

OFFICE OF THE GOVERNOR
STATE OF MONTANA



STEVE BULLOCK
GOVERNOR

MIKE COONEY
LT GOVERNOR

November 28, 2018

Representative Nancy Ballance, Chair
Members of the Legislative Finance Committee

SB 294, passed by the 2017 Legislature, created requirements for the Office of Budget and Program Planning to approve salary increases proposed by an agency that exceed an employee's occupational wage range. In addition, the bill requires a report to the LFC identifying any agency that provides a base salary for an employee that exceeds the wage range for the employee's occupation and the reasons for the differences.

Attached to this letter is the first such report provided to the committee in accordance with the bill. Because it is the first report, the number of employees who exceeded the max prior to passage of the bill is provided for context. The differences have been categorized into 9 different reasons. For further context, of the over 13,000 state employees, there were 61 adjustments that caused an employee to exceed the wage range during FY 2018. Of the 61 employees, 18 were moved above the wage range by the statutory pay increase effective February, 2018, also included in SB 294. Six of the adjustments were due to temporary assignments. The remaining adjustments equate to approximately 0.2% of all employees.

The Department of Justice, the Office of Public Instruction, the Public Service Commission, the Secretary of State's Office, and the State Auditor's Office are excluded from this report. According to SB 294, those agencies are required to provide their own report to the committee.

If you have questions regarding this information, please contact Amy Sassano in my office.

Sincerely,

A handwritten signature in blue ink that reads "Tom Livers".

Tom Livers
Budget Director

**OBPP report to LFC on SB 294
December 3, 2018**

Employee base pay above maximum pay range

Exceed Max Prior to 7/1/17		245											
Dept Name	Total	Performance Pay	Employee in multiple positions w/same rate of pay	Hire or rehired at rate above market max	Incorrect Job Code in SABHRS	Promotion	Reclassified position	Situational Pay	Statutory Increase	Temporary Assignment			
GOVERNORS OFFICE	1	1											
DEPT OF FISH, WILDLIFE & PARKS	16		3	1		2			10				
DEPT. OF ENVIRONMENTAL QUALITY	8		1			1	3	1	2				
DEPARTMENT OF TRANSPORTATION	22			5		6	1		10				
DEPT NAT RESOURCE/CONSERVATION	13			3		1	9						
DEPARTMENT OF REVENUE	1								1				
DEPARTMENT OF ADMINISTRATION	7					3	1		3				
PERS	1								1				
DEPARTMENT OF AGRICULTURE	1					1							
DEPARTMENT OF CORRECTIONS	44			1		8			35				
DEPARTMENT OF COMMERCE	2			1					1				
DEPARTMENT OF LABOR & INDUSTRY	18		1	4		7			6				
PUBLIC HEALTH & HUMAN SERVICES	111			6		55			50				

Exceed Max Post 7/1/17		61											
Dept Name	Total	Performance Pay	Employee in multiple positions w/same rate of pay	Hire or rehired at rate above market max	Incorrect Job Code in SABHRS	Promotion	Reclassified position	Situational Pay	Statutory Increase	Temporary Assignment			
OFFICE OF PUBLIC INSTRUCTION	1								1				
DEPT OF FISH, WILDLIFE & PARKS	1								1				
DEPARTMENT OF TRANSPORTATION	19			12		1	1		4	1			
DEPT NAT RESOURCE/CONSERVATION	5			1		1			1	2			
DEPARTMENT OF ADMINISTRATION	2						1		1				
DEPARTMENT OF AGRICULTURE	1									1			
PERS	3								3				
DEPARTMENT OF CORRECTIONS	8			4	1	1			2				
DEPARTMENT OF COMMERCE	4	2		2									
DEPARTMENT OF LABOR & INDUSTRY	5			2	2				1				
PUBLIC HEALTH & HUMAN SERVICES	12			5	1				4	2			