

**MINUTES**

**MONTANA HOUSE OF REPRESENTATIVES  
53rd LEGISLATURE - REGULAR SESSION**

**COMMITTEE ON APPROPRIATIONS**

**Call to Order:** By SENATOR JUDY JACOBSON, on January 6, 1993, at  
7:00 A.M.

**ROLL CALL**

**Members Present:**

Rep. Tom Zook, Chair (R)  
Rep. Ed Grady, Vice Chair (R)  
Rep. Francis Bardanouve (D)  
Rep. Ernest Bergsagel (R)  
Rep. John Cobb (R)  
Rep. Roger DeBruycker (R)  
Rep. Marj Fisher (R)  
Rep. John Johnson (D)  
Rep. Royal Johnson (R)  
Rep. Mike Kadas (D)  
Rep. Betty Lou Kasten (R)  
Rep. Red Menahan (D)  
Rep. Linda Nelson (D)  
Rep. Ray Peck (D)  
Rep. Mary Lou Peterson (R)  
Rep. Joe Quillici (D)  
Rep. Dave Wanzenried (D)  
Rep. Bill Wiseman (R)

Sen. Judy Jacobson  
Sen. Harry Fritz  
Sen. Gary Forrester  
Sen. Larry Tveit  
Sen. Mignon Waterman  
Sen. Chris Christiaens  
Sen. Thomas Keating  
Sen. Cecil Weeding  
Sen. Gary Devlin  
Sen. Greg Jergeson  
Sen. Eve Franklin  
Sen. Gary Aklestad  
Sen. Tom Beck  
Sen. J. D. Lynch  
Sen. Don Bianchi  
Sen. Dennis Nathe  
Sen. Chuck Swysgood  
Sen. Bob Hockett  
Sen. Ethel Harding  
Sen. Eleanor Vaughn

**Members Excused:** None

**Members Absent:** None

**Staff Present:** Terry Cohea, Legislative Fiscal Analyst  
Mary Lou Schmitz, Committee Secretary

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

**Committee Business Summary:**

Hearing: Joint Meeting of the House Appropriations and Senate Finance and Claims Committee

TORT CLAIMS PREMIUMS

**Terry Cohea, Legislative Fiscal Analyst,** explained the attachment to the Agenda and the list of each issue and page references to be presented, **EXHIBIT 1.** The first issue deals with Tort Claims Premiums charged by the Department of Administration.

**Lois Steinbeck, Legislative Fiscal Analyst,** said the State of Montana is self-insured, including commercial insurance. Both the Executive budget and LFA current level include a \$2.4 million increase in self-insurance and commercial insurance premiums for the 1995 biennium. These premiums are 29% more than those in the 1993 biennium. In addition to the rate increases, Agencies' budgets for insurance costs are changing due to the allocation of premiums among the Agencies. She referred to Table C, Page A-187, Budget Analysis book and compared the insurance premiums charged Agencies for the 1993 biennium with those of the 1995 biennium. Premium differences are due to a change in the method of allocating insurance premiums as well as the \$2.4 million proposed premium increase. Even with the \$2.4 million premium increase over the biennium the cash balance in the self-insurance fund is estimated to decline by nearly \$1.6 million over the 1995 biennium. The projected cash balance of the fund in fiscal 1995 is \$497,000 which is below the statutory limit of \$750,000 for a single claim. Table B, Page A-186 shows the actual cash balance of the self-insurance claims for FY 1987 through FY 1992 and a projected cash balance through FY 1995. The proposed premium rates for self-insurance that are in the LFA current level and the Executive budget are \$3.7 million lower than the amount estimated to fund minimum discounted losses.

**Ms. Steinbeck** said the issue the legislature faces is determining whether the rates for self-insurance in the Executive and LFA current level budgets are sufficient. There are three options. 1) The legislature could choose to raise rates above those in the Executive and LFA current level budgets in amounts sufficient to give more of a cushion in the fund. 2) Staff could be directed to work with the Department to develop language appropriation in the event there was insufficient cash. 3) Take no action.

**REP. ROYAL JOHNSON** asked the Department if they had considered asking insurance companies to bid on the self-insurance coverage. **Brett Dahl, Administrator of the Risk Management and Tort Defense Division, DofA** said they have not bid it out recently. The market is still unavailable for coverage of this kind unless exploring the possibility of going through the Lloyd's of London. The cost of this option would be very high and would not provide first dollar coverage. In terms of self-insurance coverage, it is his estimation that the state is saving millions of dollars.

