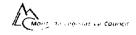
52nd Legislature

LC 0470/01

INTRODUCED BY SRIC HARP Nichard E. Manning Brody 1 1 2 3 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH A WORK 5 PERIOD IN LIEU OF A WORKWEEK FOR EMPLOYEES IN THE CONSTRUCTION INDUSTRY; TO EXEMPT CERTAIN CONSTRUCTION 6 7 INDUSTRY EMPLOYEES FROM A MAXIMUM 8-HOUR WORKDAY; TO DEFINE 8 "CONSTRUCTION INDUSTRY"; TO REQUIRE AN EMPLOYER IN THE 9 CONSTRUCTION INDUSTRY TO PAY OVERTIME COMPENSATION AFTER 8 10 HOURS IN A WORKDAY IF THE EMPLOYER OPERATES ON A SCHEDULE OF 11 5 DAYS OR MORE OR AFTER 10 HOURS IN A WORKDAY IF THE 12 EMPLOYER OPERATES ON A SCHEDULE OF 4 DAYS OR LESS; AND AMENDING SECTIONS 39-3-402 AND 39-3-406, MCA." 13 14 15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 16 NEW SECTION. Section 1. Construction industry -- work 17 period in lieu of workweek -- overtime compensation. (1) An 18 employer in the construction industry may establish a work 19 period other than that provided in 39-3-405 for determining 20 when an employee must be paid overtime compensation. 21 (2) An employee in the construction industry must be 22 compensated at a rate of not less than 1 1/2 times the 23 hourly rate: 24 (a) after 8 hours in a workday if the employer operates

25 on a schedule of 5 days or more; or



(b) after 10 hours in a workday if the employer
 operates on a schedule of 4 days or less.

NEW SECTION. Section 2. Construction industry -- day's
work -- penalty. (1) For purposes of this section,
"construction industry" has the meaning provided in
39-3-402.

7 (2) A period of not more than 8 hours constitutes a
8 day's work in the construction industry except when
9 employers are operating under a work period provided in
10 [section 1] or in cases of emergencies in which life and
11 property are in imminent danger.

12 (3) A person, corporation, agent, manager, or employer
13 who violates this section is guilty of a misdemeanor and
14 upon conviction shall be punished by a fine of not less than
15 \$50 or more than \$500 or by imprisonment in the county jail
16 for not less than 30 days or more than 6 months, or both.

17 Section 3. Section 39-3-402, MCA, is amended to read:

18 "39-3-402. Definitions. As used in this part, the 19 following definitions apply:

20 (1) "Commissioner" means the commissioner of labor and 21 industry.

(2) "Construction industry" means an activity in
connection with the erection, repair, replacement,
renovation, installation, or demolition of a building,
highway, road, bridge, or structure.

-2- INTRODUCED BILL HB 204

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(2)(3) "Employ" means to suffer or permit to work.
 (4) "Employee" includes--any means an individu

2 (3)(4) "Employee" includes--any means an individual
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4 (4)(5) "Farm or ranch" shall-mean-any means an endeavor 5 primarily engaged in cultivating the soil or in connection 6 with raising or harvesting any agricultural or horticultural 7 commodity, including the raising, shearing, feeding, caring 8 for, training, and management of livestock, bees, and 9 poultry and fur-bearing animals and wildlife.

10 (5)(6) "Farm worker" means any <u>a</u> person employed to do 11 any <u>a</u> service performed on a farm or ranch.

12 (6)(7) "Occupation" means any <u>an</u> occupation, service, 13 trade, business, industry, or branch or group of industries 14 or employment or class of employment in which employees are 15 gainfully employed.

