



MONTANA LEGISLATIVE BRANCH

Legislative Fiscal Division

Room 110 Capitol Building * P.O. Box 201711 * Helena, MT 59620-1711 * (406) 444-2986 * FAX (406) 444-3036

Director
AMY CARLSON

DATE: September 12, 2014
 TO: Representative Steve Gibson
 FROM: Kris Wilkinson, Senior Fiscal Analyst
 RE: Cost to Implement Minimum Salaries

You requested an estimate of the cost to implement minimum salary levels for state employees as contemplated in the bill draft prepared for the Legislative Finance Committee. The purpose of this memorandum is provide that information. The figure below outlines the additional annual cost to have HB 2 positions paid at the minimum of the occupational pay range. The estimates included HB 13 pay increases the executive and judicial branches have indicated will be made in FY 2015. The information is provided by state agency and by fund type.

Annual Cost for Implementing Pay at the Minimum of Occupational Wage Range					
Agency	General Fund	State Special	Federal Revenue	Other	Total
Salaries					
Legislative Branch	\$15,085	\$1,046	\$0	\$0	\$16,131
Judicial Branch	949,046	304,836	3,435	0	1,257,318
Executive Branch					
Governor's Office	59,651	0	0	0	59,651
Commissioner of Political Practices	18,570	0	0	0	18,570
State Auditor's Office	78	11,362	0	0	11,440
Office of Public Instruction	82,526	4,284	120,118	1,770	208,698
Board of Crime Control	17,969	0	0	0	17,969
Department of Justice	288,385	108,922	4,904	14,372	416,582
Public Service Commission	0	36,163	0	0	36,163
Montana School for the Deaf and Blind	11,035	0	0	0	11,035
Montana Library Commission	35,037	0	4,096	0	39,133
Montana Historical Society	58,313	2,043	29,839	23,562	113,757
Department of Fish, Wildlife, and Parks	12	238,368	19,726	427	258,533
Department of Environmental Quality	35,793	166,174	109,838	20,069	331,873
Department of Transportation	234	1,964,587	0	0	1,964,821
Department of Livestock	24,275	284,293	24,190	0	332,758
Department of Natural Resources and Conservation	202,205	102,962	245	0	305,411
Department of Revenue	919,943	7,740	3,665	60,500	991,848
Department of Administration	91,751	12,379	0	1,024	105,154
Office of the Public Defender	1,263,138	3,844	0	0	1,266,982
Department of Agriculture	10,097	44,453	1,369	899	56,818
Department of Corrections	421,640	2,340	18	10,608	434,606
Department of Commerce	75,348	8,069	3,332	36	86,786
Department of Labor and Industry	774	87,804	24,539	9,507	122,624
Department of Military Affairs	21,043	4,056	86,386	0	111,484
Department of Public Health and Human Service	<u>677,212</u>	<u>103,745</u>	<u>791,288</u>	<u>343</u>	<u>1,572,587</u>
Total Executive Branch	4,315,028	3,193,587	1,223,554	143,117	8,875,286
Total Salaries	5,279,159	3,499,470	1,226,989	143,117	10,148,734
Total Benefits	911,095	614,183	211,973	163,466	1,900,717
Total Annual Costs	\$6,190,254	\$4,113,653	\$1,438,962	\$306,583	\$12,049,452

It should be noted that for the executive branch the 2014 biennial salary survey was used to develop the estimate. A number of positions were vacant at the time of the salary survey and thus were not included in the cost estimate. The majority of these positions were also vacant at the time of the snapshot. Both salary and benefit costs have been included in the estimate. As shown costs to the general fund would be \$6.1 million each year, with total funds of \$12.0 million. Over 72% of the general fund costs are in four agencies; the Office of the Public Defender, the Judicial Branch, the Department of Revenue, and the Department of Public Health and Human Services.