

MINUTES OF THE COMMITTEE ON LABOR AND EMPLOYMENT RELATIONS,
SPECIAL SESSION
November 19, 1981

The meeting was called to order by CHAIRMAN ROBERT ELLERD on November 19, 1981 at 8:30 a.m., in Room 135 of the Capitol Building, Helena, Montana.

Roll call was taken, present were: CHAIRMAN ROBERT ELLERD, VICE CHAIRMAN MELVIN UNDERDAL, REPRESENTATIVE BOB THOFT, REPRESENTATIVE JAMES SCHULTZ, REPRESENTATIVE KERRY KEYSER, REPRESENTATIVE CARL SEIFERT, REPRESENTATIVE HAROLD BRIGGS, REPRESENTATIVE BEN HANSON, REPRESENTATIVE CARL SMITH, REPRESENTATIVE HAL HARPER, REPRESENTATIVE ROBERT PAVOLICH, REPRESENTATIVE MICHAEL KEEDY, AND REPRESENTATIVE WILLIAM MENAHAN. REPRESENTATIVE DAN HARRINGTON AND REPRESENTATIVE ROBERT DOZIER were late and REPRESENTATIVE ROBERT SIVERTSEN and REPRESENTATIVE HELEN O'CONNELL were absent.

Copies of Senate Bills 1,2 and 3 were distributed to all committee members. (EXHIBITS A,B and C).

CHAIRMAN ELLERD announced that the committee would be concerned with SENATE BILLS 1,2 and 3 (EXHIBITS A, B and C), sponsored by REPRESENTATIVE HAL HARPER. CHAIRMAN ELLERD asked the committee members to look the bills over.

REPRESENTATIVE HAL HARPER explained the Federal language regarding SENATE BILL 1. Federal mandate is that the bills have to be passed though they can be delayed. The bills can be taken separately or as a package. He explained that the bills deal with three different areas and summarized them. REPRESENTATIVE HARPER said this is to dampen recession and depression on the economy and it is appropriate that we address such things in these times. He said it hurts to see the benefits being squeezed back because we want to preserve the integrity of our system.

DAVID HUNTER, COMMISSIONER OF LABOR AND INDUSTRY, spoke on the compliance issues mentioned by REPRESENTATIVE HARPER. He said that SENATE BILLS 1 and 2 are clearly compliance issues. The Federal Department of Labor requires that State laws and procedures be in compliance with the Federal statutes. If not, the Secretary of Labor can, at his discretion, rule the State to be out of compliance with the laws. MR. HUNTER explained the rules for employee tax credit when the State is in compliance with the laws and when the State is not in compliance. There is a substantial tax increase for employers if the State is ruled out of compliance.

HAROLD V. KANSIER, STATE ADMINISTRATOR OF UNEMPLOYMENT INSURANCE, noted that all three bills reduce the benefits of one fashion over another. They are all part of the Omnibus Reconciliation action.

He elaborated on Senate Bill 1, which deals with trade readjustment in the Federal program to employees laid off from an impacted company affected by foreign trade. Labor approves the requests for TRA benefits. There is a provision for the agency to approve training for those people who meet certain qualifications. They are eligible for unemployment benefits and tuition while in training. There are presently 15 individuals in training; they are not receiving any training funds because there are no funds. MR. KANSIER said the second part of the bill reduces the number of TRA payments---it provides for 52 weeks for a regular claimant and 78 weeks for a claimant in training. TRA benefits are reduced by extended benefits.

DON JUDGE, MONTANA AFL-CIO, said he understands that this legislation is a must. He is concerned with the lowered benefits and said the change in TRA will impact absolutely no workers in Montana. He expressed his displeasure with this.

CHAIRMAN ELLERD closed the hearing on SENATE BILL 1, and opened the hearing on SENATE BILL 2.