16 (7) (8) "Wage" means compensation due to an employee by reason of his employment, payable in legal tender of the 17 United States or check on banks convertible into cash on 18 19 demand at full face value, subject to such an allowance as 20 may be permitted by regulations of the commissioner under 21 39-3-403. The term "wage" includes the reasonable cost to 22 the employer of furnishing such the employee with board, 23 lodging, or other facilities, if such board, lodging, or other facilities are customarily furnished by such an 24 25 employer to his employees; provided, however, that -- in--no

case-shall-such the inclusion may not exceed an amount equal 1 2 to 40% of the total wage paid by such the employer to such the employee. The term "wage" does not include the value of 3 4 any tips received by an employee as a gratuity for service." 5 Section 4. Section 39-3-406, MCA, is amended to read: "39-3-406. Exclusions. (1) The provisions of 39-3-404 6 7 and 39-3-405 shall do not apply with respect to: 8 (a) students participating in a distributive education 9 program established under the auspices of an accredited 10 educational agency; (b) persons employed in private homes whose duties 11 12 consist of menial chores, such as babysitting, mowing lawns, 13 and cleaning sidewalks; 14 (c) persons employed directly by the head of a 15 household to care for children dependent upon the head of 16 the household; 17 (d) immediate members of the family of an employer or 18 persons dependent upon an employer for half or more of their 19 support in the customary sense of being a dependent; 20 (e) any persons not regular employees thereof of a

20 (e) any persons not regular employees energy of a 21 <u>nonprofit organization</u> who voluntarily offer their services 22 to a nonprofit organization on a fully or partially 23 reimbursed basis;

(f) handicapped workers engaged in work which that is
 incidental to training or evaluation programs or whose

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l earning capacity is so severely impaired that they are unable to engage in competitive employment;

3 (g) apprentices or learners; who may be exempted by the
4 commissioner for a period not to exceed 30 days of their
5 employment;

6 (h) learners under the age of 18 who are employed as 7 farm workers, provided that such the exclusion shall may not 8 exceed a period of 180 days from their initial date of 9 employment and further provided that during this exclusion 10 period wages paid such the learners may not be less than 50% 11 of the minimum wage rate established in this part;

12 (i) retired or semiretired persons performing part-time
13 incidental work as a condition of their residence on a farm
14 or ranch;

15 (j) any <u>an</u> individual employed in a bona fide 16 executive, administrative, or professional capacity as these 17 terms are defined and delimited by regulations of the 18 commissioner;

19 (k) any an individual employed by the United States of 20 America;

(1) resident managers employed in lodging
establishments or personal care facilities who, under the
terms of their employment, live in the establishment or
facility.

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25 (2) The provisions of 39-3-405 do not apply to:

(a) an employee with respect to whom the United States
 Secretary secretary of Transportation transportation has
 power to establish qualifications and maximum hours of
 service pursuant to the provisions of 49 U.S.C. 304;

5 (b) an employee of an employer subject to the
6 provisions of part I of the Interstate Commerce Act;

7 (c) an individual employed as an outside buyer of 8 poultry, eggs, cream, or milk, in their raw or natural 9 state;

10 (d) an outside salesman paid on a commission or
11 contract basis who is primarily employed in selling
12 advertising for a newspaper;

(e) a salesman, partsman, or mechanic paid on a
commission or contract basis and primarily engaged in
selling or servicing automobiles, trucks, mobile homes,
recreational vehicles, or farm implements if he is employed
by a nonmanufacturing establishment primarily engaged in the
business of selling such the vehicles or implements to
ultimate purchasers;

(f) a salesman primarily engaged in selling trailers,
boats, or aircraft if he is employed by a nonmanufacturing
establishment primarily engaged in the business of selling
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1 or television station employer;

(h) an employee employed as a driver or driver's helper
making local deliveries who is compensated for such
employment on the basis of trip rates, or other delivery
payment plan, if the commissioner finds that such the plan
has the general purpose and effect of reducing hours worked
by such the employee: to or below the maximum workweek
applicable to them under 39-3-405;

9 (i) an employee employed in agriculture or in 10 connection with the operation or maintenance of ditches, 11 canals, reservoirs, or waterways not owned or operated for 12 profit and not operated on a sharecrop basis and which that 13 are used exclusively for supply and storing of water for 14 agricultural purposes;

(j) an employee with respect to his employment in agriculture by a farmer, notwithstanding other employment of such the employee in connection with livestock auction operations in which such the farmer is engaged as an adjunct to the raising of livestock, either on his own account or in conjunction with other farmers, if such the employee is:

(i) primarily employed during his workweek in
 agriculture by such the farmer; and

