

1 *House* BILL *MR:64*
 2 INTRODUCED BY *Spach* *Mercator* *Lurini*
 3 *Kanduch* *Holmes* *Kelly* *Huenkenz* *Travis*
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH A MINIMUM
 5 WAGE FOR FULL-TIME STATE EMPLOYEES." *Stainmiller* *Legason*

6
 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 8 Section 1. There is established a minimum monthly wage
 9 of six hundred dollars (\$600) for full-time state employees.

-End-

FISCAL NOTE

Form BD-15

In compliance with a written request received Jan. 24, 19 75, there is hereby submitted a Fiscal Note for House Bill 64 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to establish a minimum monthly wage of \$600 for State employees.

ASSUMPTIONS:

1. The act would be effective July 1, 1975.
2. The Governor's proposed pay plan is effective January 1, 1975. All employees will get a 9% increase July 1, 1976.
3. All affected employees are in step 1 of their particular grade on January 1, 1975 and will move to step 2 on July 1, 1975.
4. Most affected employees are in General Fund agencies.

EXPENDITURE IMPACT:

No. Employees	Grade	Step 2 Rate July 1, 1975	Cost of Increase to \$600	FY76	FY77
9	3	\$435 per month	\$165 x 12 months x 9 employees =	\$ 17,820	\$ 19,424
220	4	\$477 per month	\$123 x 12 months x 220 empl. =	324,720	353,945
806	5	\$522 per month	\$ 78 x 12 months x 806 empl. =	754,416	822,313
1,005	6	\$573 per month	\$ 27 x 12 months x 1005 empl. =	325,620	354,926
			Salary Increase	\$1,422,576	\$1,550,808
			Benefits .18	256,064	279,109
			TOTAL	\$1,678,640	\$1,829,717

NOTE:

If patients working at Warm Springs, Boulder, and the Center for the Aged, were found to be covered by this act additional costs would be incurred.

CONCLUSION:

Enactment of HB 64 would result in increased state expenditures (primarily General Fund) of an estimated \$3.5 million during the biennium.

Michael B. Billings
 BUDGET DIRECTOR
 Office of Budget and Program Planning
 Date: 1/27/75

Approved by Committee
on Labor & Employment
Relations

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