HAROLD KANSIER, DEPARTMENT OF LABOR, explained SENATE BILL 2. He said that when taking a claim from a claimant, the question "Do you owe child support?" is asked. If the claimant answers "yes," the information is sent to the field office agency.

Arrangements are made with the claimant to have a part of the unemployment benefits cleared for child support. If not successful in negotiating an arrangement, regular action may be taken to attach the benefit check. The cost from the Department of Labor is borne by the child support agency. There is no funding for the work the Department will be doing.

DON JUDGE said he recognizes this is Federal legislation for Montana to receive Federal backing. He has no objection to the intent of this bill. He urged caution to the committee to watch out for banks coming in for house payments, car payments, etc., to be taken out of those checks.

REPRESENTATIVE ROBERT DOZIER asked MR. KANSIER if there were any penalties to a claimant for not reporting when asked if he owed child support.

MR. KANSIER said there were no penalties as such. Fraud is not handled by the Unemployment Insurance Division. This is a child support matter. Unless State law would require a penalty, there would be no penalty. The responsibility of the Unemployment and Insurance Division is to take the claims and pay the benefits.

REPRESENTATIVE DAN HARRINGTON asked MR. KANSIER what would happen if a person lied. He asked if that would be grounds for the Department to determine the amount of money he is getting as far as his unemployment is concerned?

MR. KANSIER said he didn't think so but he would have his attorney review it.

REPRESENTATIVE KERRY KEYSER said the staff attorney would know if you fill out a fraudulent form. It would assume a violation of state law. He asked if there was a statute that covers a lie.

MR. KANSIER said it disqualifies people in seeking work. Fraudulent action could be brought against them through the county attorney. They would be subject to penalties and could be fined by the courts. The unemployment law requires that you be actively seeking work. If falsified, there could be fraud action by the division.

CHAIRMAN ELLERD asked if that situation was discussed in the Senate hearing.

MR. KANSIER answered "just briefly."

In response to a question by REPRESENTATIVE MICHAEL KEEDY there was a discussion on attempts of the Unemployment Insurance Division to locate those persons in question and bring legal action. Payment of unemployment benefits would not be deterred. There would be arrangements to either divert the check or split the check and instruct the office how to make payment. Child support agencies legally go through the correct actions before the agency will handle it.

REPRESENTATIVE HARPER said if a person owes payments, it seems he could get in either way.

MR. KANSIER said what is intended is---should you pay child support? The question is---do you owe child support?

The claims cannot be delayed. They honor 6 attachments a week on child support. Some are ongoing from the time the attachment is received. They are not retroactive.

REPRESENTATIVE HARPER questioned MR. KANSIER on the attachments.

ANN BRODSKY, STAFF RESEARCHER, said that action can be brought against a person making a fraudulent statement under common law cases, if there is a contingency or if a person is suffering injury.

It was affirmed that a claim for unemployment is a sworn claim.

There was no discussion of SENATE BILL 2. The hearing on SENATE BILL 2 was closed.

SENATE BILL 3 was explained by DAVID HUNTER, DEPARTMENT OF LABOR. He passed out information to the committee members to explain the program on extended benefits. It eliminates the language in State law referring to the national trigger changes formerly triggered for state benefits. On extended benefits, a claimant draws up to 26 weeks of regular unemployment benefits. Extended benefits are for an additional 13 weeks. The triggering mechanism says we have those benefits in times of high unemployment. This bill removes the language about the national trigger and we are left with a state trigger---if the state unemployment rate is high, the Federal government pays half the extended benefit---the other half is paid out of the State Unemployment Trust Fund.

More literature was passed out to the representatives and Mr. Hunter explained the chart concerning insured unemployment (those drawing benefits) and total unemployment rate. There is a substantial difference between unemployment rate and insured employment rate. He said this bill changes the rate from 4 percent insured employment to 5 percent.

This bill makes it substantially more difficult for the State of Montana to have an extended benefit program and to pay out those benefits.