(ii) paid for his employment in connection with such the
livestock auction operations at a wage rate not less than
that prescribed by 39-3-404;

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(k) an employee of an establishment commonly recognized
 as a country elevator, including an establishment which that
 sells products and services used in the operation of a farm,
 if no more than five employees are employed by the
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6 (1) a driver employed by an employer engaged in the7 business of operating taxicabs;

(m) an employee who is employed with his spouse by a 8 9 nonprofit educational institution to serve as the parents of children who are orphans or one of whose natural parents is 10 11 deceased or who are enrolled in such the institution and reside in residential facilities of the institution so long 12 as the children are in residence at the institution and so 13 14 long as such the employee and his spouse reside in such the facilities and receive, without cost, board and lodging from 15 the institution and are together compensated, on a cash 16 basis, at an annual rate of not less than \$10,000; 17

(n) an employee employed in planting or tending trees;
cruising, surveying, or felling timber; or transporting logs
or other forestry products to a mill, processing plant,
railroad, or other transportation terminal if the number of
employees employed by his employer in such the forestry or
lumbering operations does not exceed eight;

24 (o) an employee of a sheriff's department who is25 working under an established work period in lieu of a

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workweek pursuant to 7-4-2509(1);

2 (p) an employee of a municipal or county government who is working under a work period not exceeding 40 hours in a 3 4 7-day period established through a collective bargaining agreement when a collective bargaining unit represents the 5 6 employee or by mutual agreement of the employer and employee 7 where when no bargaining unit is recognized. Employment in 8 excess of 40 hours in a 7-day, 40-hour work period must be 9 compensated at a rate of not less than $1 \frac{1}{2}$ times the 10 hourly wage rate for the employee.

11 (g) an employee of a hospital or other establishment 12 primarily engaged in the care of the sick, disabled, aged, 13 or mentally ill or defective who is working under a work 14 period not exceeding 80 hours in a 14-day period established 15 through either a collective bargaining agreement when a 16 collective bargaining unit represents the employee or by 17 mutual agreement of the employer and employee where when no 18 bargaining unit is recognized. Employment in excess of 8 19 hours per day or 80 hours in a 14-day period must be 20 compensated for at a rate of not less than 1 1/2 times the 21 hourly wage rate for the employee.

(r) a firefighter who is working under a work period
established in a collective bargaining agreement entered
into between a public employer and a firefighters'
organization or its exclusive representative;

(s) an officer or other employee of a police department 1 in a city of the first or second class who is working under 2 a work period established by the chief of police under З 7-32-4118; Δ (t) an employee of a department of public safety 5 working under a work period established pursuant to 6 7-32-115; 7 8 (u) an employee employed in the construction industry 9 under a work schedule established pursuant to [section 1]." 10 NEW SECTION. Section 5. Codification instruction. (1) 11 [Section 1] is intended to be codified as an integral part 12 of Title 39, chapter 3, part 4, and the provisions of Title 13 39, chapter 3, part 4, apply to [section 1]. 14 (2) [Section 2] is intended to be codified as an integral part of Title 39, chapter 4, part 1, and the 15 16 provisions of Title 39, chapter 4, part 1, apply to [section 17 2].

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52nd Legislature

LC 0470/01 APPROVED BY COMMITTEE ON LABOR & EMPLOYMENT

RELATIONS

INTRODUCED BY SR. HARP 1 2 Richard E. Manning 3 4 A BILL FOR AN ACT ENTITLED; "AN ACT TO ESTABLISH A WORK 5 PERIOD IN LIEU OF A WORKWEEK FOR EMPLOYEES IN THE 6 CONSTRUCTION INDUSTRY; TO EXEMPT CERTAIN CONSTRUCTION 7 INDUSTRY EMPLOYEES FROM A MAXIMUM 8-HOUR WORKDAY: TO DEFINE 8 "CONSTRUCTION INDUSTRY"; TO REQUIRE AN EMPLOYER IN THE 9 CONSTRUCTION INDUSTRY TO PAY OVERTIME COMPENSATION AFTER 8 10 HOURS IN A WORKDAY IF THE EMPLOYER OPERATES ON A SCHEDULE OF

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15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

16 <u>NEW SECTION.</u> Section 1. Construction industry -- work 17 period in lieu of workweek -- overtime compensation. (1) An 18 employer in the construction industry may establish a work 19 period other than that provided in 39-3-405 for determining 20 when an employee must be paid overtime compensation.

