

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

February 8, 1979

The meeting of the Labor and Employment Relations Committee was called to order by Chairman Lowe on February 8, 1979, in Room 404 of the State Capitol at 12:30 p.m.

ROLL CALL: All members were present.

Chairman Lowe asked Senator Dover as sponsor of Senate Bill #258 to address the Committee. Senator Dover explained that under the present statutes, political subdivisions must purchase workers' compensation insurance from the State. The Montana Association of Counties is conducting a feasibility study to determine the feasibility of pooling the counties into a liability insurance pool and workers' compensation pool. If this study is determined to be feasible and cheaper for the property taxpayers, then a change in the law would be necessary. Senator further stated that the purpose of the legislation was to provide options for local government to purchase workers' compensation from the State, or they could self-insure, or purchase insurance privately. Senator Dover then introduced Mr. Dean Zinnecker representing the Montana Association of Counties.

Mr. Zinnecker explained the feasibility study to the Committee and that the Association hoped that it would save the taxpayers money in the long run if they could compare other options.

Mr. David G. Goss representing the City of Billings also offered testimony in support of Senate Bill #258 and his testimony is attached as Exhibit "A".

Chairman Lowe then asked if there were any opponents to Senate Bill #258 at which point Mr. James L. Murphy, Assistant Administrator for the Workers' Compensation Division, explained to the Committee that he was neither a proponent nor an opponent, but felt that there were some things the Committee should be aware of. Mr. Murphy proposed some amendments to the bill which are attached as Exhibit "C". Mr. Murphy explained that one city could not obligate itself to another city and each city would require its own policy. Mr. Murphy went on to explain that there would be additional costs in implementing this program if they chose in dealing with self-insurance. It would require additional people to handle claims, management costs, etc. Mr. Murphy explained that the entities must be in a position to pay cash payments as the claims occur and in serious cases, claims could be in the hundred thousands.

There was a question and answer period after which Senator Lowe closed the hearing on Senate Bill #258.

Chairman Lowe then opened the hearing on House Bill #146 and Representative Dan Harrington from District 88 addressed the Committee. Representative Harrington was sponsoring this bill at the request of the Department of Labor & Industry and explained that the bill was merely changing the title of the Unemployment Compensation Law to Unemployment Insurance Law. Representative Harrington stated that the term "compensation" was confusing and did not conform to the nationwide terminology.

Mr. Fred Barrett representing the Employment Security Division spoke in favor of the bill.

There were no opponents to this bill.

Senator Dover moved that the Committee Do Pass this bill and further moved that it be placed on the Consent Calendar which passed unanimously. Senator Hafferman will carry this bill.

The hearing was then opened on House Bill #147 also sponsored by Representative Harrington. This bill repeals Section 39-51-302 relating to the method of adopting, amending, or rescinding rules relating to unemployment compensation. Representative Harrington explained that this system was not being used to adopt rules and that the Administrative Procedure Act was now being followed.

Mr. Fred Barrett then addressed the Committee on this bill and informed the Committee that Senate Bill #208 already out of Committee also included a repealer to this section and if the Committee would like to hold House Bill #147 until they see what happens to Senate Bill #208, the department would have no objection.

Senator Dover moved to table House Bill #147 until a later date and the Committee voted unanimously on this move.

Jim Lear, attorney for the Legislative Council, then addressed the Committee on House Bill #183 at the request of the Code Commissioner. Mr. Lear explained the changes being made in this bill and these comments are attached as Exhibit "C".

Senator Smith agreed to carry House Bill #183 in the Senate.

Senator Dover moved to pass House Bill #183 and the Committee unanimously voted on this move.

The meeting was adjourned at 1:30 p.m.

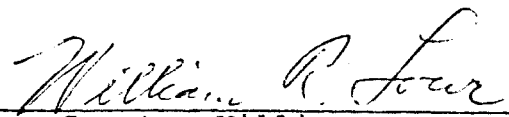
  
\_\_\_\_\_  
Senator William R. Lowe

Exhibit "A"



## CITY OF BILLINGS

220 NORTH 27TH STREET  
P O BOX 1178  
BILLINGS, MONTANA 59103  
PHONE (406) 248-7511

<sup>SB</sup>  
~~HB~~ 258. The City of Billings would like to go on record in support of

By removing the mandatory requirements that public corporations must be under plan three of the worker's compensation act, <sup>SB</sup>~~HB~~ 258 is allowing public corporations the right to determine which type of coverage under this act is best for its employees and is also the best expenditure of public funds.

Public corporations, their needs, and the needs of the employees vary. This bill would allow the local option of determining which type of coverage best suits those needs and therefore the City of Billings urges the passage of this bill.

Exhibit B  
J. Murphy

PROPOSED AMENDMENTS

SENATE BILL NO. 258

1. Page 1, line 20.  
Following: "corporation"  
Strike: "state treasurer"  
Insert: "agency"
  
2. Page 2, line 7.  
Following: "fund"  
Strike: " ; separately or jointly with any other public corporation, other than a state agency, or may elect to utilize any combination of plan No. 1 or plan No. 2 as determined by the governing body"
  