The cost would be 1.5 more dollars in unemployment benefits to people drawing extended benefits. Compared to the rest of the unemployment program, it is not particularly significant. The State would pay half. The risk in compliance is, if we do not change the law, the Federal law might decide that we would have to pay all the benefits out of the State Trust Fund. It would come directly from Montana employers and state tax.

DON JUDGE recognized that, for the state to qualify for the tax, this legislation must pass but he did not want to pass up the opportunity to say he doesn't like it very much. He said 550,000 workers lost their jobs in October alone when the new budget was to have taken effect. He thinks this is very unfair of the Federal administration as the idea is to help workers and this law makes it more difficult for workers to survive. He said the average payment in Montana is \$108 per week and the average benefit is 14 1/2 weeks. He feels the safety net is being pulled from under people's feet.

REPRESENTATIVE KEEDY asked MR. HUNTER about delayed effective dates.

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MR. HUNTER said they are consistent with delayed effective dates for the Omnibus Reconciliation Act.

REPRESENTATIVE KEEDY asked what was being repealed.

MR. HUNTER said it was the language relating to the national trigger.

CHAIRMAN ELLERD closed the hearing on SENATE BILL 3.

The committee went into executive session at 9:20 a.m.

REPRESENTATIVE BOB THOFT made a motion that SENATE BILL 1 do pass. A second was made by REPRESENTATIVE CARL SMITH.

REPRESENTATIVE HARRINGTON mentioned the serious problems in his area and that he could not vote for these bills.

The motion was passed by voice vote. Those opposed were: REPRESENTATIVE MENAHAN, REPRESENTATIVE PAVLOVICH, REPRESENTATIVE DOZIER, AND REPRESENTATIVE HARRINGTON.

CHAIRMAN ELLERD announced that SENATE BILL 1 will be carried on the floor by REPRESENTATIVE HARPER.

VICE CHAIRMAN MELVIN UNDERDAL made a motion that SENATE BILL 2 do pass. A second was made by REPRESENTATIVE BRIGGS.

REPRESENTATIVE KEEDY said he hated to see the Department of Labor and Industry get requests from different state agencies for more people to work for their department. There is no ability to enforce it or do anything about it other than just report it. He hopes we don't continue to go along this line. He said there doesn't seem to be any teeth in it.

The vote was taken and those opposed were: REPRESENTATIVE MENAHAN, REPRESENTATIVE PAVLOVICH, REPRESENTATIVE DOZIER, REPRESENTATIVE HARRINGTON.

The motion passed and REPRESENTATIVE HARPER will carry SENATE BILL 2 on the floor.

A motion was made by REPRESENTATIVE CARL SEIFERT that SENATE BILL 3 do pass. A second was made by REPRESENTATIVE SMITH.

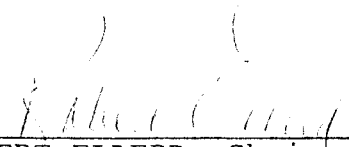
The motion was passed. Those opposed were: REPRESENTATIVE MENAHAN, REPRESENTATIVE PAVLOVICH, REPRESENTATIVE DOZIER, REPRESENTATIVE KEEDY, REPRESENTATIVE HARRINGTON.

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REPRESENTATIVE HARPER will carry SENATE BILL 3 on the floor.

Executive session was adjourned at 9:45 a.m.

Respectfully submitted.



ROBERT ELLERD, Chairman



Dorothy Ratcliff, Secretary

VISITORS' REGISTER

HOUSE Labor and Industry COMMITTEE

Date Nov. 19, 1981

TITLE _____

SPONSOR _____

NAME	RESIDENCE	REPRESENTING	SUPPORT	OPPOSE
<i>David Hunter</i>	<i>Helena</i>	<i>Dept Labor</i>	✓	
<i>David Hunter</i>	<i>Helena</i>	"	✓	
<i>Harold V Kancian</i>	<i>Helena</i>	"	✓	
<i>John Judge</i>	<i>Helena</i>	<i>MT STATE AFL-CIO</i>		X
<i>Imre Brodsky</i> <small>(CIA CLEARING)</small>		<i>staff researcher</i>		
<i>H.C. [unclear]</i>	<i>Billings</i>	<i>CO-OP/HAL HI</i>		

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.
PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Exhibit. A

April 19 1981

Received from Willard

Bills No. SB 1 SB 3 SB 3

R. L. Linn

STANDING COMMITTEE REPORT

November 19 51
..... 19.....

