

HOUSE JOINT RESOLUTION NO. 1

2nd Special Session

Introduced and Referred to Committee on Business & Industry:

6/22/82

Died in Committee

Special Session # II

Assembly JOINT RESOLUTION NO. 1

INTRODUCED BY Don Livingston Susan Williams
Frederick
BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING THAT THE LEGISLATURE CONVENE ITSELF INTO A CONCURRENT SPECIAL SESSION TO CONSIDER THE QUESTION OF LIQUOR PRICES.

WHEREAS, Article V, section 6, of the Montana Constitution provides that the Legislature may be convened in special sessions at the written request of a majority of the members of the Legislature; and

WHEREAS, House Bill 500, passed in the 47th regular legislative session, requires the Department of Revenue to deposit not less than \$13 million of liquor profits to the general fund during the 1983 biennium; and

WHEREAS, House Bill 500 allows the Department of Revenue to raise or lower the liquor pricing formula to achieve the deposit requirement of \$13 million; and

WHEREAS, the Department has proposed to raise liquor prices by approximately 8% to meet the deposit requirement; and

WHEREAS, the Revenue Oversight Committee has studied this issue at two public meetings and concluded that the

deposit requirement was incorporated into House Bill 500 before the Legislature realized what would happen to the economy; and

WHEREAS, under the present circumstances an increase in liquor prices is unnecessary and inappropriate and may be counterproductive; and

WHEREAS, while the Governor declined to include the liquor price increase issue in his call for a special session, he did note that if there are other matters that are deserving of deliberation during the session the Legislature has the authority to call themselves into special session to address those matters of concern.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

That the Legislature be convened in special session in the Capitol, in Helena, at the hour of 10 a.m., the 23rd day of June, 1982, to run concurrently with the second special session called by the Governor.

BE IT FURTHER RESOLVED, that the special session called by the Legislature is limited to considering amendments to House Bill 500 only for the sole purpose of removing the deposit requirement imposed on the Department of Revenue in House Bill 500.

-End-

Special Session HOUSE JOINT RESOLUTION NO. 1

INTRODUCED BY Baul and

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN INTERIM STUDY OF MONTANA'S UNEMPLOYMENT INSURANCE TRUST FUND LAWS TO EXAMINE ALTERNATIVE MEANS OF ELIMINATING THE FUND'S DEFICIT AND ESTABLISHING A SYSTEM OF LONG-TERM SOLVENCY FOR THE FUND.

WHEREAS, Montana's unemployment insurance trust fund has been insolvent since March 1983, and as of November 1983, the state had borrowed over \$8 million from the federal government to finance the fund; and

WHEREAS, during the regular session of the 48th Legislature, the Department of Labor and Industry anticipated a \$28 million deficit of the trust fund but has now revised its projections and anticipates a \$36.2 million deficit; and

WHEREAS, the unemployment insurance trust fund is maintained by a complex interaction of federal and state laws, the latter containing many variables and complex formulas which the state has a certain amount of latitude to change; and

WHEREAS, to reduce the trust fund deficit within a

reasonable time, the state can either increase its unemployment insurance taxes, reduce its unemployment insurance benefits, or both; and

WHEREAS, many bills to accomplish these objectives were considered by the 48th Legislature, but a consensus could not be reached by the Legislature or interested parties in support of most of these proposals; and

WHEREAS, the parties representing both labor and industry have indicated that they still have not reached a consensus on the best possible resolution of the deficit problem; and

WHEREAS, reducing the deficit can be accomplished most effectively through a comprehensive review of the options available to the state, undertaken with the participation of representatives of both labor and industry, rather than by a happenstance, piecemeal approach.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

That an interim subcommittee be assigned to study Montana's unemployment insurance trust fund laws to examine alternative means of eliminating the deficit and establishing a system of long-term solvency for the fund with particular attention to:

(1) (a) reviewing current inequities in the tax

1 structure which result in "mainstreet" businesses paying
 2 more into the fund than is charged against them while
 3 certain industries pay less into the fund than is charged
 4 against them; and

5 (b) devising a means of restructuring the taxes to
 6 provide greater equity among contributing employers;

7 (2) comparing Montana's unemployment insurance tax
 8 structure to the structures within other states and
 9 analyzing the most equitable ways of revising the tax
 10 structure, including a review of:

11 (a) the taxable wage base; and

12 (b) employers' experience rating systems;

13 (3) comparing Montana's unemployment insurance benefit
 14 structure to structures within other states, including a
 15 review of the following elements:

16 (a) benefit amounts;

17 (b) duration of benefits;

18 (c) qualifying requirements and disqualification
 19 provisions; and

20 (d) the use of a waiting week;

21 (4) studying the appeal process of unemployment
 22 insurance benefit determinations to determine any
 23 deficiencies which might exist;

24 (5) considering establishing statutory provisions to
 25 ensure the fund's solvency, which would be triggered only

1 under certain emergency situations, such as during times
 2 that a trust fund deficit is anticipated;

3 (6) considering other means of improving the solvency
 4 of Montana's unemployment insurance trust fund; and

5 (7) striking a reasonable balance between demands
 6 placed on employers and economic safeguards against
 7 employees.

8 BE IT FURTHER RESOLVED, that the committee consult and
 9 work with appropriate government agencies, private
 10 industries, labor organizations, and the general public in
 11 its study of the unemployment insurance trust fund.

12 BE IT FURTHER RESOLVED, that the committee report its
 13 findings and recommendations to the 49th Legislature.

-End-

Special Session ~~1983~~

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INTRODUCED BY Paul Anwa

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THIRD READING

-2-

on motion rules suspended
second & third reading same
day

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