**Ms. Cohea** said already contained in both the LFA current level and OBBP level are the rates that the Department of Administration (DofA) projects are necessary to hopefully maintain a positive balance. If the fees in the budget are adopted, but the committee chooses to begin addressing the unfunded liability problem by increasing the rates, LFA staff will work with the DofA to develop new fees that would be inserted in Agencies' budgets. The trade-off is more money has to be put into state agencies' budgets. If there are no claims above what DofA projects that balance will simply sit in the account. The issue is do you want to leave the rates as they are currently in the budget or do you want to increase them to address the unfunded liability problem. Another option is to put appropriate language in HB 2 to say if there is a shortfall the charge to every agency would be increased by the amount necessary to fund the shortfall.

**REP. BARDANOUVE** asked if they had no money how would they cover the cost. **Ms. Cohea** said the Agencies would bear part of the cost. You could structure the supplemental or language in the Bill so that the Agencies' appropriation would be increased commensurate with the current payment.

**REP. QUILICI** said if they are going to bring this self-insurance the actuary says it is necessary they come up with \$3.7 million of general fund money. That will a proprietary account so each agency will have to come up with a certain amount of that money. Will they have to build that into their budget? **Ms. Cohea** said yes, in order to address the liability you would have to build larger amounts into agency budgets to pay the increased fees. **Ms. Steinbeck** said the actuary projected minimum discounted losses as of FY 93 was \$15 to \$18 million dollars. That would include suits that have not been filed against the state for actions previous to this date as well as claims that are on hold. **REP. QUILICI** said in the event they do not fund this and have a large claim, what happens? **Ms. Steinbeck** said if the claim is large enough to use all the cash in the fund balance then the Agency would have to take a loan from the general fund and then come back to the legislature to request a Supplemental.

**Executive Action: MOTION: REP. COBB** moved to raise the premium rate for self-insurance by \$3.7 million to fund discounted losses. **VOTE: Motion passed.**

**SEN. KEATING** asked why do they have an \$18 million liability in this Tort program to cover their potential losses? **Mr. Dahl** said this accounts for the total potential losses the state could face for claims and lawsuits.

**SEN. SWYSGOOD** asked if the budget will be adjusted in lieu of **REP. COBB's** motion. **Ms. Cohea** said yes. Right now, built into the budgets for the 1995 biennium is \$10.6 million for this cost. Her office will work with DofA and the Budget office to increase the total by \$3.7 million and allocate it among the agencies. That will be provided to the subcommittees by the Staff.

#### NATURAL GAS DEFLATION FACTORS

**Flo Smith, OBPP Analyst** said the deflation factors that are being referred to involve the six agencies that are participating in the Natural Gas procurement program. Under this program they purchase natural gas in the bulk. OBPP is proposing that in FY 94 and FY 95 the legislature use FY 92 base with no inflation or deflation, line itemed. There would be an adjustment to Montana State Hospital. Galen is not participating in the program. Her office feels the agencies should have sufficient authority to meet their obligation and possibly avoid the need for a supplemental during the biennium to finance this. **EXHIBIT 2**

**REP. KADAS** said he does not understand why they do not want to use inflation factors and why they want to use FY 92. **Ms. Smith** said they do not have enough statistical data to find out what the usage is. The inflation factor would apply only to the usage and not to the other fees. It's difficult at this time to project what they are going to use.

**SEN. LYNCH** asked why the decision was made that Galen would not participate? **Ms. Smith** said the DNRC made that decision.

**SEN. BIANCHI** asked why are they doing this at this point and not in the subcommittees. **Ms. Cohea** said this is one of the fixed cost issues and inflation factors that affect several subcommittees so that was why it was brought to this group so there could be a uniform approach to it. There are only two subcommittees affected and if this committee decided to let those two (Institutions and Human Services) work together on the issue it would be another approach. **SEN. BIANCHI** said he would like to see it happen that way. There are some issues here that relate back to previous legislative sessions.

**REP. BARDANOUVE** said there doesn't seem to be much rationale in some of these requests and asked the Budget office to give them more review.

**CHAIR JACOBSON** said it might be wise to let the subcommittees dig into it a little further and it would be a good idea to get a better handle on actual cost.

