

HOUSE LABOR AND EMPLOYMENT RELATIONS COMMITTEE
March 12, 1981

The House Labor and Employment Relations Committee convened at 12:30 p.m., on March 12, 1981, in Room 129 of the State Capitol, with Chairman Ellerd presiding and all members present except Reps. Keedy, absent, Briggs, O'Connell and Smith, excused.

Chairman Ellerd opened the meeting to a consideration of the following bills:

EXECUTIVE SESSION

SENATE BILL 226 - Rep. Hanson moved BE CONCURRED IN.

Rep. Dozier expressed concern that the Workman's Comp Division would not be able to work out a deal on the workman's comp benefits for the tree thinners. Bill Kirkpatrick, Champion International, said they had met with the Division and everything had been settled. He suggested Rep. Dozier call the Division as there was not a representative of the Division present at this time. Rep. Dozier left to do this.

Chairman Ellerd postponed action on this bill until Rep. Dozier received the needed information.

SENATE BILL 428 - Rep. Underdal moved that the bill BE CONCURRED IN.

Rep. Schultz questioned the removal of the words "or attempts to charge an unreasonable fee." He said this leaves it wide open. People wanting jobs will be at the mercy of the agency that has the job.

Rep. Harrington said he opposes the motion as the law now basically says that these companies have to stay under a certain percentage set by law. Law was put there because there was a problem.

Rep. Thoft said this is a bill to enable them to charge anything they want and with the economy the way it is that could be bad.

Rep. Seifert said for what it is worth. One of the repealed sections gives the Department of Labor the right to adjust the rates now. Why didn't they go to the Department instead of to the Legislature. He said he was a little scared of the bill, too. What would happen if we reinserted the language on page 2, line 7.

Ms. Brodsky said if you reinsert it there are no guidelines to what is reasonable with the repealer section in. Need some kind of guidelines if you are going to leave it in.

Rep. Keyser said he didn't know if they have a lot of problems with these people. Maybe we can take a look in two years and clamp it back on if need by. But maybe we don't want to bother.

Rep. Harrington said their basic problem is with the rules and regulations of the bureaucracy and that has nothing to do with this bill itself. They want to be deregulated period. I would say if they can get their hands on big jobs with this bill they could play it for all its worth.

Rep. Harper moved a substitute motion to amend on page 2, line 4, following"(5)" to insert "Prior to using any contract in the transaction of its business with applicants, each employment agency shall obtain the director's approval for the use of such contract." He said this is just to make the bill workable. The amendment was adopted unanimously by the committee by those present.

Question was called on the motion to BE CONCURRED IN AS AMENDED. The motion carried with ten voting aye and six no (Thoft, Hanson, Dozier, Menahan, Pavlovich, Harrington) and 1 absent (Keedy). Reps. Smith, Briggs and O'Connell had left votes with the Chairman.

SENATE BILL 226 - Chairman Ellerd reopened the consideration of this bill.

Mr. William Palmer, Labor and Industry, said they have made an oral arrangement with Champion that they will carry the premium. The amount was \$108,000 a month. There is an option to insure under the plant and carry the tree thinners under their own insurance plan. In any event they would be absolutely insured and tree thinners would not have to put up any advance money.

Rep. Dozier said the individual tree thinners will make the monthly payments as he understood it.

Rep. Harrington said they would cover this, but not unemployment and not have them as employees.

Mr. Kirkpatrick said the people can be individual contractors or employees in the third category. The bill will require that all tree thinners must be covered by workman's comp.

Rep. Harrington said there is a problem when they are covered by workman's comp but not unemployment. Suppose something happens so they can't go back to school and this time could then be counted toward unemployment.

Jerry Driscoll asked what about other companies that have trees to thin. The agreement has been made with Champion.

Mr. Kirkpatrick said no matter who they work for they will be covered by workman's comp or they will be deemed employees and have to be covered by the company's plan. He said he has talked with other companies and they are in agreement with this.

Mr. Kirkpatrick said one of the things that was a stickler was up front money and he said an arrangement has been worked out so this is assured and no advance money is required by the individual. He said one company in the state bids government jobs and they are covered at the present by workman's comp.

Rep. Dozier said the deal was worked out with Champion. Problem that they are not the only one hiring tree thinners.

Rep. Seifert said if any other company didn't they would be in noncompliance. He didn't feel it was any big problem.

Rep. Hanson said they would be handled as employees and so provided for. The bill will require workman's comp.

Rep. Dozier said if the tree thinner doesn't meet the monthly payment, he will be fired.

Mr. Kirkpatrick said if he didn't pay he would be considered an employee and covered by existing law.

The question was called on the motion of BE CONCURRED IN. The motion carried with 12 voting aye, four voting no (Reps. Dozier, Harrington, Menahan, Harper) and 1 absent (Keedy). Votes had been left with the Chairman by Reps. Smith, Briggs and O'Connell. Meeting adjourned at 1:30 p.m.

Respectfully submitted,



ROBERT ELLERD, CHAIRMAN

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