FTE eliminated in previous biennia (see page A-33, item 4a), if new proposal listed below is approved by subcommittee.

3101 04 00000						
Executive Budget New Proposals						
New Proposal	Fiscal 1996			Fiscal 1997		
	FTE	General Fund	Total Funds	FTE	General Fund	Total Funds
1 Administrative Support	0.75	\$17,309	\$17,309	0.75	\$17,367	\$17,367
Totals	0.75	\$17,309	\$17,309	0.75	\$17,367	\$17,367