

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

February 19, 1981

The meeting of the Labor & Employment Relations Committee was called to order by Chairman Harold Nelson on February 19, 1981, in Room 404 of the State Capitol at 1:15 p.m.

ROLL CALL: All members of the Committee were present.

ACTION ON SENATE BILL 428:

Senator Anderson moved that Senate Bill 428 Do Pass. The Committee voted unanimously, except for Senator Norman who was absent for the vote, that SENATE BILL 428 DO PASS.

ACTION ON SENATE BILL 438:

Senator Anderson moved that Senate Bill 438 Do Pass. The Committee voted unanimously, except for Senator Norman who was absent for the vote, that SENATE BILL 438 DO PASS.

ACTION ON SENATE BILL 439:

Senator Ryan moved that Senate Bill 439 Do Not Pass. There was a Roll Call Vote on Senator Ryan's motion that Senate Bill 439 Do Not Pass. The motion failed on a 5-3 vote. This Roll Call Vote is attached.

Senator Keating offered amendments to SB 439. These amendments are attached to the minutes.

Senator Keating moved the amendments Do Pass. The only "no" votes were by Senator Anderson and Senator Norman. This Roll Call Vote is attached.

Senator Keating moved that Senate Bill 439 Do Pass As Amended. On a Roll Call Vote, the Committee voted 4-4 that Senate Bill 439 Do Pass As Amended. Since the vote was a tie on SB 439, this bill will stay in Committee. This Roll Call Vote is attached.

ACTION ON SENATE BILL 378:

A letter was distributed to the Committee from the Employment Security Division at the request of Senator Halligan regarding the Fiscal Note on SB 378. This letter is attached.

Senator Norman moved that Senate Bill 378 Do Pass.

Senator Goodover made a substitute motion that Senate Bill 378 Do Not Pass. On this motion, the Committee voted 5-3 that SENATE BILL 378 DO NOT PASS. This Roll Call Vote is attached.

ADJOURN: There being no further business, the meeting adjourned at 2:05 p.m.

  
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Senator Harold C. Nelson, Chairman

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ROLL CALL

LABOR & EMPLOYMENT RELATIONS COMMITTEE

47 th LEGISLATIVE SESSION - - 1981

Date Feb. 19

NAME	PRESENT	ABSENT	EXCUSED
GARY C. AKLESTAD, VICE-CH.	✓		
MIKE ANDERSON	✓		
PAT M. GOODOVER	✓		
WILLIAM HAFFERMAN	✓		
THOMAS F. KEATING	✓		
BILL NORMAN	✓		
PATRICK L. RYAN	✓		
HAROLD C. NELSON, CHAIRMAN	✓		

Each day attach to minutes.

# STANDING COMMITTEE REPORT

February 19, 1981

MR. PRESIDENT

We, your committee on LABOR & EMPLOYMENT RELATIONS

having had under consideration SENATE Bill No. 423

Respectfully report as follows: That SENATE Bill No. 423

DO PASS

*HC*

# STANDING COMMITTEE REPORT

February 19, 19 81

MR. PRESIDENT

We, your committee on LABOR & EMPLOYMENT RELATIONS

having had under consideration SENATE Bill No. 438

Respectfully report as follows: That SENATE Bill No. 438

DO PASS

*He*

# STANDING COMMITTEE REPORT

February 19, 1981

MR. PRESIDENT

We, your committee on LABOR & EMPLOYMENT RELATIONS

having had under consideration SENATE Bill No. 373

Respectfully report as follows: That SENATE Bill No. 373

DO NOT PASS

~~DO PASS~~

SENATE COMMITTEE LABOR & EMPLOYMENT RELATIONS

Date Feb. 19, 1981 Senate Bill No. 439 Time 1:30

NAME	YES	NO
GARY C. AKLESTAD, VICE-CHAIRMAN		✓
MIKE ANDERSON		✓
PAT M. GOODOVER		✓
WILLIAM HAFFERMAN	✓	
THOMAS F. KEATING		✓
BILL NORMAN	✓	
PATRICK L. RYAN	✓	
HAROLD C. NELSON, CHAIRMAN		✓

Margie Nichols  
Secretary

Harold C. Nelson  
Chairman

Motion: by Senator Ryan that SB 439 Do Not Pass.

Motion failed 5-3 vote.

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

SENATE COMMITTEE LABOR & EMPLOYMENT RELATIONS

Date Feb. 19, 1981 Senate Bill No. 439 Time 1:46

NAME	YES	NO
GARY C. AKLESTAD, VICE-CHAIRMAN	✓	
MIKE ANDERSON		✓
PAT M. GOODOVER	✓	
WILLIAM HAFFERMAN	✓	
THOMAS F. KEATING	✓	
BILL NORMAN	-	✓
PATRICK L. RYAN	✓	
HAROLD C. NELSON, CHAIRMAN	✓	

Margie Nichols  
Secretary

Harold C. Nelson  
Chairman

Motion: by Senator Keating that the amendments  
offered on SB 439 Do Pass.

The amendments passed by a 6-2 vote.

