

MARCH 3, 1979
PROCEEDINGS OF THE
LABOR AND EMPLOYMENT RELATIONS COMMITTEE

The meeting was called to order at 12:30 p.m. by Chairman Williams. The secretary took roll. Rep. Pavlovich was excused. All other members were present.

SENATE BILL 280: Senator Hazelbaker, sponsor, gave a brief history on rural hospital districts. He said the Department of Labor and Industry had questioned whether or not the employees of those hospitals were state employees. A decision by the attorney general said that they are. Senator Hazelbaker said a law suit had been filed by some employees against the hospital in Chouteau asking for back benefits. He said the rural hospitals have always had financial problems, and SB 280 would declare that employees of rural hospital districts are not state employees and help to avoid future law suits.

The following were proponents to SB 280:

Chad Smith, Montana Hospital Association, said he supports the bill but thought it should be amended so that the holidays provided by the bill would not be limited to just those days, but could be negotiated. He said rural hospital district employees are not the usual type of state employee and they should be free to negotiate the rules of their employment.

Jean Rittal, Terry, Prairie County Hospital District, said the decision by the attorney general did increase certain benefits for fulltime employees, but she said the hospital cannot survive without parttime employees and they now receive no benefits. Ms. Rittal submitted written statements from employees at the Prairie Community Hospital and Nursing Home (exhibits 1 & 2).

Irene Gumm, Clerk and Recorder, Terry, said she is aware of the financial problems of their hospital and she works closely with the board to keep it open. She said she supports the bill with an amendment that would allow for extra holidays.

Mary Frances Eloff, Payroll & Bookkeeping Clerk, Chouteau County District Hospital, stated they do not want increased personal benefits at the expense of their hospital (exhibit 3).

Larry Dan, Chouteau County District Hospital, submitted a petition signed by employees at the district hospital who support SB 280 (exhibit 4).

Chuck Eckberg, Chouteau County District Hospital, said the 3 mill levy is to operate the hospital and not to increase employee benefits.

Ken Rutledge, Montana Hospital Association, said that rural hospitals have difficulty hiring personnel and the attorney general's decision means they would have to hire more employees. He said the small rural hospitals are essential and the entire Montana Hospitals

Association supports SB 280.

Rep. Audrey Roth, Dist. 10, spoke in support of the bill on behalf of the Big Sandy District Hospital.

Rep. Bill Hand, Dist. 82, spoke briefly for the bill.

Rep. Kerry Keyser, Dist. 81, said the hospital in his district can only go to the county for so much money. He urged the committee to support the bill.

Rep. Day, Dist. 54, said he supports SB 280.

Dean Zinnecker, Montana Association of Counties, urged the committee to support the bill.

The following were opponents to SB 280:

Don Judge, AFSCME, said he was against the bill and thought it was unfair to use the employees to try and balance the budget. He said that if this bill passes there are many other benefits they will lose besides holidays.

Edward Mares, Montana Nurses' Association spoke against the bill and submitted written testimony (exhibit 5) and a copy of the attorney general's decision (exhibit 6).

Pam Cappis, Chouteau County District Hospital Nurses' Association. She said she was representing four registered nurses who are organized. She said that when their hospital became public they asked the board if they were eligible for other benefits, and were told that they were not. She said the Department of Labor stepped in and said that they were eligible, but the board refused to accept the ruling. She said the matter was taken to the attorney general and even after his decision the board still refused to comply. She said SB 280 was introduced purely and simply to make a new law to prevent the hospital from having to pay.

Jim Gardner, Labor Standards Division, said he takes no position on the bill and was speaking as a private citizen. He said the bill puts nurses at a disadvantage. He said they don't go after the administrators, only the after the nurses.

Jim Murry, Montana State, AFL-CIO, said the case against SB 280 has been well stated. He said the bill effects the low paid and the women workers, and is grossly unfair.

In closing, Senator Hazelbaker said he was surprised that organized labor had taken an interest in SB 280. He said the problem is whether or not we will be able to keep our small rural hospitals open, or will they go out of business.

Questions were asked by the committee.

SENATE BILL 258: Senator Dover, sponsor, said this bill is an enabler. He said that under present statute the state must purchase coverage for the workers' compensation fund in Montana. The bill would allow them to check into the possibility of getting cheaper coverage outside the state.

Norm Grosfield, Workers' Compensation Division, said he was neither an opponent or a proponent to the bill, but was present to answer questions for the committee. He said the Division had already done a feasibility study and knew they could not get coverage cheaper out of state.

Supporting the bill were Dan Zinnecker, Montana Association of Counties and Boyce Clarke. There were no opponents.

EXECUTIVE SESSION

SENATE BILL 258: A motion was made by Rep. Menahan that SB 258 DO PASS. Motion carried unanimously.

The committee went back into regular session.

SENATE BILL 266: Dick Kane, Labor Standards Division, said Rep. Palmer, sponsor of the bill, had asked him to explain the bill to the committee. He said the bill would exclude musical booking services from the Employment Agency Act and define the term musical booking service. He said there are only one or two musical booking services in the state and they are not the same as an employment agency and the requirements do not fit.

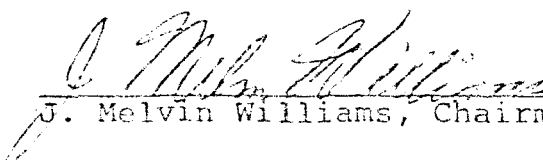
Proponent, Jim Gardner, Dept. of Labor and Industry, said they support the bill. He said musical booking services have their own code of ethics and are regulated by a national group.

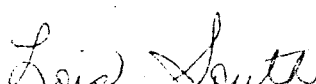
There were no opponents.

Executive Session

SENATE BILL 266: It was moved by Rep. Harrington that SB 266 DO PASS. Motion carried. Reps. O'Connell, Teague, Underdal, Porter, and Ellerd voted no.

Rep. Dozier was assigned to carry SB 266.
Rep. Manning was assigned to carry SB 258.
Meeting adjourned at 2:20 p.m.


J. Melvin Williams, Chairman


Lois South, Secretary