## WORKERS COMPENSATION

**Ms. Cohea** spoke from Workers' Compensation Rates, **EXHIBIT 3**. She said even if the committee adopts the 5% rate increase that may not be sufficient to cover Workers Comp rate increases during the 1995 biennium. The budget office has taken a position that the additional \$1.5 million cost for the 1995 biennium should be absorbed within the agencies' budgets because vacancy savings has not yet been imposed, so the agencies could absorb it. However, the Agency that is most affected, Corrections and Human Services, is before you for a General Fund Supplemental for the 1993 biennium because they were not able to absorb the cost of workers' compensation premiums.

**REP. KADAS** asked if there is a built-in increase for FY 94 and FY 95. **Ms. Cohea** said yes and referred the committee to Table 1, **EXHIBIT 3**. If you compare FY 94 to FY 93 it increases \$3.7 million. If you compare FY 95 to FY 93 it's \$6.1 million. It's an 18 to 19% increase.

**REP. BARDANOUE** asked if the agencies are asking for supplementals at the present time? **Ms. Cohea** said there are two agencies requesting supplementals specifically for Workers' Compensation costs: Montana School for the Deaf and Blind and the Department of Corrections and Human Services. The latter agency has requested \$2.5 million supplemental this session to pay for the increased cost during the 1993 biennium. They have some job classifications that have doubled. **REP. BARDANOUE** said it seems it will be rather difficult to absorb it. If they could not absorb it before how will they be able to absorb a bigger increase with a more conservative budget? **Ms. Cohea** said that is an issue she raised with the budget director and he could speak to that.

**Dave Lewis, Budget Director** said in the current biennium the legislature did impose vacancy savings. In the Executive Budget there are no vacancy savings imposed. OBPP is also requesting to give the agencies much more flexibility to move money within their budgets. Unless subcommittees change their minds, there will be no vacancy savings.

**CHAIR JACOBSON** said, considering what has been happening over the last few years with the supplementals that were coming in, it would be more realistic to fund what we know are going to be the costs during the 1995 biennium and then try to set the budget as closely as we can.

**Executive Action: Motion:** **REP. COBB** moved that the workers' compensation rates in the state agency budgets for 1995 biennium be changed to reflect the 5% mid-year increase that went into effect January 1, 1993.

**Vote: Roll Call Vote, 18 no, 17 yea. Motion failed.**

## VACANCY SAVINGS

**CHAIR JACOBSON** asked if the committee wished to impose vacancy savings across the Board from the outset. There was no discussion and no motion.

## 5% FTE RESTORATIONS

**Ms. Cohea** referred the committee to Summary Page 44, Gray sheets, Budget Analysis. It shows the 570 FTE that were reduced in agency submission and 344 the Stephen's budget recommended be restored. The last page of **EXHIBIT 1** shows the General Fund 5% that the Racicot budget would recommend not be restored. Under their recommendation, all the General Fund FTE would be eliminated except in the Department of Revenue.

**REP. COBB** referred to Summary Page 44 and had a question concerning the \$31 million. Is the Commissioner's office included? **Ms. Cohea** said an amendment passed during the July Special Session exempted the University Units from the requirement but specifically included the Commissioner's office. However, the Commissioner's office did not submit its budget with the 5% reduction.

## Executive Action

**Motion:** **REP. COBB** moved to take all 5% reductions on Summary Page 44, including the Commissioner's office, with the exception of Mental Health and Chemical Dependency under the Department of Institutions.

The reason **REP. COBB** gives for the exception to the Department of Institutions is approximately 90 FTE are part of the Galen closing and that is a separate issue.

**SEN. WATERMAN** asked for a clarification on the pink sheets, **EXHIBIT 1**, submitted by Governor Racicot. How do they relate to the gray sheets? **Ms. Cohea** explained that Table 9, Summary Page 44 (gray sheet) represents what was in the Stephens' budget so the first column shows Target Biennial Reduction, or what agencies were targeted to submit. The next two columns show what they actually submitted and then the last column shows what was restored budget modifications in the Stephens' budget. The pink sheet shows changes in the Racicot' budget to that last column.

**Vote:** MOTION PASSED

**Motion:** **SEN. SWYSGOOD** moved that all positions that were vacant for the pay period ending 12-29-92 be eliminated and those that were not part of **REP. COBB'S** 5% motion are included in the budget to be funded are to be eliminated with the exception of the Department of Institutions and the University system with the exception of the Commissioner's office.

**REP. COBB** asked for clarification. All the 5% cuts and if there were any vacant positions that were not 5% cuts as of that pay

period are eliminated now with the exception of the Department of Institutions and the University system, not including Commissioner's office. **SEN. SWYSGOOD** said roughly 190 FTE.

