

January 28, 1977

MONTANA LEGISLATIVE COUNCIL
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LABOR AND EMPLOYMENT RELATIONS COMMITTEE PROCEEDINGS:

A meeting of the House Labor and Employment Relations Committee was held on Friday, January 28, 1977 at 3:00 p.m. in Room 428A of the State Capitol. All members were present.

The first part of the meeting was devoted to executive action on bills already heard. The first bill so considered was HOUSE BILL 290. Rep. Baeth moved, Rep. Porter seconded, that it DO PASS. Question was called for and the motion carried unanimously.

Concerning HOUSE BILL 239 - the sponsor Rep. Brand withdrew his amendment and moved that the bill DO PASS. Rep. Porter seconded this motion. Rep. Ellerd, who was not present for this portion of the meeting, had left a voting pair with a "no" vote; Rep. Williams paired his "aye" vote with it, and the motion carried with Rep. Ellerd's "no" being the only opposing vote.

HOUSE BILL 75 - It had been confirmed that the Rules Committee would not allow a repealer to be amended. Vice-Chairman Williams suggested that a committee bill be drafted. Discussion followed. A straw vote was taken on who would be against making a committee bill. Five members were opposed. Rep. Teague then moved that the bill DO NOT PASS. Rep. Baeth seconded this motion; motion carried with Reps. Wyrick, Porter, Sivertsen, Turner and Ellerd opposed. Rep. Williams then moved, Rep. Kanduch seconded, that a committee bill be drafted. Motion carried with Rep. Turner opposed. Rep. Brand brought up the possibility that HB 75 be kept in committee until action was taken on the committee bill. Discussion followed.

The chairman informed the committee that HOUSE BILL 346, which had been scheduled for hearing on this date, had been moved from the Labor Committee to a select committee, on the floor just prior to this meeting. This had been without the Chairman's knowledge or approval. However, this action had been cleared with the select committee's chairman, and the house majority leader had made the motion to rerefer the bill.

Reps. Lynch, Kanduch and Sivertsen were appointed to the subcommittee to study HB 75.

HOUSE BILL 420 was then heard. Rep. Harper was chief sponsor. He stated that currently Montana is the only state in the union which doesn't make partial payments for unemployment. Presently a claimant can work 12 hours per week. An incentive should be provided for part-time work. This bill would change the definition of total unemployment. Some slight amendments were submitted, in order that the bill would work more smoothly. The bill was by request of the Dept. of Labor. Harold Kansier then explained that Department's view. He feels that there would be some saving to the trust fund under this provision. A fiscal note worksheet was passed out, along with an example of what effect this legislation as amended would have on a claimant. Rep. Polly Holmes then spoke in favor of the bill. She read a portion of a letter from a constituent whose unemployment benefits paid more than her part-time wages offered. She feels that this bill would help individuals like this one. Steve Harper then spoke as a proponent. Under the present law, one can work up to 12 hours per week, and over that one would lose all of their weekly benefits. Under this bill it

starts with a cut-off at 1/4 of the weekly benefit and after that there is a 50% reduction. There is more incentive to work over 12 hours this way. Unemployment benefits are tax-free, but if the claimant were working part-time he would be paying taxes into the state. Chad Smith, representing the Unemployment Comp. Advisors, Inc., then spoke, stating that this procedure has been accepted in just about every other state in the union. The bill is very important also, because it includes a portion that is to replace a deletion that HOUSE BILL 331 will cause. There were no other proponents.

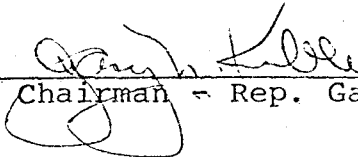
Jim Murry, executive secretary of the Montana State AFL-CIO then rose as neither a proponent nor an opponent. Some employers have used the 12-hour limit in order to keep good employees on year-round by giving them 12 hours' of work when the work is slow. People in the higher income brackets are going to be penalized to some degree. His main concern is that this may encourage employers to work people 16 or 17 hours and as a result there may be fewer people working in the winter months. One possible solution might be to increase the wage base from 1 1/2 times to 2 times the weekly benefit amount. Questions were then asked. Rep. Kanduch expressed the conviction that this bill should pertain to low-income people. Steve Harper then spoke on Jim Murry's proposed change. The claimant under this change would be practically full-time employed. The sponsor pointed out that under the provisions of this bill, Montana would be placed near the middle of the scale as far as other states go. The hearing was then closed.

HOUSE BILL 241, sponsored by Rep. Dassinger, was then opened for hearing. This bill would put Montana law in conformity with the Administrative Procedures Act. There being no further proponents and no opponents, the committee proceeded to ask questions. Fred Barrett, Employment Security Division, was available and helped answer the questions.

Rep. Lynch moved that HOUSE BILL 241 DO PASS. Rep. Dassinger seconded the motion; motion carried.

Rep. Lynch moved that action on HOUSE BILL 420 be deferred for the day. He suggested the possibility of changing the base. Rep. Baeth seconded the motion; motion carried unanimously.

Meeting was adjourned.



Chairman - Rep. Gary N. Kimble

Secretary