MR. SPEAKER.....

We, your committee on LABOR AND EMPLOYMENT RELATIONS.....

having had under consideration Senate..... Bill No. 1.....

A BILL FOR AN ACT ENTITLED: "AN ACT TO AUTHORIZE APPROVED TRAINING WHEN A CLAIMANT IS ELIGIBLE FOR TRADE READJUSTMENT BENEFITS AND TO LIMIT THE NUMBER OF WEEKS' DURATION OF TRADE READJUSTMENT BENEFITS IF THE CLAIMANT IS ELIGIBLE FOR EXTENDED BENEFITS."

Respectfully report as follows: That..... Senate..... Bill No. 1.....

DO PASS

STANDING COMMITTEE REPORT

November 19

19 81

MR. SPEAKER

We, your committee on LABOR AND EMPLOYMENT RELATIONS

having had under consideration Senate Bill No. 2

A BILL FOR AN ACT ENTITLED: "AN ACT TO AUTHORIZE THE UNEMPLOYMENT INSURANCE DIVISION TO INQUIRE CONCERNING CHILD SUPPORT, TO NOTIFY THE APPLICABLE CHILD SUPPORT ENFORCEMENT AGENCY AND UNDER CERTAIN CIRCUMSTANCES TO TRANSMIT A PORTION OF THE UNEMPLOYMENT INSURANCE BENEFITS TO THE ENFORCEMENT AGENCY; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

Respectfully report as follows: That Senate Bill No. 2

DO-PASS--

November 19 1901

MR. SPEAKER

We, your committee on LABOR AND EMPLOYMENT RELATIONS

having had under consideration Senate Bill No. 3

A BILL FOR AN ACT ENTITLED: "AN ACT TO ELIMINATE REFERENCE TO THE NATIONAL "ON" AND "OFF" INDICATOR AND FURTHER DEFINE THE CALCULATION OF RATE OF INSURED UNEMPLOYMENT; ESTABLISHING A NEW STATE "ON" AND "OFF" EXTENDED BENEFIT INDICATOR; AMENDING SECTIONS 39-51-2501 AND 39-51-2504 THROUGH 39-51-2506, MCA; REPEALING SECTIONS 39-51-2502 AND 39-51-2503, MCA; AND PROVIDING EFFECTIVE DATES."

Respectfully report as follows: That Senate Bill No. 3

DO PASS

Approved by Committee
on Labor & Employment
Relations

Special Session I
April BILL NO. *1*
S. BROWN, H. NELSON, ROYCE Called

1 INTRODUCED BY S. BROWN, H. NELSON, ROYCE
2 BY REQUEST OF THE DEPARTMENT OF LABOR AND INDUSTRY

3 A BILL FOR AN ACT ENTITLED: "AN ACT TO AUTHORIZE APPROVED
4 TRAINING WHEN A CLAIMANT IS ELIGIBLE FOR TRADE READJUSTMENT
5 BENEFITS AND TO LIMIT THE NUMBER OF WEEKS' DURATION OF TRADE
6 READJUSTMENT BENEFITS IF THE CLAIMANT IS ELIGIBLE FOR
7 EXTENDED BENEFITS."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
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10
11
12 NEW_SECTION Section 1. Approved trade readjustment
13 training. (1) Notwithstanding any other provisions of this
14 chapter, no otherwise eligible individual may be denied
15 benefits for any week:

16 (a) because he is in training approved under Section
17 236(a)(1) of the federal Trade Act of 1974;
18 (b) in which he is in such approved training by reason
19 of leaving work to enter such training if the work left is
20 not suitable employment; or

21 (c) because of the application to any such week in
22 training of provisions in this chapter or any federal
23 unemployment insurance law administered by this agency,
24 relating to availability for work, active search for work,
25 or refusal to accept work.