3. Page 2, line 12.  
Following: "No. 1"  
Strike: "in whole or in part"
  
4. Page 2, line 14.  
Following: "Title 39,"  
Strike: "chapter 71"  
Insert: "chapters 71 and 72"
  
5. Page 2, line 17.  
Following: "Title 39,"  
Strike: "chapter 71"  
Insert: "chapters 71 and 72"

SENATE MEMBERS

CARROLL GRAMAM  
CHAIRMAN

FRANK HAZELBARGER  
VICE CHAIRMAN

GHEI BLAYLOCK

PAI M GIKODOVICH

DIANA S DOWLING  
EXECUTIVE DIRECTOR  
CODE COMMISSIONER

ELANOR ECK  
ADMINISTRATIVE ASSISTANT

ROBERTA MOODY  
DIRECTOR LEGISLATIVE SERVICES



# Montana Legislative Council

State Capitol  
Helena, 59601

(406) 449-3064

*Exhibit "C"*

HOUSE MEMBERS

JOHN B DRISCOLL

OSCAR KVAALFN

J.D. LYNCH

ROBERT L MARKS

M DAVID GOGLEY  
DIRECTOR LEGAL SERVICES

ROBERT PERSON  
DIRECTOR RESEARCH

LC 0038

1979 Legislature  
Code Commissioner Bill -- Summary

House Bill No. 183

AN ACT TO GENERALLY REVISE AND CLARIFY THE LAWS RELATING TO PUBLIC CONTRACTS; REPEALING 18-5-104, MCA.

(This summary does not include discussion of routine form and grammatical changes.)

*Section 1. Amended in, in House Judiciary*

Section 1.2 18-2-403. Changed "soldiers, sailors, and marines" to "veterans of the armed forces".

*0.2/1.14*

Section 2.3 18-4-212. Changed "5%" to "10%" to conform bid security requirement to 18-1-202, MCA, a more recently enacted section. (1958 as opposed to 1923)

*0.2/1.21*

Section 3.4 18-6-101. Added subsection (2) to fill gap created by Chapter 97, Laws of 1977, a recodification bill. Section 82-1906, R.C.M. 1947, was repealed because provisions duplicated other provisions of R.C.M. sections. This language was not duplicative. *Language from a portion of 82-1906, R.C.M. 1947, is needed to direct the Dept of Administration to create*

*0.3/1.13/14*

Section 4.5 18-7-101. Deleted "except for the printing of the decisions of the supreme court as provided in Title 3, chapter 2, part 6." Section 3-2-603 and 18-7-102 requires the department of administration to also contract for the printing of the decisions of the supreme court. *the funds generated from the printing money receive*

*see SB1*

Section 5.6 18-7-102. *catchline to conform with text* The proposed amendment deletes the reference to memorials, which are no longer utilized by the legislature. The proposed amendment also clarifies the final sentence of the section that deals with the awarding of the printing contracts to out of state printers. The proposed amendment also makes minor grammatical changes and deletes "and no such printing or binding shall be done or performed without the state of Montana" as redundant.

*0.4/1.16-17*

Section 6.7 Repealer. 18-5-104. Section contains old "sheltered workshop law" which was replaced in 1977 session. See 18-5-101 through 18-5-103.

*0.5/1.17*

*these trans provide more detail on the sheltered workshop law*

ROLL CALL

LABOR & EMPLOYMENT RELATIONS COMMITTEE

46TH LEGISLATIVE SESSION - - 1979

Date *Feb. 8, 1979*

| NAME                            | PRESENT | ABSENT | EXCUSED |
|---------------------------------|---------|--------|---------|
| HAROLD C. NELSON, VICE CHAIRMAN | ✓       |        |         |
| GARY AKLESTAD                   | ✓       |        |         |
| HAROLD L. DOVER                 | ✓       |        |         |
| WILLIAM F. HAFFERMAN            | ✓       |        |         |
| JOHN (SANDY) MEHRENS            | ✓       |        |         |
| BOB PALMER                      | ✓       |        |         |
| ELMER D. SEVERSON               | ✓       |        |         |
| RICHARD G. SMITH                | ✓       |        |         |
| BILL R. LOWE, CHAIRMAN          | ✓       |        |         |







NAME: David G. Coiss DATE: 2/8/99

ADDRESS: P.O. Box 1175 - Billings, Mont

PHONE: 248-7511

REPRESENTING WHOM? City of Billings

APPEARING ON WHICH PROPOSAL: SB 258

DO YOU: SUPPORT?  AMEND?  OPPOSE?

COMMENTS: Support Bill as proposed - Prepared  
statement submitted



NAME: Fred Barrett DATE: 2/8

ADDRESS: P.O. Box 1778

PHONE: 449-3662

REPRESENTING WHOM? E.S.D.

APPEARING ON WHICH PROPOSAL: HB 146 - 147

DO YOU: SUPPORT?  AMEND?  OPPOSE?

COMMENTS: \_\_\_\_\_  
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NAME: Jim Lear DATE: 2/8/79

ADDRESS: Legis. Council

PHONE: 449-3064

REPRESENTING WHOM? Code Commissioner

APPEARING ON WHICH PROPOSAL: HB 183

DO YOU: SUPPORT?  AMEND?  OPPOSE?

COMMENTS: \_\_\_\_\_

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PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

# STANDING COMMITTEE REPORT

.....February 8..... 19...79..

MR. **President:**.....

We, your committee on ..... **Labor & Employment Relations** .....

having had under consideration ..... **House** ..... Bill No. **183** .....

Respectfully report as follows: That ..... **House** ..... Bill No. **183** .....  
**unanimously passed.**

**BE CONCURRED IN**  
**RODASXX**

*P.A.*

# STANDING COMMITTEE REPORT

February 8

19 79

MR. President:

We, your committee on Labor & Employment Relations

having had under consideration House Bill No. 146

Respectfully report as follows: That House Bill No. 146  
unanimously passed and unanimously placed on the consent calendar.

BE CONCURRED IN  
~~UNANIMOUSLY~~ *PA*