

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

February 8, 1983

The meeting of the Labor Committee was called to order by Chairman Gary C. Aklestad on February 8, 1983, at 1:00 p. m. in Room 404 of the State Capitol Building.

ROLL CALL: All members of the Committee were present with the exception of Senator Galt.

After roll call Chairman Aklestad turned the meeting over to Vice-Chairman Keating and he introduced Senator Aklestad, sponsor of Senate Bill 152, who then explained the bill.

Senator Aklestad, District No. 6, stated that the amendments to the bill were all the same and that they were on Page 1, Line 14, Page 2, Line 1 and 16, Page 3, Line 16 and Page 4, Line 8.

Senate Bill 152 is not to do away with the Davis Bacon Act. This bill will allow local municipalities to use their funds for roads, construction, etc. Federal funds are not involved, so they would not be covered by the Davis Bacon Act. He stated several examples where the cost of labor would be prohibitive and the small communities cannot afford to pay them or rather the people could not pay for them. An example was given where a flagman would be making \$12.05 per hour plus travel and per diem. The local governments probably pay about one-half of the prevailing wage and that is what they can afford to pay.

PROPOSERS OF SENATE BILL 152:

Mr. Ed McCaffree, County Commissioner from Rosebud County, referred to the bill and said that the bill is not attempting to discredit or break unions. The county does not use federal funding in a lot of their maintenance. When we hire a contractor who has a small crew, they don't feel that it is fair that they have to pay the prevailing wage. If we are spending federal funds, we will comply. We need to get more for local taxpayers. Many counties in our state cannot afford to pay the prevailing wage. In the bigger bids, the bonding requirements eliminate the small contractors.

Mike Stephen, Executive Director of the Montana Association of Counties, supported the bill and stated that the issue is not to pay out decent wages but to balance the budget. Solely local government funds should not have to pay higher wages just to get the job done. He quoted the wages of supervisors in several counties and they were not paid as much as they would have to pay if they paid the prevailing wage. Some of the counties with low taxable values cannot afford to pay the prevailing wage and it should be based on the ability of counties to pay.

OPPONENTS OF SENATE BILL 152:

Jim Murry, Executive Director of the Montana AFL-CIO, spoke in opposition of the bill. He stated that there were often misunderstandings about national and state prevailing wage laws. His testimony is attached. (Exhibit No. 1)

Mitch Mihailovich, President of Montana State Building and Construction Trades Council stated that the bill was an attempt by a few "anti-worker individuals" to turn back the clock on the historic prevailing wage systems. His testimony is enclosed. (Exhibit No. 2)

Arlyn Plowman, Cement, Lime, Gypsum and Allied Workers' Union, Local #239, Three Forks, stated that the bill would not affect the industrial workers in their jobs but they would be affected as taxpayers and members of the general public. Please see Exhibit No. 3.

Jim Mayes appearing for Operating Engineers Local 400, representing over 3,200 workers engaged in heavy and highway construction in Montana, spoke in opposition to the bill. Please see Exhibit No. 4.

Gene Vuckovich, Recording Secretary, Iron Workers' Local No. 81, Anaconda, Montana told some of the history of the Davis-Bacon Act and how it has helped the workers. Please see Exhibit No. 5.

Gene Fenderson of Laborer's Local No. 254 spoke in strong opposition to the bill stating that well-trained and highly-skilled workers are able to do a job more quickly and do a high quality job which will actually save the taxpayers money in the long run. (Exhibit No. 6)

Senator Aklestad noted that the time was growing short for the testimony on this bill so stated that the rest of the witnesses would not be able to testify.

Senator Lynch asked that the other witnesses at least be able to stand and give their names in opposition to the bill as some of them had come a long way to testify.

The following witnesses then responded in opposition to the bill:

Charles Shields, Western Montana Building Trades Council, Missoula, MT.

Jerry Funston, Ironworkers' #81 from Anaconda

Hal A. Braham, IBEW #623.

Bill Glaser, Ironworkers' Union 708 from Pompey's Pillar.

Les McGetrick, Operating Engineers Local 400.

Bill Kokoruda, Carpenter's Local No. 153, Helena, Montana

Bill Burlingame, Operating Engineers Local 400.

Robert K. Murphy, IBEW, Local Union 185.

John Manzer, Local 45, Teamsters Union, Great Falls.

Dave Johnson, President of Helena Building Trades.

Jerry E. Pottratz, Laborers' Local 1334.

Bill Morton of Dutton, Montana, Local 60, Great Falls.

Jay Ballard, Carpenter's Local No. 153, Helena, Montana.

Ron Senger, Sheet Metal Workers', Local 103.