**REP. KADAS** said he was curious where the 190 FTE are. **SEN. SWYSGOOD** said all departments with the exception of Institutions and the University system.

**CHAIR JACOBSON** asked **SEN. SWYSGOOD** if his intent is to eliminate positions so that the departments will have to come back in to the Subcommittees and justify them or just to eliminate them. **SEN. SWYSGOOD** said it is to eliminate them. To eliminate them takes them out of the base and he does not think it is a broad-brush approach as **SEN. BIANCHI** suggested as they opted not to fund vacancy savings. If they can make a justification in the Subcommittees for reinstating those people, then that's where it should be done.

**REP. BARDANOUE** said considering the financial mess we are in, he supports the **SENATOR**.

**SEN. WEEDING** asked for clarification from **Dave Lewis**. Are positions vacant six months not in the base anyway? **Mr. Lewis** said that is not the case. He also mentioned a concern about the motion. There may be people who were offered jobs and have accepted them in the interim period.

**CHAIR JACOBSON** asked **SEN. SWYSGOOD** if he could re-phrase the motion and instead of saying that the positions are eliminated say the positions must be justified to the Subcommittees if they were vacant as of that date. She said what **SEN. SWYSGOOD** is trying to accomplish is that they can look at all the positions that were vacant as of that date to make certain as to whether or not they are truly needed positions.

**REP. BARDANOUE** said among all the employees in the government the elimination of these particular positions will not bring government to a halt and likes the motion as it is.

**SEN. SWYSGOOD** said he understands **Director Lewis'** concern but is not going to change his motion and believes the Subcommittees should look at these positions because, in most cases, there are no people there.

Vote: MOTION PASSED.

#### ADJOURNMENT

Adjournment: 8:30 A.M.

HOUSE APPROPRIATIONS COMMITTEE

January 6, 1993

Page 8 of 8

*Judy Jacobson*  
\_\_\_\_\_  
SENATOR JUDY JACOBSON, Chair

*Mary Lou Schmitz*  
\_\_\_\_\_  
MARY LOU SCHMITZ, Secretary

JJ/MLs

ROLL CALL - HOUSE APPROPRIATIONS  
SENATE FINANCE AND CLAIMS

Representative Mary Lou Peterson  
" Marjorie Fisher  
" Joe Quilici  
" John Cobb  
" Betty Lou Kasten  
" David Wanzenried  
" Roger DeBruycker  
" John Johnson  
" William Wiseman  
" Ed Grady  
" Wm. "Red" Menahan  
" Linda Nelson  
" Royal Johnson  
" Mike Kadas  
" Ray Peck  
" Ernest Bergsagel  
" Francis Bardanouve  
" Tom Zook

Senator Judy Jacobson  
" Harry Fritz  
" Gary Forrester  
" Larry Tveit  
" Mignon Waterman  
" Chris Christiaens  
" Thomas Keating  
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" Gary Devlin  
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" Eve Franklin  
" Gary Aklestad  
" Tom Beck  
" J. D. Lynch  
" Don Bianchi  
" Dennis Nathe  
" Chuck Swysgood  
" Bob Hockett  
" Ethel Harding  
" Eleanor Vaughn



STATE OF MONTANA

Office of the Legislative Fiscal Analyst

STATE CAPITOL  
HELENA, MONTANA 59620  
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TERESA OLCOTT COHEA  
LEGISLATIVE FISCAL ANALYST

TENTATIVE AGENDA  
JOINT MEETING OF THE HOUSE APPROPRIATIONS AND  
SENATE FINANCE AND CLAIMS COMMITTEE  
Wednesday, January 6, 7:00 a.m.  
Room 325

- I. Call to Order and Roll Call
- II. Introductory Remarks--Senator Jacobson, Representative Zook
- III. Fixed Costs
  - ✓ A. DofA Tort Claims Premiums
- IV. Inflation Factors
  - ✓ A. Natural gas deflation factors--OBPP staff *OB, no*
  - ✓ B. Workers Compensation rates--LFA staff *no*
- V. Policy Issues
  - A. Handling FTE changes
  - B. Vacancy savings *no action*
  - C. 5% FTE restorations *could matter - passed*
- VI. Structure of General Appropriations Act
  - A. Definition of line item
  - B. Budget mods separate or in program appropriation?
  - C. Definition of program
- VII. Executive Recommendation for LCA for All Agencies
  - A. Overview of LCA recommendation--OBPP staff
  - B. Issues concerning LCA--LFA staff
- VIII. Adjournment

EXHIBIT 1  
DATE 1-6-93  
HB

*Colh passed*

TORT CLAIMS PREMIUMS--PAGE A-185

Issue: Should the insurance fees currently included in the LFA and OBPP current level be used or should rates be developed that will fund operating costs plus actuarially-estimated discounted losses?