(2) An employee in the construction industry must be
compensated at a rate of not less than 1 1/2 times the
hourly rate:

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7 (2) A period of not more than 8 hours constitutes a 8 day's work in the construction industry except when 9 employers are operating under a work period provided in 10 [section 1] or in cases of emergencies in which life and 11 property are in imminuent danger.

12 (3) A person, corporation, agent, manager, or employer 13 who violates this section is guilty of a misdemeanor and 14 upon conviction shall be punished by a fine of not less than 15 \$50 or more than \$500 or by imprisonment in the county jail 16 for not less than 30 days or more than 6 months, or both.

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(3) "Employ" means to suffer or permit to work.

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2 (3)(4) "Employee" includes--any means an individual
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4 (4)(5) "Farm or ranch" shall-mean-any means an endeavor 5 primarily engaged in cultivating the soil or in connection 6 with raising or harvesting any agricultural or horticultural 7 commodity, including the raising, shearing, feeding, caring 8 for, training, and management of livestock, bees, and 9 poultry and fur-bearing animals and wildlife.

10 (5+(6)) "Farm worker" means any <u>a</u> person employed to do 11 any <u>a</u> service performed on a farm or ranch.

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{7}(8) "Wage" means compensation due to an employee by 16 reason of his employment, payable in legal tender of the 17 18 United States or check on banks convertible into cash on demand at full face value, subject to such an allowance as 19 may be permitted by regulations of the commissioner under 20 21 39-3-403. The term "wage" includes the reasonable cost to the employer of furnishing such the employee with board, 22 23 lodging, or other facilities, if such board, lodging, or other facilities are customarily furnished by such an 24 employer to his employees; provided, however, that--in--no 25

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 incidental to training or evaluation programs or whose

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executive, administrative, or professional capacity as these
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19 (k) any an individual employed by the United States of
 20 America;

(1) resident managers employed in lodging
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by a nonmanufacturing establishment primarily engaged in the
business of selling such the vehicles or implements to
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employment on the basis of trip rates, or other delivery
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9 (i) an employee employed in agriculture or in 10 connection with the operation or maintenance of ditches, 11 canals, reservoirs, or waterways not owned or operated for 12 profit and not operated on a sharecrop basis and which that 13 are used exclusively for supply and storing of water for 14 agricultural purposes;

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22 agriculture by such the farmer; and

(ii) paid for his employment in connection with such the
livestock auction operations at a wage rate not less than
that prescribed by 39-3-404;

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(k) an employee of an establishment commonly recognized
 as a country elevator, including an establishment which that
 sells products and services used in the operation of a farm,
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 establishment;

6 (1) a driver employed by an employer engaged in the
7 business of operating taxicabs;

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(s) an officer or other employee of a police department
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 7-32-4118;

5 (t) an employee of a department of public safety 6 working under a work period established pursuant to 7 7-32-115<u>;</u>

8 (u) an employee employed in the construction industry
 9 under a work schedule established pursuant to [section 1]."
 10 NEW SECTION. Section 5. Codification instruction. (1)
 11 [Section 1] is intended to be codified as an integral part
 12 of Title 39, chapter 3, part 4, and the provisions of Title
 13 39, chapter 3, part 4, apply to [section 1].

14 (2) [Section 2] is intended to be codified as an
15 integral part of Title 39, chapter 4, part 1, and the
16 provisions of Title 39, chapter 4, part 1, apply to [section
17 2].

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52nd Legislature

LC 0470/01

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-2- THIRD READING HB 204

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earning capacity is so severely impaired that they are
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3 (g) apprentices or learners, who may be exempted by the
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5 employment;

6 (h) learners under the age of 18 who are employed as 7 farm workers, provided that such the exclusion shall may not 8 exceed a period of 180 days from their initial date of 9 employment and further provided that during this exclusion 10 period wages paid such the learners may not be less than 50% 11 of the minimum wage rate established in this part;

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14 or ranch;

15 (j) any <u>an</u> individual employed in a bona fide 16 executive, administrative, or professional capacity as these 17 terms are defined and delimited by regulations of the 18 commissioner;

19 (k) any <u>an</u> individual employed by the United States of 20 America;

(1) resident managers employed in lodging
establishments or personal care facilities who, under the
terms of their employment, live in the establishment or
facility.