Bill McCally, Laborers' Local No. 98, Billings, Montana.

Robert McCullough, Local #81, Ironworker's.

George Fussell, Local 254, Clancy.

Jim Mackin, Local 81, Helena, Montana.

QUESTIONS FROM THE COMMITTEE ON SENATE BILL NO. 152:

Senator Lynch asked Mr. McCaffree that he stated in his testimony that a businessman will vary the wages of employees. Will they pay less one week and more the next week?

Mr. McCaffree answered that I don't know what they are getting but when he bids a job he shall pay the prevailing wage, but whether he does or not I don't know. We don't monitor wages on a small job. He bids accordingly.

Senator Aklestad then made his closing statements on Senate Bill 152. A worker does not become more skilled or less skilled if he crosses the street. I have heard testimony that skilled workers do quality work and if you drive on the interstate between Helena and Great Falls you can barely stay on the road. This project was done by skilled workers.

The Davis Bacon Act was initiated as Mr. Murry has testified but this bill does not pertain to federal projects.

Counties cannot afford to buy big equipment to do their construction. Unfortunately unions have been trying to get as much out of any entity as they can. We as Montanan's should take into consideration what we can do. This bill would cut down on our local tax base.

I keep hearing that unemployment is high, but with this bill maybe small counties could start doing some jobs and help the unemployment situation.

CONSIDERATION OF SENATE BILL NO. 315: Senator Delwyn Gage of District 7, and sponsor of Senate Bill No. 315 was introduced by Senator Aklestad. Senator Gage explained the bill saying he got interested in this bill from the point of view of a trustee of the school district in his area. The trustees say that teachers work for nine months for the school system and salaries were not comparable to their salaries. Amendments were offered and explained by Senator Gage. (Exhibit No. 8)

PROPOSERS OF SENATE BILL NO. 315:

Sue Romney, representing the Montana School Board Association, stated they would support this bill as amended.

Jerry Overmier, representing the Montana Board of Labor Appeals, stated that they strongly support this amendment. He said it is noted that the bill classifies all other school employees as non-certified and he thinks this could create a problem in interpretation by the Board and that is why they recommend the suggested amendment. (Exhibit No. 9)

OPPOSERS OF SENATE BILL NO. 315:

Jim Murry, representing the Montana State AFL-CIO, and a member of the Board of Labor Appeals for the last 12 years, said that SB 315 would preclude non-teaching school district employees who work only during the academic season from receiving unemployment compensation benefits during regular periods of layoffs. This legislation would affect cooks, bus drivers, teachers' aides, custodial workers and clerical workers in our school districts. (Exhibit No. 10)

Terry Minow, representing the Montana Federation of Teachers, AFT, AFL-CIO, said this bill would eliminate unemployment benefits for non-certified employees of public, charitable or educational organizations. (Exhibit No. 11)

Linda Gordon, a Bus Aide from School District No. 1, Butte, Montana, said many of the aides who work for the school district are the sole supporters of their households and without receiving any unemployment during the summer months, they would have no income coming in at all. (Exhibit No. 12)

Carol Hill, School Bus Aide, Butte School District #1, stated that now because of no fault of these school employees, you are trying to take away the only income these families will have during the summer months, when school is not in session. (Exhibit No. 13)

Marie Mehrens, a School Bus Driver for Butte School District #1, said they must legally qualify to draw benefits. It is even more difficult to find employment for a three-month period in the summer. (Exhibit No. 14)

Mr. Tom Schneider, Executive Director of the Montana Public Employees' Association, said that 90% of the people who are in these jobs they don't file and in cases where they file they need the money. There is no guarantee that if something happens those jobs will be available in September.

Nadlean Jensen, AFSCME of the AFL-CIO, stated that she opposes SB 315.

Pat McKittrick, representing Joint Council of Teamsters No. 2, Bus Drivers' of Anaconda School District, said that these people do work on a nine-month basis. They cannot operate on a twelve-month basis. They are inadvertently out of work through no fault of their own.

Senator J. D. Lynch, of District 44 and a member of the Committee, at this time read one of several letters he had received from opponents of the bill. He asked that the letters be made part of the committee record. (Exhibit 15)

QUESTIONS FROM THE COMMITTEE ON SENATE BILL NO. 315:

Senator Manning: Senator Gage, what do you mean by reasonable assurance?

Senator Gage: Teachers are required to return contracts by a particular date. I think the tenure laws of the state assure teachers that they are going to return anyway.

Senator Blaylock: How does that apply to non-certified employees?

Senator Gage: I guess those people might not have reasonable assurance. They would be able to file for benefits if they don't have reasonable assurance to a contract.