*S. Con*

NATURAL GAS DEFLATION FACTORS--OBPP PRESENTATION

Issue: Should the subcommittees use the deflation factors that are in the current level budgets or use the line-item approach suggested by OBPP?

*matter Colh file*

WORKERS COMPENSATION--LFA HANDOUT

Issue: Should workers' compensation rates in state agency budgets for the 1995 biennium be changed to reflect the 5 percent mid-year increase that went into effect January 1, 1993?

HANDLING FTE CHANGES

LFA and OBPP staff request that subcommittees direct staff to identify the number/grade of FTE that are added or eliminated and allow the computer systems to calculate the associated benefits. If subcommittees vote on a specific dollar amount in the personal services area, it creates computer problems.

VACANCY SAVINGS

Committee discussion of whether subcommittees wish to impose vacancy savings.

*as on*

5% FTE RESTORATIONS

Committee discussion of whether subcommittees will handle restorations in a uniform manner or an individual agency basis. Attached is a list of the difference between the Racicot and Stephens' 5% recommendations.

*Colh matter Church passed*

GENERAL APPROPRIATIONS ACT--Attachment

Issues: 1) Should every entry below the program level be labeled a line item?

2) Does the committee wish to define line item and place specific restrictions on its transfer/combination?

3) Does the committee want every budget modification to appear as a separate item in the bill or be rolled into the program line?

4) Does the committee wish to define "program", thus allowing implementation of the gubernatorial appropriation reduction authority if necessary?

LEGISLATIVE CONTRACT AUTHORITY--PAGE C-13(VOLUME II)

Issues: 1) Do subcommittees wish to consider this issue as they discuss agency budgets, rather than considering it in the budget amendment bill?

2) Should LCA provide federal spending authority only or be allowed for all non-general fund revenue?

3) Are more defined restrictions on its use desired?

# Racicot Executive Budget

## 5% Personal Services Reductions—General Fund

DATE 1-6-93  
HB 1

Agency	Fiscal 1994		Fiscal 1995	
	FTE	Gen. Fund	FTE	Gen. Fund
Governor's Office	3.25	\$111,330	3.25	\$111,324
Secretary of State	1.70	38,526	1.70	38,569
Office of Public Instruction	2.50	52,809	2.50	53,183
Justice	1.10	69,438	1.10	69,497
School for the Deaf & Blind	2.92	89,616	2.92	89,616
Library Commission	1.52	23,139	1.52	23,182
Historical Society	1.50	39,573	1.50	39,642
Health & Environmental Sciences	12.59	146,782	12.59	147,338
State Lands	4.67	51,865	4.67	51,920
Livestock *	4.00	161,187	4.00	162,275
Administration	2.67	103,087	2.67	103,293
Commerce	0.50	12,732	0.50	12,745
Social & Rehabilitation Services	18.40	193,672	18.40	193,889
Family Services	26.85	486,089	26.85	487,983
<b>TOTAL</b>	<b>84.17</b>	<b>\$1,579,845</b>	<b>84.17</b>	<b>\$1,584,456</b>

\* Includes operating expenses

EXHIBIT 2  
 DATE 1-6-93  
 HB

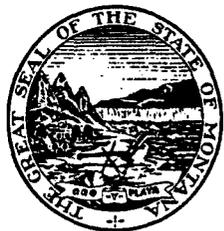
NATURAL GAS PROCUREMENT PROGRAM  
 JANUARY 5, 1993

AGENCY	FY92 ACTUAL	FY94 AGENCY REQUEST	FY95 AGENCY REQUEST	FY94 EXECUTIVE BUDGET	FY95 EXECUTIVE BUDGET	FY94 RECOMMENDED (FY92 ACTUAL)	FY95 RECOMMENDED (FY92 ACTUAL)	FY94 DIFFERENCE	FY95 DIFFERENCE
UNIVERSITY OF MONTANA	488,786	310,086	274,356	310,086	274,356	488,786	488,786	178,700	214,430
MONTANA DEVELOPMENTAL CENTI	225,099	259,268	262,661	143,658	127,248	225,099	225,099	81,441	97,851
MONTANA STATE HOSPITAL	383,056	91,348	78,664	91,348	78,664	254,219	254,219	162,871	175,555
NORTHERN MONTANA COLLEGE	107,579	67,613	59,728	67,613	59,728	107,579	107,579	39,966	47,851
MONTANA STATE PRISON	204,538	104,162	100,440	104,162	100,440	204,538	204,538	100,376	104,098
MONTANA STATE UNIVERSITY	642,427	766,839	812,006	393,744	358,410	642,427	642,427	248,683	284,017
TOTAL	2,051,485	1,599,316	1,587,855	1,110,611	998,846	1,922,648	1,922,648	812,037	923,802

