

Opinion No. 318.

**Cities and Towns — Employment
Offices, Appropriations for.**

HELD: Incorporated cities have the power to appropriate money for the support of free public employment offices, said money to be used jointly with the county, state and federal funds

in maintaining employment offices in such cities, and agreements made between such cities and the Montana State Employment Service are valid.

August 8, 1938.

Hon. Barclay Craighead
Chairman, Unemployment Com-
pensation Commission of Montana
Helena, Montana

Dear Mr. Craighead:

You have asked what powers municipalities have in appropriating money for the support of free public employment offices, said money to be used jointly with county, state and federal funds in maintaining state employment service offices in such municipalities, and whether agreements made between the Montana State Employment Service and such municipalities are valid. No specific facts concerning any particular city, nor any definite set-up, are stated.

Section 3636, R. C. M. 1935, reads as follows:

"It is the duty of the city council of any incorporated city of the first or second class within this state, and it shall be lawful for the city council of any other incorporated city, to provide for the establishment of a free public employment office to be conducted on the most approved plans, and to provide for the expenses thereof out of the revenues of the city in which the same is established. The annual report of the department of agriculture, labor, and industry shall contain a detailed account of all such free employment offices within the state showing the number of applicants for employment, the number securing employment, and the expenses of maintaining such office."

There is, therefore, no question but that cities of the first and second class are required by statute to set up free public employment offices and that all other incorporated cities have authority to do so. The only question remains as to whether such free public employment offices may be set up jointly with the state and county, or whether funds may be appropriated for the establishment of a general office to serve the state, county and city.

Under the Wagner-Peyser Act Congress appropriated money for the establishment of free public employment offices by the matching of funds with state, county and municipalities. The Twenty-fifth Legislative Assembly enacted the following:

"All moneys received by this State under the said act of congress, as amended, shall be paid into the special 'employment service account' in the unemployment compensation administration fund, and said moneys are hereby made available to the Montana state employment service to be expended as provided by this section and by said act of congress. For the purpose of establishing and maintaining free public employment offices, the Montana state employment service is authorized to enter into agreements with any political subdivisions of this State or with any private, nonprofit organization, and as a part of any such agreement the commission may accept moneys, services, or quarters as a contribution to the employment service account." (Section 12 (b), Chapter 137, Laws of 1937.)

It is evident that the legislature, by this enactment (we refer not only to the section quoted above but other sections of said Chapter 137), intended that the state, counties and municipalities should be permitted to take advantage of the matching funds provided by the federal government, and, further, by expressly authorizing the Montana State Employment Service to enter into agreements with any political subdivision of this state, intended that moneys appropriated by such subdivisions should be used for the setting up of free public employment offices to serve the whole community without limiting their jurisdiction to municipal boundaries.

In view of the broad, general, and express powers granted by Section 3636, without specific restriction, and the recent legislative enactments, I am of the opinion that all incorporated cities have the power to appropriate money for the support of free public employment offices, said funds to be used jointly with county, state and federal funds in maintaining employment offices in such cities, and that

any agreements, to that end, made between the Montana State Employment Service and such cities, are valid.