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

SENATE COMMITTEE LABOR & EMPLOYMENT RELATIONS

Date Feb. 19, 1981 Senate Bill No. 439 Time 1:52

NAME	YES	NO
GARY C. AKLESTAD, VICE-CHAIRMAN	✓	
MIKE ANDERSON		✓
PAT M. GOODOVER	✓	
WILLIAM HAFFERMAN		✓
THOMAS F. KEATING	✓	
BILL NORMAN	-	✓
PATRICK L. RYAN		✓
HAROLD C. NELSON, CHAIRMAN	✓	

Margie Nichols  
Secretary

Harold C. Nelson  
Chairman

Motion: by Senator Keating that HB 439 Do Pass  
As Amended.

4-4 vote

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

SENATE COMMITTEE LABOR & EMPLOYMENT RELATIONS

Date Feb. 19, 1981 Senate Bill No. 378 Time 2:04

NAME	YES	NO
GARY C. AKLESTAD, VICE-CHAIRMAN	✓	
MIKE ANDERSON	✓	
PAT M. GOODOVER	✓	
WILLIAM HAFFERMAN		✓
THOMAS F. KEATING	✓	
BILL NORMAN		✓
PATRICK L. RYAN		✓
HAROLD C. NELSON, CHAIRMAN	✓	

Margie Nichols  
Secretary

Harold C. Nelson  
Chairman

Motion: Substitute Motion by Sen. Goodover that  
SB378 Do Not Pass.

Motion passed 5-3.

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

Amendments to Senate Bill 439

1. Page 1, lines 19 and 20.

Following: line 18

Strike: lines 19 and 20 in their entirety

Reletter: All subsequent subsections.

2. Page 3, line 3.

Following: "file a"

Insert: "written"

3. Page 3, lines 5 and 6.

Following: "the division."

Strike: "The division shall furnish an appropriate form for  
filing a declaration of independent contractor status."



P.O. Box 1728 • Helena, Montana 59601  
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February 19, 1981

Senate Labor Committee

Re: Senate Bill 378, Fiscal Note at Request of Senator Halligan

Gentlemen:

This is in response to a request for further clarification of the Fiscal Note completed for SB 378.

The base information was obtained using 1970 Census data. That data showed that 10% of total employment in the state was from students with earnings. This percentage was applied to FY 1982 and 1983 projected employment of 350,000 to obtain a projected number of students with earnings of 35,000 (this includes both high school and college students).

At that point, an assumption was made that student earnings and benefit activity would be distributed in the same manner as all other claimants. FY 1980 data shows that 13% of total individuals employed in the state actually drew unemployment benefits. This 13%, then, is only those claimants who drew benefits and eliminates any claimants disqualified for job refusals, quit without good cause, discharged for misconduct or found monetarily ineligible or ineligible due to not being able and available for work.

I have checked with other states whose law concerning awarding benefits to students is similar to the proposed bill, SB 378. None of them were able to provide any data on how many of their students apply for benefits and what percentage of them are disqualified under the 'able and available' provision of their law.

However, it might be helpful to actually look at what percentage of claimants who are considered under the 'able and available' issue are actually disqualified. New Mexico has a similar law to the proposed bill and, by internal procedure, determines that a full-time student must have earned wages while attending school full-time and must demonstrate that he will quit school or change classes if offered employment. New Mexico denies 78.5% of their claimants who are considered under the able and available provision of their law.

Senate Labor Committee  
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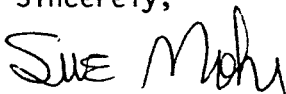
Georgia has the same type of law but, by internal procedure, full-time students applying for benefits must only state a willingness to change or quit classes if offered employment in order to draw benefits. Georgia's Unemployment Insurance Program Specialist informed me that, though they have no hard data, they know that most of their students who apply for benefits are aware of this relatively simple procedure and, by agreeing to it, qualify for benefits.

Georgia's data on total determinations for the 'able and available' issue reveal that only 44% of these determinations are disqualified for benefits. It should be kept in mind that these 'able and available' determinations for both Georgia and New Mexico include other claimants as well as students, but it does seem to show that, by differing internal procedure for the same law, one state can disqualify a considerably higher percentage of claimants than another.

It is impossible to foresee how Montana would address this provision. If a procedure similar to New Mexico's was adopted, then considerably less than the 4,550 students forecast in the fiscal note would be able to draw benefits. However, if a procedure similar to Georgia's was adopted all those 4,550, or possibly more, students would be able to draw benefits. Lack of data on students both here in Montana and in other states forces us to assume that the percent of students with earnings who actually draw benefits is the same as the percent of total persons employed who draw benefits.

I hope this somewhat clarified the questions concerning the Fiscal Impact of this bill. Given the time constraints and apparent dearth of information on this subject, this is the only information I was able to collect. If I can be of any more assistance, please notify me.

Sincerely,

A handwritten signature in cursive script that reads "Sue Mohr".

Sue Mohr, Management Analyst  
Employment Security Division

cc: Dave Lewis, Office of Budget & Program Planning  
Fred Barrett, Administrator, Employment Security Division