FUNDING - 100% GENERAL FUND

NOTE: A) AGENCY REQUESTS ARE ADJUSTED FOR INFLATION/DEFLATION FACTORS  
 B) GALEN IS NOT INCLUDED IN THE PROGRAM, THEREFORE, \$128,837 WAS DEDUCTED FROM MSH'S REQUEST/EXECUTIVE BUDGET/RECOMMENDED.  
 C) GALEN'S UTILITY COSTS ARE INCLUDED IN THEIR RENT COSTS.





STATE OF MONTANA

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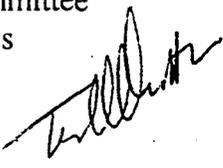
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HELENA, MONTANA 59620  
406/444-2986

EXHIBIT 3  
DATE 1-6-93  
HB \_\_\_\_\_

TERESA OLCOTT COHEA  
LEGISLATIVE FISCAL ANALYST

January 5, 1993

TO: House Appropriations Committee  
Senate Finance and Claims

FROM: Teresa Olcott Cohea  
Legislative Fiscal Analyst 

RE: Workers' Compensation Rates

## ISSUE

Should workers' compensation rates in state agency budgets for the 1995 biennium be changed to reflect the 5 percent mid-year increase that went into effect January 1, 1993?

## BACKGROUND

The LFA and executive current level budgets include workers' compensation premiums for state employees based upon projected rates provided by the State Fund in June 1992. Table 2 shows these projected rates by job classification code. Table 1 shows the increase over fiscal 1993 premiums built into current level budgets as a result of these projected rates.

Since State Fund staff provided these rates, the State Fund Board imposed a mid-year rate increase of 5 percent, effective January 1, 1993. At the request of legislative leaders, we contacted State Fund staff to get revised projected rates that reflected this mid-year increase. The revised rates are shown in Attachment 3. As Table 4 shows, adjusting the rates to reflect the 5 percent increase will add \$1.5 million to state agency budgets for the 1995 biennium. Most of this cost will be general fund, since \$0.8 million of the total increased cost is in the Department of Corrections and Human Services (DCHS), which is primarily funded from the general fund.

OBPP is taking the position that agencies can absorb this additional cost, since no vacancy savings has been imposed. This may create problems in several agencies with high workers' compensation premiums. For example, DCHS is requesting a \$2.5 million general fund supplemental in fiscal 1993 for workers compensation

increases during the 1993 biennium. Under the executive proposal, the agency will be underfunded again in the 1995 biennium for this cost.

It is important to note that the revised rates include a 5 percent adjustment for fiscal 1993 only. State Fund staff note that similar mid-year increases may be imposed in fiscal 1994 and fiscal 1995 to help build new fund reserves.