1 (2) For purposes of this section, "suitable
2 employment" means work of a substantially equal or higher
3 skill level than the individual's past adversely affected
4 employment, as defined for purposes of the federal Trade Act
5 of 1974, and for which the wages are not less than 80% of
6 the individual's average weekly wage as determined for the
7 purposes of the federal Trade Act of 1974.

8 NEW_SECTION Section 2. Limitations on weeks of
9 combined extended benefits and trade readjustment
10 allowances. Notwithstanding any other provisions of this
11 chapter, if the benefit year of any individual ends within
12 an extended benefit period, the remaining balance of
13 extended benefits that such individual would but for this
14 section be entitled to receive in that extended benefit
15 period, with respect to weeks of unemployment beginning
16 after the end of the benefit year, shall be reduced (but not
17 below zero) by the product of the number of weeks for which
18 the individual received trade readjustment allowances within
19 that benefit year, multiplied by the individual's weekly
20 benefit amount for extended benefits.

21 Section 3. Codification instruction. Sections 1 and 2
22 are intended to be codified as an integral part of Title 39,
23 chapter 51, and the provisions of Title 39, chapter 51,
24 apply to sections 1 and 2.

-End-

SECOND READING

Approved by Committee
on Labor & Employment
Relations

April Nelson I
April Nelson I
BILL NO. *2*
S. BROWN, H. NELSON, *April Nelson*

1 INTRODUCTION BY S. BROWN, H. NELSON, *April Nelson*

2 BY REQUEST OF THE DEPARTMENT OF LABOR AND INDUSTRY

3 A BILL FOR AN ACT ENTITLED: "AN ACT TO AUTHORIZE THE

4 UNEMPLOYMENT INSURANCE DIVISION TO INQUIRE CONCERNING CHILD

5 SUPPORT, TO NOTIFY THE APPLICABLE CHILD SUPPORT ENFORCEMENT

6 AGENCY AND UNDER CERTAIN CIRCUMSTANCES TO TRANSMIT A PORTION

7 OF THE UNEMPLOYMENT INSURANCE BENEFITS TO THE ENFORCEMENT

8 AGENCY; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 NEW SECTION. Section 1. Child support interception of

11 unemployment benefits. (1) For purposes of this section, the

12 following definitions apply:

13 (a) "Unemployment compensation" means any compensation

14 payable under the Montana unemployment insurance law,

15 including amounts payable by the division pursuant to an

16 agreement under any federal law providing for compensation,

17 assistance, or allowances with respect to unemployment.

18 (b) "Child support obligations" includes only

19 obligations that are being enforced pursuant to a plan

20 described in Section 454 of the Social Security Act which

21 has been approved by the secretary of health and human

22 services under Part 0 of Title IV of the Social Security

23 Act.

24 (c) "State or local child support enforcement agency" means any agency of a state or political subdivision thereof operating pursuant to a plan provided for in subsection (1)(b).

25 (2) An individual filing a new claim for unemployment compensation shall, at the time of filing the claim, disclose whether or not he owes child support obligations. If an individual discloses that he owes child support obligations and the individual is determined to be eligible for unemployment compensation, the division shall notify the state or local child support enforcement agency enforcing such obligation that the individual has been determined to be eligible for unemployment compensation.

