

January 31, 1977

LABOR AND EMPLOYMENT RELATIONS COMMITTEE PROCEEDINGS:

A meeting of the House Labor and Employment Relations Committee was held on Monday, January 31, 1977, on adjournment of the House of Representatives in Room 428A of the State Capitol. All members were present with the exception of Representative Baeth, who was excused.

The first bill considered was HOUSE BILL 444, sponsored by Representative Estensen. This legislation is a result of a problem with the Board of Personnel Appeals to get timely decisions out. At present, there are no time limits for final decisions, and sometimes the wait after the initial unfair labor practice is filed drags on for six or seven months. Mr. Dave Sexton, Montana Education Association, then spoke. He stated that "justice demands speedy resolution of unfair labor practices". If this bill is put into the statutes, then the Board will have some guidelines to follow. The next proponent was Jim Murry, Montana State AFL-CIO. He supports the bill but feels that in order for the Board to meet these guidelines they would need the additional staff which they have requested. Bob Jensen, Administrator of the Board of Personnel Appeals then stated that he supports this concept but has the same concern as with HOUSE BILL 319 of the previous session. Their present staff couldn't meet the requirements. In Fiscal Year 1976, 129 hearings were handled by only four examiners. Randall Ward, an employee of the Montana Nurses Association, then spoke on behalf of his personal convictions. He expressed some reservations about the 90-day language; it was his feeling that it was too restrictive. If the attorneys feel they need more time, it should be granted. He supported the plea for additional staff.

There were no opponents to HOUSE BILL 444. Questions were asked. One committee member inquired as to the penalty for going beyond the 90-day limit. It was concluded that some sort of action could be initiated but that hopefully this would merely lend itself to less liberality on extensions, which is what is holding up many of the hearings at the present time.

HOUSE BILL 370 was then heard. Representative Moore, as chief sponsor, explained that this was another bill from the Department of Labor, which would change the minimum weekly benefit amounts; and schedules would use the average weekly wage. This provision assures that domestic and agricultural employees will be able to take advantage of the act passed which will take effect in January, 1978. Amendments to the bill were submitted. Passage of the bill would benefit the trust fund, with an estimated decrease of \$2.7 million, and \$2.65 million for 1978. Fred Barrett, Administrator of the Employment Security Division, explained that the amendments are required in the federal legislation, and they should have been included in the bill, but the Division erred in not putting them in. While this does eliminate some people from coverage, there is a legitimate reason for that. These people are from very low income, and maybe some other program should cover them. This group would be considered under-employed, not unemployed.

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Mr. Harold Kansier, Employment Security Division, described the formulas drafted and the methods of calculating the benefits. The method of computing the amount of benefits does not change. Dale Kutterer, Montana Deaconess Medical Center and Great Falls Area Chamber of Commerce, then recommended a DO PASS on the bill. There has been some opposition voiced to these changes in the unemployment compensation laws speaking to the fact that these approaches are an overreaction to a situation. He recommended to the committee for reading, the legislative auditor's report.

The only opponent to speak was Jim Murry, Executive Director of the Montana State AFL-CIO. This bill further restricts the Montana Unemployment Compensation Act. It hurts the very people in the low income brackets. He can well understand that it is more equitable to handle it this way because those low-income people are going from unemployment compensation to welfare. The Division is just trying to make sure that fewer people qualify under the act, since that is one way of saving money.

The sponsor then closed. He feels that many people will work the minimum amount of time in order to qualify. This act would keep those people working and drawing more earnings, and will benefit them in the long run, as they will then be true members of the work force. Questions were asked. The hearing was closed on House Bill 370. No action was taken, as the fiscal note was not yet delivered to the committee.

The committee then went into executive session to consider the following bills:

HOUSE BILL 444. Representative Kanduch moved, Representative Brand seconded, that it DO PASS. Discussion then took place. Representative Turner felt it would be better to make this in the form of a resolution, and made a substitute motion that the bill DO NOT PASS. He felt that the bill had no teeth in it, and, therefore, was unworkable. Representative Lynch expressed the feeling that this bill would give the Board of Personnel Appeals initiative to work faster, as they would know the Legislature was watching them. Question was then called for. The motion DO NOT PASS failed, with Representatives Wyrick, Turner, Sivertsen and Ellerd opposed. The motion of DO PASS was then voted on and passed, with Representatives Wyrick, Turner and Ellerd opposed.

HOUSE BILL 296. Representative Bradley's suggested amendments were discussed. Representative Lynch moved, Representative Williams seconded, that the amendments be accepted. Motion carried unanimously. Representative Lynch then moved DO PASS AS AMENDED; Representative Williams seconded the motion. Discussion took place. Representative Brand expressed some doubts about the bill; he feels that the higher grades shouldn't have a full 5% of their positions included under the provisions of this bill. Representative Porter feels it would be an administrative nightmare. Chairman Kimble resisted the opinion, pointing

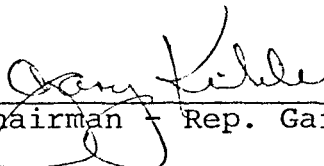
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out other cases in which this had been expected and had not happened. Representative Ellerd felt that the bill was a sentimental venture. A substitute motion was made that the bill DO NOT PASS. Representative Porter seconded it, stating his opinion that nobody thinks the bill could possibly be workable. If it went to the floor, it would be a nightmare to explain and handle. Representative Lynch moved that the bill be put into a sub-committee and Representative Williams seconded the motion. Motion carried with 4 opposed; see roll call vote.

HOUSE BILL 75. The proposed substitute bill was passed out to the committee members. Representative Lynch announced that all parties were agreeable to the amendments suggested, which would provide that in lieu of a bond a statement be submitted proving net worth in an amount in excess of \$15,000. The discrimination factor still exists, but with the high rate of failure to pay back wages in this field, the repealer would not be a good idea. It was also confirmed that Representative Underdal was in agreement with the amendments. It was resolved to have the bill printed, after which time it could be considered by the committee. Representative Ellerd recommended that it be stipulated that the financial statement be made yearly. This was agreeable to the committee members.

The meeting was adjourned.


Chairman - Rep. Gary N. Kimble

Secretary