LFC3B:lt:hacsfc1-5.ltr

Table 1

## INCREASES IN 1995 BIENNIUM WORKERS COMP PREMIUMS CONTAINED IN LFA/OBPP CURRENT LEVEL

Agcy Nb	Agency Name	Incr (Decr) FY 93 to FY 94	Incr (Decr) FY 93 to FY 95
1101	Legislative Auditor	\$4,497	\$7,056
1102	Legislative Fiscal Analyst	1,662	2,568
1104	Legislative Council	2,242	5,477
1111	Environmental Quality Cncl	1,344	990
1112	Consumer Counsel	614	851
2110	Judiciary	4,443	15,658
3101	Governors Office	7,388	7,935
3201	Secretary of State	2,575	3,872
3202	Comm of Polical Practices	255	394
3401	State Auditor	5,990	9,312
3501	Office of Public Instruction	11,201	16,849
3511	Billings Vo Tech	3,884	6,077
3512	Butte Vo Tech	3,097	4,845
3513	Great Falls Vo Tech	2,684	4,199
3514	Helena Vo Tech	389	537
3515	Missoula Vo Tech	5,750	8,997
4107	Board of Crime Control	1,499	2,297
4108	Highway Traffic Safety Div	718	1,109
4110	Department of Justice	40,150	86,944
4201	Public Service Regulation	4,854	6,890
5101	Board of Public Education	489	530
5102	Comm of Higher Education	4,740	8,442
5103	University of Montana	13,015	17,941
5104	Montana State University	13,459	14,660
5105	Mont College of Min Sc & Tech	6,527	8,996
5106	Eastern Montana College	4,123	5,683
5107	Northern Montana College	2,591	3,571
5108	Western Montana College	1,784	2,459
5109	Agric Exper Station	35,419	38,577
5110	Cooperative Ext Service	16,585	18,064
5111	Forest & Cons Exp Station	1,929	2,659
5113	School for the Deaf & Blind	7,237	12,641
5114	Montana Arts Council	635	924
5115	Library Commission	2,249	3,499
5116	Montana Cncl on Voc Ed	254	350
5117	Historical Society	2,584	3,454
5119	Fire Services Training Sch	0	0
5201	Dept of Fish, Wildlife, Parks	(40,370)	780
5301	Dept of Hlth & Envir Sc	30,101	34,657
5401	Dept of Transportation	582,872	1,025,926
5501	Dept of State Lands	808	33,022
5603	Dept of Livestock	(19,513)	(13,072)
5706	Dept of Natural Resources	21,091	31,516
5801	Dept of Revenue	52,166	88,375
6101	Dept of Administration	5,937	28,360
6103	State Comp Mutual Ins Fd	15,205	23,573
6104	Public Empl Retirement Bd	1,611	2,439
6105	Teachers Retirement Bd	836	1,286
6201	Dept of Agriculture	(17,340)	(10,744)
6401	Dept of Corr & Human Svc	2,625,022	4,101,907
6501	Dept of Commerce	18,301	33,008
6602	Dept of Labor & Industry	48,533	65,970
6701	Dept of Military Affairs	4,002	12,051
6901	Dept of Soc & Rehab Svc	53,750	82,877
6911	Dept of Family Services	143,642	216,967
	TOTAL STATE	\$3,745,510	\$6,094,205

EXHIBIT 3  
DATE 1-6-93  
HB \_\_\_\_\_

TABLE 2  
WORKERS' COMPENSATION RATES  
USED IN 1995 BIENNIUM BUDGETS

<u>Job Code</u>	<u>FY94 Rate</u>	<u>FY95 Rate</u>
00007	0.000000	0.000000
07419	0.075000	0.080000
07424	0.217800	0.250500
07721	0.077000	0.092500
07722	0.053500	0.061500
08744	0.008000	0.009200
08811	0.008500	0.010000
08834	0.198000	0.237500
08869	0.002500	0.002500
09103	0.085000	0.102000
09104	0.050000	0.052500
09411	0.028000	0.029500
09412	0.039000	0.041000
09421	0.080500	0.096000
09422	0.075000	0.086000
09425	0.038000	0.040000



December 31, 1992

GENERAL INFORMATION (406) 444-6500

EXHIBIT 3  
DATE 1-4-93  
HB \_\_\_\_\_

Ms. Terry Cohea  
Legislative Fiscal Analyst  
State Capitol Building  
Helena, MT 59620

Dear Terry:

John King advises we should add 5% to the rates he provided some months ago. Therefore, the rates to use in budgets for the next biennium are as follows:

<u>Code</u>	<u>FY 1994 Rate</u>	<u>FY 1995 Rate</u>
0007	.2205	.2205
7419	.0788	.0840
7424	.2287	.2630
7721	.0809	.0971
7722	.0562	.0646
8744	.0084	.0097
8811	.0089	.0105
8834	.2079	.2494
8869	.0026	.0026
9103	.0893	.1071
9104	.0525	.0551
9411	.0294	.0310
9412	.0410	.0431
9421	.0845	.1008
9422	.0788	.0903
9425	.0399	.0420

Please advise if you need anything else.

