

MINUTES OF THE MEETING
LABOR & EMPLOYMENT RELATIONS COMMITTEE
MONTANA STATE SENATE

March 23, 1977

The twenty-eighth meeting of the Labor and Employment Relations Committee was called to order by Chairman Lee on the above date in Room 402 of the State Capitol Building at 9:30 a.m.

ROLL CALL: All members present with Senator Lowe and Senator Mehrens excused.

FURTHER CONSIDERATION OF HB 370: Senator Lee submitted some amendments to HB 370, a copy of which is attached. These amendments address themselves to the two federal requirements and they also strike the fiscal impact of the new rescheduling of benefit wages. These will concur with the federal requirements of this bill which deal with the unemployment benefits for newly covered workers and the federal trigger on extended benefits.

With the rescheduling of benefits, the payment of benefits will be decreased by a total of five million dollars. By saving this money, the workers are going to be denied five million dollars worth of benefits.

Fred Barrett of the Employment Security Division stated that the duration of benefits is not a federal requirement. This benefit schedule puts the wage benefits on a graduated scale of 12 to 26 weeks. The proposed amendments would eliminate this program and put the language in the bill back to the way the law was. This would be for three wage benefit programs.


Senator Goodover stated that these amendments are against all of the testimony because there was no opposition to this bill.

Senator Smith made a motion that the committee adopt the proposed amendments to HB 370. The motion failed with Senators Lee, Blaylock, Mehrens, and Smith voting "aye" and Senators Lowe, Goodover, Himsl, and Nelson voting "nay".

Senator Goodover then made a motion that HB 370 BE CONCURRED IN. The motion failed with Senator Lowe, Goodover, Himsl, and Nelson voting "aye" and Senators Lee, Blaylock, Mehrens, and Smith voting "nay". HB 370 will go to Second Reading without recommendation.

ADJOURN:

There being no further business, the meeting was adjourned at 9:55 a.m.


Robert E. Lee, Chairman

ROLL CALL

LABOR & EMPLOYMENT RELATIONS COMMITTEE

45th LEGISLATIVE SESSION - - 1977

Date 3/23

[illegible]

SENATE COMMITTEE LABOR & EMPLOYMENT RELATIONS

Date _____ House Bill No. 370 Time _____

NAME	YES	NO
Senator Robert Lee, Chairman		✓
Senator Bill Lowe, Vice Chairman	✓	
Senator Chet Blaylock		✓
Senator Pat Goodover	✓	
Senator Matt Himsl	✓	
Senator Sandy Mehrens		✓
Senator Harold Nelson	✓	
Senator Richard Smith		✓

Laurie Jo Antonietti
Secretary

Senator Robert Lee
Chairman

Motion: Senator Goodover made a motion
that HB 370 BE CONCURRED IN. The
motion failed. HB 370 will go to Second
Pending WITHOUT RECOMMENDATION.

(include enough information on motion--put with yellow copy of committee report.)

PROPOSED AMENDMENTS TO HB 370

1. Amend title, line 11.

Following: "CHANGE"

Strike: "THE"

2. Amend title, line 12.

Following: "AMOUNT"

Strike: "DURATION OF BENEFITS,"

3. Amend title, lines 13 through 15.

Following: "BENEFITS"

Strike: lines 13 through 15 in their entirety

Insert: "."

4. Amend page 3, section 1, line 25.

Following: "highest"

Insert: "other than the quarter in which his wages were highest,"

5. Amend page 4, section 1, lines 1 through 2.

Following: "amount"

Strike: lines 1 through 2 in their entirety

Insert: "13 times his weekly benefit amount."

6. Amend page 4, section 1, lines 3 through 18.

Strike: subsection (d) in its entirety

Renumber: subsequent subsections

7. Amend page 6, section 2, line 25.

Following: "subsection"

Insert: "The maximum total amount of benefits payable to an eligible individual during a benefit year is:

(a)(1) 13 times his weekly benefit amount if he is qualified as an insured worker, as defined in 87-103(c), and he does not qualify under subsections (a)(2) or (a)(3) of this section;

(2) 20 times his weekly benefit amount if, in addition to meeting the requirements of 87-103(c), he received wages of \$100 or more for insured work in each of two quarters in his base periods other than the quarter in which his wages were highest; or

(3) 26 times his weekly benefit amount if, in addition to meeting the requirements of 87-103(c), he received wages of \$100 or more for insured work in each of three quarters in his base period other than the quarter in which his wages were highest."

NEWLY PROPOSED UNEMPLOYMENT INSURANCE BENEFIT SCHEDULE

The benefit schedule proposed in HB 370 will establish the claimant's eligibility duration for benefits more equitably since it provides for longer duration for those people who have a greater attachment to the labor market and lesser duration for those people whose earnings show a lesser attachment to the labor market. The net result is that a person with greater earnings during his benefit year is awarded longer duration. For example:

Claimant #1	Claimant #2
\$2,000 - 3 mo.	\$2,000
1,000 - 3 mo.	2,000
<u>100 - 3 mo.</u>	<u>2,000</u>
\$3,100 Total Earnings	\$6,000

Present Law

	Duration	Benefits	Total Benefits	Total Earnings	Percent of Benefits to Earnings
#1 -	20 weeks x	\$77	= \$1,540	÷ \$3,100	= 50%
#2 -	20 weeks x	\$77	= \$1,540	÷ \$6,000	= 26%

Proposed Law

#1 -	12 weeks x	\$77	= \$ 924	÷ \$3,100	= 30%
#2 -	22 weeks x	\$77	= \$1,694	÷ \$6,000	= 28%

The above example illustrates that the person with more earnings obviously more attachment to the labor market does not receive equitable consideration under the present law and that this is equalized under the proposed law.