(3) The division shall deduct and withhold from any unemployment compensation payable to an individual owing child support obligations:

(a) the amount specified by the individual to the division to be deducted and withheld under this subsection if neither subsection (3)(b) nor (3)(c) is applicable;

(b) the amount, if any, determined pursuant to an agreement submitted to the division under Section 454(20)(B)(i) of the Social Security Act by the state or local child support enforcement agency, unless subsection (3)(c) is applicable; or

SECOND READING

Special Session
Speaker Nelson
 Special Session
 S. BROWN, H. NELSON, *Speaker Nelson*
 BILL NO. 3

1 INTRODUCED BY S. BROWN, H. NELSON, *Speaker Nelson*
 2 BY REQUEST OF THE DEPARTMENT OF LABOR AND INDUSTRY
 3
 4
 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO ELIMINATE REFERENCE
 6 TO THE NATIONAL "ON" AND "OFF" INDICATOR AND FURTHER DEFINE
 7 THE CALCULATION OF RATE OF INSURED UNEMPLOYMENT;
 8 ESTABLISHING A NEW STATE "ON" AND "OFF" EXTENDED BENEFIT
 9 INDICATOR; AMENDING SECTIONS 39-51-2501 AND 39-51-2504
 10 THROUGH 39-51-2506, MCA; REPEALING SECTIONS 39-51-2502 AND
 11 39-51-2503, MCA; AND PROVIDING EFFECTIVE DATES."
 12
 13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 14 Section 1. Section 39-51-2501, MCA, is amended to
 15 read:
 16 "39-51-2501. Definitions. As used in this part, unless
 17 the context clearly requires otherwise, the following
 18 definitions apply:
 19 (1) "Extended benefit period" means a period which:
 20 (a) begins with the third week after whichever of the
 21 following weeks occurs first:
 22 (i) a week for which there is a national "on"
 23 indicator; or
 24 (ii) a week for which there is a state "on" indicator;
 25 provided that no extended benefit period may begin by

1 reason of a state "on" indicator before the 14th week
 2 following the end of a prior extended benefit period which
 3 was in effect with respect to this state; and
 4 (b) ends with either of the following weeks, whichever
 5 occurs later:
 6 (i) the third week after the first week for which
 7 there is both a national "off" indicator and a state "off"
 8 indicator; or
 9 (ii) the 13th consecutive week of such period.
 10 (2) (a) "Rate of insured unemployment", for purposes
 11 of 39-51-2504 and 39-51-2505, means the percentage derived
 12 by dividing the average weekly number of individuals filing
 13 claims for regular benefits in this state for weeks of
 14 unemployment with respect to the most recent
 15 13-consecutive-week period, as determined by the department
 16 on the basis of his reports to the U.S. secretary of labor,
 17 by the average monthly employment covered under this chapter
 18 for the first 4 of the most recent 6 completed calendar
 19 quarters ending before the end of such 13-week period.
 20 (b) Computations required by the provisions of
 21 subsection (2)(a) shall be made by the department in
 22 accordance with regulations prescribed by the U.S. secretary
 23 of labor.
 24 (3) "Regular benefits" means benefits payable to an
 25 individual under this chapter or under any other state law,

1 including benefits payable to federal civilian employees and
 2 to ex-servicemen pursuant to 5 U.S.C. chapter 85, other
 3 than extended benefits.
 4 (4) "Extended benefits" means benefits, including
 5 benefits payable to federal civilian employees and to
 6 ex-servicemen pursuant to 5 U.S.C. chapter 85, payable to
 7 an individual under the provisions of this part for weeks of
 8 unemployment in his eligibility period.

9 (5) "Eligibility period" of an individual means the
 10 period consisting of the weeks in his benefit year which
 11 begin in an extended benefit period and, if his benefit year
 12 ends within such extended benefit period, any weeks
 13 thereafter which begin in such period.