25 (2) The provisions of 39-3-405 do not apply to:

(a) an employee with respect to whom the United States
 Secretary secretary of Pransportation transportation has
 power to establish qualifications and maximum hours of
 service pursuant to the provisions of 49 U.S.C. 304;

5 (b) an employee of an employer subject to the 6 provisions of part I of the Interstate Commerce Act;

7 (c) an individual employed as an outside buyer of 8 poultry, eggs, cream, or milk, in their raw or natural 9 state;

10 (d) an outside salesman paid on a commission or
11 contract basis who is primarily employed in selling
12 advertising for a newspaper;

(e) a salesman, partsman, or mechanic paid on a
commission or contract basis and primarily engaged in
selling or servicing automobiles, trucks, mobile homes,
recreational vehicles, or farm implements if he is employed
by a nonmanufacturing establishment primarily engaged in the
business of selling such the vehicles or implements to
ultimate purchasers;

(f) a salesman primarily engaged in selling trailers,
boats, or aircraft if he is employed by a nonmanufacturing
establishment primarily engaged in the business of selling
trailers, boats, or aircraft to ultimate purchasers;

24 (g) a salesman paid on a commission or contract basis
25 who is primarily engaged in selling advertising for a radio

1 or television station employer;

(h) an employee employed as a driver or driver's helper
making local deliveries who is compensated for such
employment on the basis of trip rates, or other delivery
payment plan, if the commissioner finds that such the plan
has the general purpose and effect of reducing hours worked
by such the employee: to or below the maximum workweek
applicable to them under 39-3-405;

9 (i) an employee employed in agriculture or in 10 connection with the operation or maintenance of ditches, 11 canals, reservoirs, or waterways not owned or operated for 12 profit and not operated on a sharecrop basis and which that 13 are used exclusively for supply and storing of water for 14 agricultural purposes;

(j) an employee with respect to his employment in agriculture by a farmer, notwithstanding other employment of such the employee in connection with livestock auction operations in which such the farmer is engaged as an adjunct to the raising of livestock, either on his own account or in conjunction with other farmers, if such the employee is:

21 (i) primarily employed during his workweek in
22 agriculture by such the farmer; and

(ii) paid for his employment in connection with such the
livestock auction operations at a wage rate not less than
that prescribed by 39-3-404;

14

(k) an employee of an establishment commonly recognized
 as a country elevator, including an establishment which that
 sells products and services used in the operation of a farm,
 if no more than five employees are employed by the
 establishment;

6 (1) a driver employed by an employer engaged in the7 business of operating taxicabs;

(m) an employee who is employed with his spouse by a 8 9 nonprofit educational institution to serve as the parents of children who are orphans or one of whose natural parents is 10 deceased or who are enrolled in such the institution and 11 reside in residential facilities of the institution so long 12 13 as the children are in residence at the institution and so long as such the employee and his spouse reside in such the 14 facilities and receive, without cost, board and lodging from 15 16 the institution and are together compensated, on a cash basis, at an annual rate of not less than \$10,000; 17

(n) an employee employed in planting or tending trees;
cruising, surveying, or felling timber; or transporting logs
or other forestry products to a mill, processing plant,
railroad, or other transportation terminal if the number of
employees employed by his employer in such the forestry or
lumbering operations does not exceed eight;

24 (o) an employee of a sheriff's department who is25 working under an established work period in lieu of a

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1 workweek pursuant to 7-4-2509(1);

2 (p) an employee of a municipal or county government who 3 is working under a work period not exceeding 40 hours in a 4 7-day period established through a collective bargaining 5 agreement when a collective bargaining unit represents the 6 employee or by mutual agreement of the employer and employee 7 where when no bargaining unit is recognized. Employment in 8 excess of 40 hours in a 7-day, 40-hour work period must be 9 compensated at a rate of not less than $1 \frac{1}{2}$ times the 10 hourly wage rate for the employee.