Sincerely,

Carla J. Smith, Vice President  
Administration & Finance

Office of Legislative Fiscal Analyst  
Impact of 5% Workers Compensation Rate Increase

SBAS Code	Agency Name	Fiscal 1994	Fiscal 1995	Biennium Total
1101	Legislative Auditor	644	807	1,451
1102	Legislative Fiscal Analyst	236	295	531
1104	Legislative Council	464	579	1,043
1111	Environmental Quality Council	83	100	183
1112	Consumer Counsel	75	94	169
2110	Judiciary	1,380	1,758	3,138
3101	Governors Office	1,078	1,231	2,309
3201	Secretary Of States Office	335	407	742
3202	Commissioner Of Political Prac	31	38	69
3401	State Auditors Office	944	1,151	2,095
3501	Office Of Public Instruction	1,446	1,796	3,242
3511	Billings Vo Tech	554	658	1,212
3512	Butte Vo Tech	442	525	967
3513	Great Falls Vo Tech	383	455	838
3514	Helena Vo Tech	40	49	89
3515	Missoula Vo Tech	821	974	1,795
4107	Crime Control Division	182	234	416
4108	Highway Traffic Safety	97	121	218
4110	Department Of Justice	19,941	23,015	42,956
4201	Public Service Regulation	594	741	1,335
5101	Board Of Public Education	42	52	94
5102	Commissioner Of Higher Ed	683	859	1,542
5103	University Of Montana	1,313	1,642	2,955
5104	Montana State University	1,073	1,341	2,414
5105	Mont College Of Min Sc & Tech	658	824	1,482
5106	Eastern Montana College	416	520	936
5107	Northern Montana College	261	327	588
5108	Western Montana College	180	225	405
5109	Agricultural Exper Station	2,824	3,531	6,355
5110	Cooperative Extension Service	1,322	1,653	2,975
5111	Forestry & Cons Exper Station	195	244	439
5113	School For The Deaf & Blind	1,683	1,938	3,621
5114	Montana Arts Council	78	97	175
5115	Library Commission	284	353	637
5116	Montana Council On Vocational	29	37	66
5117	Historical Society	584	692	1,276
5119	Fire Services Training School	33,485	33,485	66,970
5201	Dept Of Fish Wildlife & Parks	17,474	19,359	36,833
5301	Dept Health & Environ Sciences	4,834	5,783	10,617
5401	Department Of Transportation	133,085	156,025	289,110
5501	Department Of State Lands	12,078	13,724	25,802
5603	Department Of Livestock	3,564	3,889	7,453
5706	Dept Nat Resource/Conservation	2,717	3,405	6,122
5801	Department Of Revenue	11,085	13,195	24,280
6101	Department Of Administration	6,054	7,108	13,162
6103	State Comp. Mutual Ins. Fund	2,837	3,428	6,265
6104	Public Employees Retirement Bd	187	233	420
6105	Teachers Retirement Board	105	132	237
6201	Department Of Agriculture	2,672	2,905	5,577
6401	Dept. Corrections & Human Ser	363,637	436,757	800,394
6501	Department Of Commerce	4,190	5,070	9,260
6602	Labor & Industry	6,359	7,462	13,821
6701	Adjutant General	2,896	3,297	6,193
6901	Dept Social & Rehab Services	7,311	9,076	16,387
6911	Department Of Family Services	18,659	22,203	40,862
Totals		674,624	795,899	1,470,523

*note*

*roll call note*

**ROLL CALL - HOUSE APPROPRIATIONS  
SENATE FINANCE AND CLAIMS**

- Representative Mary Lou Peterson
- Representative Marjorie Fisher
- Representative Joe Quilici
- Representative John Cobb
- Representative Betty Lou Kasten
- Representative David Wanzenried
- Representative Roger DeBruycker
- Representative John Johnson
- Representative William Wiseman
- Representative Ed Grady
- Representative William "Red" Menahan
- Representative Linda Nelson
- Representative Royal Johnson
- Representative Mike Kadas
- Representative Ray Peck
- Representative Ernest Bergsagel
- Representative Francis Bardanouve
- Representative Tom Zook
- ~~Representative Tom Nelson~~

*W. Nelson Corp  
menahan*

*8 mo  
8 1/2*

- Senator Judy Jacobson
- Senator Harry Fritz
- Senator Gary Forrester
- Senator Larry Tveit
- Senator Mignon Waterman
- Senator Chris Christiaens
- Senator Thomas Keating
- Senator Cecil Weeding
- Senator Gary Devlin
- Senator Greg Jergeson
- Senator Eve Franklin
- Senator Gary Aklestad
- Senator Tom Beck
- Senator J.D. Lynch
- Senator Don Bianchi
- Senator Dennis Nathe
- Senator Chuck Swysgood
- Senator Bob Hockett
- Senator Ethel Harding
- Senator Eleanor Vaughn

*9 1/2  
10 1/2*

*18 mo  
17 1/2*