

March 11, 1977

LABOR AND EMPLOYMENT RELATIONS COMMITTEE PROCEEDINGS:

A meeting of the House Labor and Employment Relations Committee was held on Friday, March 11, 1977 at 10:00 a.m. in Room 225 of the State Capitol. All members were present.

The first bill to be heard was SENATE BILL 430, another committee bill from the Senate Labor Committee. Senator Goodover presented the bill to this committee. This bill was requested by the Division of Workers Compensation. The amendments made in the Senate had been agreed to by the Anaconda Company, as well as the AFL-CIO. Norman Grosfield, Administrator of the Workers Compensation Division, Dept. of Labor, then spoke. The current act was passed in 1959. At that time they tried to address all conceivable problems dealing with this area. This bill revises the entire act. There are substantive changes in the bill. Medical benefits were changed to comply with the current Workers Compensation Act. Expert panels of doctors are needed to review occupational disease claims and to examine the patients. The bill suggests a similar procedure, but it is clarifying the problems. The bill also suggests a panel for non-pulmonary occupational diseases. A memorandum was then distributed describing the bill section by section. Steve Williams, an attorney with the Anaconda Company, stood up in support of the bill. His company has reviewed this bill on two occasions before the session started in January. The procedures outlined in this bill will benefit not only the Workers Comp. Division, but all other parties involved. Ernie Post, AFL-CIO, rose on behalf of Mr. Jim Murry in support of the bill.

There were no opponents to SB 430. Questions were asked. The hearing was closed.

SENATE BILL 436 was then heard. The sponsor, Senator Towe, opened by explaining that he had introduced this bill because of concerns voiced to him in eastern Montana. People had been asking him, "How come we don't require those receiving welfare to work and do something constructive?" This bill extols the work ethic - it allows counties to create resource corps composed of volunteers and persons who are on public assistance. Creative job opportunities are emphasized in the bill, particularly projects which would help low income people or help beautify the county in which they live. Participation, with the exception of welfare recipients, would be completely voluntary. The Senate wants to require persons on unemployment to participate as well. However, Senator Towe at this time called the committee's attention to several proposed amendments which would delete this portion of the bill. The bill as amended would still mandate that employment offices encourage unemployment recipients to participate in the programs. The counties would be encouraged

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to develop permanent positions. The persons involved would receive state employment credit, so far as the experience factor is considered. Concerning this concept, Rep. Marks' bill also asks for the same type of thing, but this bill combines that concept of volunteers and spells out the things that would be job opportunities.

Irene Houte, from Opportunities, Inc., then spoke. She submitted written testimony from the Assistant Administrator of Opportunities, Inc., Mr. Bud Klopfenstine and Mr. Bob Haddock, Community Development Director. Ernie Krumm, representing himself and the teachers of the educable mentally retarded, then spoke. There are many people to be tapped that can contribute much to society. This bill would really give an alternative to the unemployment service people, too. These jobs don't compete with the union jobs, and can help prepare the people for union jobs. Fred Barrett, Employment Security Division, Dept. of Labor, then spoke up in favor of the bill as amended; see prepared statement. He also submitted a pamphlet entitled "The Employers Guide to Complete Placement Service".

The opponents to SB 436 then spoke. Tony Softich, Administrator of the Labor Standards Division, Dept. of Labor, was first; see prepared statement. His statement had been prepared prior to the introduction of the amendments. This bill as amended is the same bill as HB 803. Ernie Post, AFL-CIO, then spoke. He called to the committee's attention some of the House-Senate Joint Rules. On page 33 - "No bill may be introduced or received after the same type of bill has been killed." Also, "No law shall be passed except by bill and no bill shall be altered to change its purpose..." Mr. Post feels that with the Senate amendments, this bill is not as well thought out as HB 622. The same persons assigning these jobs would review appeals; he feels this, too, is wrong. Also, there is no provision for illness. If the Legislature wants to pass a work incentive for welfare recipients, HB 622 should be the one. Also, there is no minimum wage provision in this bill. He expressed doubt about whether the Senate would accept Senator Towe's proposed amendments. There are no provisions for the financing of this bill if enacted. Also, there are federal regulations on these programs. At this point he presented to the committee an excerpt from the Congressional Record outlining the Manpower Development Act of 1973, which explains the purpose of CETA. He also submitted a Dept. of Labor document entitled "Comprehensive Manpower Program and Grants to Areas of High Unemployment".