Senator Lynch: Mrs. Gordon, when you are not working would you get reasonable assurance that your fellow Bus Aides will be going back to work next year?

Mrs. Gordon: No, they would not have assurance. With the closing of schools there is going to be a lot of non-certified people out of work in September.

Senator Lynch: This type of personnel would not come under your bill?

Senator Gage: That would be my understanding

Chairman Aklestad called the hearing closed on Senate Bill No. 315.

CONSIDERATION OF SENATE BILL NO. 199:

Chairman Aklestad introduced Senator Larry Tveit, of District 27, and sponsor of Senate Bill No. 199, and Senator Tveit explained the bill to the Committee. He said that SB 199 requires that the fundamental distinctions between private and public employment be recognized when interpreting the public employees' collective bargaining act. (Exhibit No. 17)

PROPONENTS OF SENATE BILL NO. 199:

Representative Kerry Keyser, of District 81, stated that with this language in the bill we are making this distinction that we are talking about.

Sue Romney, representing the Montana School Boards' Association, said they do support SB 199. She stated the existence of a number of other statutory objections does need to be recognized when interpreting the act. She said collective bargaining is not perfect and can be modified. I think the Montana Act could use some balancing. I think this amendment is necessary and would provide some of the needed balance.

OPPONENTS OF SENATE BILL NO. 199:

Pat McKittrick stated that he doesn't see a need for this particular amendment to the law.

Nadiean Jensen, Executive Director of State-County Municipal Employees, said she supports Mr. McKittrick's testimony and hopes SB 199 receives a do not pass.

Dave Hartman, of the Montana Education Association, said that Senate Bill 199 will create chaos in public sector labor relations. The present law is fair. This bill would give an unfair advantage to employers by creating so much confusion that nobody will know what the law is. (Exhibit No. 18)

Chairman Aklestad called the hearing closed on Senate Bill No. 199.

ADJOURN: The meeting was adjourned at 2:30 p. m.


Senator Gary C. Aklestad, Chairman

ROLL CALL

LABOR

COMMITTEE

48th LEGISLATIVE SESSION -- 1983

Date 2-8-83

[illegible]

COMMITTEE ON

DATE

2-8-83

Labor & Employment Relations

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Jada Gordon	School Aides	SB 315		X
Carol Hill	School Bus Aides	SB 315		X
Marie Mehrer	School Bus Driver	315		X
Bill Glass	Ironworkers in Billings	SB 152		X
Bill Kibunde	Carpenters Local 153 Helen	SB 152		X
Gore Vuckovich	Ironworkers' Local 81	152		X
JIM MAYES	LOCAL 400 TUIOE	152		X
Jim Murry	Mont. AFL-CIO	152		X
Mike O'Shea	MACO	152	X	
Jim Murry	Mont. AFL-CIO	315		X
Eug. Funder	Sabers Local 254	152		X
Mr. Stetson	Ironworker 87	152		X
Mike Faller	IRONWORKER ANCONDA	152		X
AFL-CIO Plowman	CEMENT WORKS BOZEMAN	152		X
Charles R. Shields	Western Montana Building Trades	152		X
Larry Persinger	Laborer's Union #1334	152		X
Andy Turnator	IRONWORKERS #81 Anaconda	SB 152		X
Roger & Blades	Operating Engineers INTL	152		X
Earl A. Abraham	IBEW #623	152		X
Dwight Johnston	Operating Engineers LOCAL 400	152		X
Bill Borkingame	operating Eng. Local 400	152		X
Richard W. Stelick	Op Eng Local 400	152		X
Arden Plowman	CEMENT WORKS 339	119		X
Jay Ballard	Carpenters #153	152		X
Richard Abraham	Carpenters #153	152		X
Connie Lund	LOCAL 400	152		X

(Please leave prepared statement with Secretary)

COMMITTEE ON

DATE

2-8-83

Labor Employment Relations

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
John Stottens	Hardin Mount	SB B52		X
Don Rogers	Great Falls Local #406	152		X
Paul J. Fennell	Pt. Falls Local #400	SB 152		X
Bill Knott	LOCAL 153	152		X
Carolyn Knott	LOCAL 153	152		X
Bernard E. Flage	East Helena, Mont Local 400	152		X
James L. Martin	Local 81 Helena	152		X
Phil Morton	Dutton Mt.	152		X
Dennis Willert	Local 153 Helena	152		X
Dale R. Newman	Self.	152		X
John Newman	local #400	152		X
Charles A. Fitch	local #153	152		X
Walter L. Reynolds	Local #153	152		X
Ken Senger	Sheet metal workers Local 103	152		X
Mark C. Beach	Orin Local 400	152		X
George Furell	Local 254	152		X
MARVIN SAEMAN	LOCAL 254	152		X
Larry A. Kemp	Local #81 Ironworkers	152		X
Robert J. McElroy	LOCAL #81 Ironworkers	152		X
Ed Wenzel	Local #11 Boilermakers	152		X
Reg Eby	Local #153 Carpenter	152		X
Mike Darter	Local 153 Carpenter	152		X
Frank J. Clune	Local 1100 operators	152		X
Joe Rossmore	Teamsters	152		X
Stanley	Local 1023 Plumber	152		X
Darwin Hines	Local 400	152		X