11 (q) an employee of a hospital or other establishment 12 primarily engaged in the care of the sick, disabled, aged, 13 or mentally ill or defective who is working under a work 14 period not exceeding 80 hours in a 14-day period established 15 through either a collective bargaining agreement when a 16 collective bargaining unit represents the employee or by 17 mutual agreement of the employer and employee where when no 18 bargaining unit is recognized. Employment in excess of 8 19 hours per day or 80 hours in a 14-day period must be 20 compensated for at a rate of not less than 1 1/2 times the 21 hourly wage rate for the employee.

(r) a firefighter who is working under a work period
established in a collective bargaining agreement entered
into between a public employer and a firefighters'
organization or its exclusive representative;

(s) an officer or other employee of a police department
 in a city of the first or second class who is working under
 a work period established by the chief of police under
 7-32-4118;

5 (t) an employee of a department of public safety 6 working under a work period established pursuant to 7 7-32-115<u>;</u>

8 (u) an employee employed in the construction industry
9 under a work schedule established pursuant to [section 1]."

10 NEW SECTION. Section 5. Codification instruction. (1)

11 [Section 1] is intended to be codified as an integral part 12 of Title 39, chapter 3, part 4, and the provisions of Title

13 39, chapter 3, part 4, apply to [section 1].

14 (2) [Section 2] is intended to be codified as an
15 integral part of Title 39, chapter 4, part 1, and the
16 provisions of Title 39, chapter 4, part 1, apply to [section
17 2].

-End-

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SENATE STANDING COMMITTEE REPORT

Page 1 of 1 April 2, 1991

MR. PRESIDENT:

We, your committee on Labor and Employment Relations having had under consideration House Bill No. 204 (third reading copy -blue), respectfully report that House Bill No. 204 be amended and as so amended be concurred in:

1. Title, lines 12 and 13.
Following: ";" on line 12
Strike: "AND"
Following: "MCA" on line 13
Insert: "; AND PROVIDING AN APPLICABILITY PROVISION"

2. Page 2, lines 22 through 25. Following: "means" Strike: remainder of line 22 through "structure" on line 25 Insert: "the major group of general contractors and operative builders, heavy construction (other than building construction) contractors, and special trade contractors, listed in major groups 15 through 17 in the <u>1987 Standard</u> <u>Industrial Classification Manual</u>. The term does not include office workers, design professionals, salesmen, estimators, or any other related employment that is not directly involved on a regular basis in the provision of physical labor at a construction or renovation site"

3. Page 10.

Following: line 17

Insert: "<u>NEW SECTION.</u> Section 6. Coordination instruction. The definition of "construction industry" in [section 3(2) of this act] is intended to coordinate with the definitions of "construction industry" in House Bills No. 187 and 342. <u>NEW SECTION.</u> Section 7. Applicability. [This

act] does not apply to bids for construction projects let before October 1, 1991."

Homes E. Signed:

Thomas E. Towe, Vice Chairman

 $\frac{91. \ 4-2-91}{\text{Add. Coord.}}$ $\frac{SB \ 4-3}{\text{Sec. of Senate}} \ 10.50$

SENATE H/S 209

SENATE COMMITTEE OF THE WHOLE AMENDMENT

April 2, 1991 1:34 pm

Mr. Chairman: I move to amend House Bill No. 204 (third reading copy -- blue) as follows:

1. Page 2, line 3. Following: line 2 Insert: "(3)(a) In the case of either a 4-day workweek or a 5-day workweek, workdays in which the normally scheduled work is not performed because of inclement weather may not be counted as part of the workweek for overtime purposes. In such cases, the employer may schedule additional workdays to make up for workdays missed because of inclement weather.

(b) In the case of either a 4-day workweek or a 5-day workweek, when work is canceled for part of a workday because of inclement weather, the employer may schedule additional workdays to make up the time lost due to inclement weather. In such cases, the total of hours worked on each partial workday must be added to the total of hours worked on each makeup workday for overtime purposes."

ADOPT

REJECT

M Signed Senator Harp

SENATE