Walter Perry, Montana Legal Services, spoke next. The bill is unworkable and inhumane, in his eyes. It would create a nightmare of administrative confusion. Because a person depends on public assistance, he would be forced to do

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menial labor. Stan Gerke, AFSCME, AFL-CIO then testified; see prepared statement. He, too, had prepared his testimony before he realized that the amendments were being introduced by the sponsor. With the amendments, the bill still remains very similar to HB 803 and still destroys the concept and reason for public assistance programs.

Senator Towe then closed. Most of Mr. Post's testimony was aimed at the unemployment benefit recipients, and he agrees with this point and has suggested amendments to delete this portion of the bill. All definitions not contained in the bill itself are covered in the SRS laws. As for appeal authority, the Board of SRS Appeals had been named, but the Senate also amended this portion of the bill. This would not now be oppressive to the people involved. Rep. Marks' bill only sets up a pilot project affecting six counties; SB 436 is not mandatory and is available to all counties, if they choose to adopt it. Rep. Marks' bill does not allow volunteers to participate. Also, his bill provides no guidelines on what kind of employment would be offered.

Questions were then asked concerning SB 436. Mr. Post said that if this bill were amended, he would take a neutral stand on it. Senator Towe pointed out that mothers on ADC would not be required to work unless classified as "employable", which requires that their children be school-aged and have access to day care facilities. Senator Towe stressed that this program would be strictly on a volunteer basis and therefore the only expenses involved might be some driving or pocket reimbursement, which would not amount to much. Also, there may be some supervisory costs. Someone from the Parks Dept. or elsewhere might take this function on to his duties. This entire matter would be determined by the county commissioners, and how much money they wanted to spend. There were questions about state employment credit and what it meant. Senator Towe explained that this credit would only count towards seniority, and would have no monetary implications. The opposition stated that the granting of seniority might be in conflict with union contracts which contained seniority clauses. Senator Towe stated that if there was any conflict with union contracts, the existing law would cover that. Rep. Lynch questioned whether this bill should in fact have been passed to the House, being as its amended version made it almost identical to HB 803. Chairman Kimble promised to refer the matter to the Rules Committee before this committee reported the bill out. Workers Compensation would have to be provided for the persons involved in these projects, but the sponsor feels this is justified. Rep. Teague spoke up in support of the original bill. Mr. Post, in response to a question from Rep. Teague, stated that he did not feel Section 7 of the bill was workable. The hearing was then closed.

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The chairman entertained a motion to send SB 436 to the Rules Committee before taking action on it. Rep. Teague so moved; Rep. Williams seconded the motion. Discussion. Rep. Lynch asked whether there was enough feeling for the bill to warrant sending it to the Rules Committee. He would rather see HB 803 pass. He then moved that SB 436 BE NOT CONCURRED IN. Rep. Dassinger seconded the motion. Further discussion. Rep. Dassinger stated that he felt the portion of the bill providing that this be an "incentive program" would cost money to accomplish, in all areas. Rep. Teague rose in opposition to the motion. Question was then called for. Motion carried with Reps. Teague, Ellerd and Kanduch opposed.

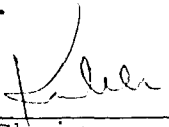
SENATE BILL 430 was then acted upon. Rep. Williams moved that it BE CONCURRED IN. Rep. Turner seconded the motion. Motion carried unanimously. Rep. Williams agreed to carry the bill on the floor.

SENATE BILL 385 was acted upon. Rep. Lynch presented the Subcommittee Report. He explained several amendments which they had come up with. He then moved that the bill BE CONCURRED IN AS AMENDED. Rep. Williams seconded the motion; motion carried with Reps. Ellerd and Turner opposed. Rep. Lynch will carry this bill.

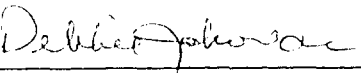
SENATE BILL 357 was then acted upon. Rep. Teague moved that it BE CONCURRED IN AS AMENDED according to the amendment Mr. Grosfield from the Dept. of Labor had suggested at the hearing on this bill. Rep. Baeth seconded the motion. Discussion. Motion carried with Rep. Sivertsen leaving a "no" vote. Rep. Lynch agreed to carry this bill, also.

SENATE BILL 234 received a motion that it BE CONCURRED IN. Motion carried unanimously; the Chairman agreed to carry this bill.

The meeting was then adjourned.



Chairman - Rep. Gary N. Kimble



Secretary