(Please leave prepared statement with Secretary)

DATE

2-8-83

COMMITTEE ON

Labor & Employment Relations

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Robert K. Murphy	LU 185 I.B.F.W.	152		X
Frank E. [unclear]	B Laborers Local 1334	152		X
John A. Hanger	Teamsters Local 45	152		X
Bob Amigay	Laborers Local #254	152		+
Wes Roub	Carpenters Union	"		"
Marty Murto	Carpenters #153	152		✓
Jack Brooks	LABORERS	152		✓
Howard R. [unclear]	Carpenters #88	152		✓
Henry E. Zoluf	Broadwater Rural.	320	X	
Leslie Puci	Lic Carp. 153	152		✓
Ralph B. Waller	Laborers	152		✓
Pat McTilluck	Joint Council 7 Teamsters Local	3B152		✓
Pete Roberts	Laborers	SB152		X
Debra Fursell	Laborer	SB152		X
John Kemmerer	Laborer	152		X
Al Amigay	Laborers Local #254	152		X
Linda Waller	Laborers " "	152		X
Bill McCallery	Broadwater Rural #98	152		X
Jerry McCallery	Laborers Local #98	152		X
Jim McCallery	Natl Fed of Teachers	152		X
James Lynn [unclear]	Natl Fed of Teach	152		X
Jerry Lynn [unclear]	Natl Fed of Teach	315		X
Thomas [unclear]	MPEA	315		X
" "	" "	199		X
R. Madigan [unclear]	AFSCME	199		X
R. Madigan [unclear]	AFSCME	315		X

(Please leave prepared statement with Secretary)

2-8-83

DATE 2-8-83
Labor & Employment Relations

VISITORS' REGISTER

[illegible]

(Please leave prepared statement with Secretary)

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

~~6-10-83~~

NAME: ARLYN PLOWMAN

DATE: 2-8-83

ADDRESS: Box 804 - THREE FORKS

PHONE: 586-2079

REPRESENTING WHOM? CEMENT WORKERS LOCAL 239

APPEARING ON WHICH PROPOSAL: SENATE BILL 152

DO YOU: SUPPORT? _____

AMEND? _____

OPPOSE? X

COMMENTS: REPEAL OF PREVAILING WAGE

LAW WOULD ENCOURAGE SHODDY

CONSTRUCTION AND THE EXPLOITATION

OF CONSTRUCTION WORKERS

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Terry Lynn Minow DATE: 2/8/83

ADDRESS: Box 513, Boulder, Mt 59632

PHONE: 225-4397

REPRESENTING WHOM? MA Fed of Teachers, AFT, AFL-CIO

APPEARING ON WHICH PROPOSAL: SB 315

DO YOU: SUPPORT? . AMEND? OPPOSE? X

COMMENTS:

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Judy Olson DATE: 2.8.83

ADDRESS: Helena

PHONE: _____

REPRESENTING WHOM? Montana Nurses' Assoc.

APPEARING ON WHICH PROPOSAL: ~~#~~ 5B 199

DO YOU: SUPPORT? _____ AMEND? _____ OPPOSE? ☒

COMMENTS: Don't really understand reason for the
bill. If it says public employees ~~don't~~
shouldn't have same rights as private
employees, we strongly disagree.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: K. Kadiyan Jensen

DATE: 2-8-83

ADDRESS: 176 Lena, MT

PHONE: 442-1192

REPRESENTING WHOM? H F S C M E

APPEARING ON WHICH PROPOSAL: SB 199

DO YOU: SUPPORT? _____ AMEND? _____ OPPOSE? X

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Linda Gordon DATE: 2-8-83

ADDRESS: 601 Hobson St Butte

PHONE: 494-5574

REPRESENTING WHOM? B School Aides

APPEARING ON WHICH PROPOSAL: SB 315

DO YOU: SUPPORT? _____ AMEND? _____ OPPOSE? X

COMMENTS: Testimony Attached

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Hill, Carol DATE: 2/8/83

ADDRESS: 113 Moon Lane, Butte, Mont.