14 (6) "Exhaustee" means an individual who, with respect
 15 to any week of unemployment in his eligibility period:
 16 (a) has received, prior to such week, all of the
 17 regular benefits that were available to him under this
 18 chapter or any other state law, including dependents'
 19 allowances and benefits payable to federal civilian
 20 employees and ex-servicemen under 5 U.S.C. chapter 85, in
 21 his current benefit year that includes such week; provided,
 22 that for the purposes of this subsection, an individual
 23 shall be deemed to have received all of the regular benefits
 24 that were available to him although, as a result of a
 25 pending appeal with respect to wages that were not

1 considered in the original monetary determination in his
 2 benefit year, he may subsequently be determined to be
 3 entitled to added regular benefits;

4 (b) his benefit year having expired prior to such
 5 week, has no or insufficient wages on the basis of which he
 6 could establish a new benefit year that would include such
 7 week;

8 (c) has no right to unemployment benefits or
 9 allowances, as the case may be, under the Railroad
 10 Unemployment Insurance Act, the Trade Expansion Act of 1962,
 11 the Automotive Products Trade Act of 1965, and such other
 12 federal laws as are specified in regulations issued by the
 13 U.S. secretary of labor; and

14 (d) has not received and is not seeking unemployment
 15 benefits under the unemployment compensation law of Canada,
 16 but if he is seeking such benefits and the appropriate
 17 agency finally determines that he is not entitled to
 18 benefits under such law, he is considered an exhaustee.

19 (7) "State law" means the unemployment insurance law
 20 of any state approved by the U.S. secretary of labor under
 21 section 3304 of the Internal Revenue Code of 1954."
 22 Section 2. Section 39-51-2504, MCA, is amended to
 23 read:

24 "39-51-2504. State "on" indicator --- when. There is a
 25 state "on" indicator for this state for a week if the

1 department determines, in accordance with the regulations of
2 the U.S. secretary of labor, that: for the period
3 consisting of

4 (1) (a) the rate of insured unemployment equals or
5 exceeds 5% for any such week and the immediately preceding
6 12 weeks; and the rate of insured unemployment (not
7 seasonally adjusted) under this chapter;

8 (b) equated or exceeded the insured unemployment
9 rate equals or exceeds 120% of the average of such rates for
10 the corresponding 13-week period ending in each of the
11 preceding 2 calendar years; and or

12 (2) equated or exceeded 4% if the rate of insured
13 unemployment for such week is 5% or more but the average of
14 such rates for the corresponding 13-week period ending in
15 each of the preceding two calendar years is less than 120%
16 the insured unemployment rate for such week and the
17 immediately preceding 12 weeks is 6% or more."

18 Section 3. Section 39-51-2505, MCA, is amended to
19 read:

20 "39-51-2505. State "off" indicator -- when. There is a
21 state "off" indicator for this state for a week if the
22 department determines, in accordance with the regulations of
23 the U.S. secretary of labor, that:

24 (1) for the period consisting of such week and the
25 immediately preceding 12 weeks the rate of insured

1 unemployment (not seasonally adjusted) under this chapter
2 is less than 5% of

3 (1) (a) the rate of insured unemployment equals or
4 exceeds 5% for any such week and the immediately preceding
5 12 weeks; and the rate of insured unemployment (not
6 seasonally adjusted) under this chapter;

7 (b) equated or exceeded the insured unemployment
8 rate equals or exceeds 120% of the average of such rates for
9 the corresponding 13-week period ending in each of the
10 preceding 2 calendar years; or is less than 120%

11 (2) equated or exceeded 4% if the rate of insured
12 unemployment for such week is 5% or more but the average of
13 such rates for the corresponding 13-week period ending in
14 each of the preceding two calendar years is less than 120%
15 the insured unemployment rate for such week and the
16 immediately preceding 12 weeks is 6% or more."

17 Section 5. Repealer. Sections 39-51-2502 and
18 39-51-2503, MCA, are repealed.

19 Section 6. Effective dates. (1) Section 1 is effective
20 on passage and approval.

21 (2) Sections 2 and 3 are effective on September 26,
22 1982.