PHONE: 494-5208

REPRESENTING WHOM? School Audio

APPEARING ON WHICH PROPOSAL: S.B. 315

DO YOU: SUPPORT? _____ AMEND? _____ OPPOSE? X

COMMENTS: Testimony Attached

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: MARIE MEHRENS DATE: 2/8/83

ADDRESS: 1350 Sampson

PHONE: 4947013

REPRESENTING WHOM? School Bus Drivers

APPEARING ON WHICH PROPOSAL: SB 315

DO YOU: SUPPORT? _____ AMEND? _____ OPPOSE? X

COMMENTS: Testimony Attached

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

DATE :

ADDRESS :

PHONE :

REPRESENTING WHOM?

APPEARING ON WHICH PROPOSAL:

DO YOU:

SUPPORT?

AMEND?

OPPOSE?

COMMENTS :

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Charles R. Shields DATE: 2-8-83

ADDRESS: Office 1026 So. 5th W, Home 1755 W. Central - Missoula 59801

PHONE: Office 549-3479 Home 543-7598

REPRESENTING WHOM? Western Montana Building Trades

APPEARING ON WHICH PROPOSAL: SB 152

DO YOU: SUPPORT? _____ AMEND? _____ OPPOSE? Oppose

COMMENTS: Written Testimony

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Mitch M. Harkovich DATE: 2-8-83

ADDRESS: 1900 Elm Butte

PHONE: 782-1944

REPRESENTING WHOM? Mt State Bldg Trades

APPEARING ON WHICH PROPOSAL: SB 152

DO YOU: SUPPORT? _____ AMEND? _____ OPPOSE? X

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Gene Vuckovich DATE: 2/8/83

ADDRESS: P.O. Box 818 Anaconda, MT

PHONE: 563-5349

REPRESENTING WHOM? Ironworkers Local 81

APPEARING ON WHICH PROPOSAL: S.B. 152

DO YOU: SUPPORT? _____ AMEND? _____ OPPOSE? X

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: David Hartman DATE: 2/8/83

ADDRESS: 1804 Gold Rush, Helena

PHONE: Business 442-4250

REPRESENTING WHOM? Montana Education Association

APPEARING ON WHICH PROPOSAL: SB 199

DO YOU: SUPPORT? AMEND? OPPOSE? X

COMMENTS: Included on separate sheet

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: ARLYN Plowman

DATE: 2-8-83

ADDRESS: Box 804 THREE FORKS

PHONE: 586-2079

REPRESENTING WHOM? CEMENT WORKERS LOCAL 239

APPEARING ON WHICH PROPOSAL: SENATE BILL 199

DO YOU: SUPPORT? _____ AMEND? _____ OPPOSE? X

COMMENTS: PUBLIC EMPLOYEES SHOULD
HAVE ALL THE RIGHTS AND
PRIVILEGES OF PRIVATE EMPLOYEES.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

Exhibit 1
Jim Murry



Box 1176, Helena, Montana

JAMES W. MURRY
EXECUTIVE SECRETARY

ZIP CODE 59624
406/442-1708

TESTIMONY OF JIM MURRY, ON SENATE BILL 152, BEFORE THE SENATE COMMITTEE ON
LABOR AND EMPLOYMENT RELATIONS, FEBRUARY 8, 1983

I am Jim Murry, executive secretary of the Montana State AFL-CIO. I am here today in opposition to Senate Bill 152, which would exempt local governments from provisions of Montana's prevailing wage laws on locally-financed construction projects.

Because there are often misunderstandings about national and state prevailing wage laws, I would like to give the committee a brief background on this subject. The federal prevailing wage law, the Davis-Bacon Act, was passed in 1931 and provided that workers on federally funded construction projects must be paid the prevailing wage. It was a Republican measure, sponsored by Senator James Davis (R-Pa.), a former secretary of labor and Congressman Robert Bacon (R-New York). It enjoyed wide bi-partisan support and was signed into law by Republican President Herbert Hoover.

At the time the law was passed, the Congress and the President were concerned about the bidding process on federal construction projects, which was resulting in a condition whereby competitors were underbidding each other by paying substandard wages, in order to submit the lowest bid. By law, the government has to accept the lowest bid. The bidding process was harmful both to workers and fair contractors. In addition, it caused a destabilizing effect on local communities.

The Davis-Bacon Act was aimed at alleviating these conditions on the national level. A number of states had recognized the problem before that time and had enacted laws to control wage-slashing on public projects. State prevailing wage

laws are generally known as "Little Davis-Bacon Acts" and Montana passed such a law in 1931.

These laws have provided crucial benefits to workers, their communities, contractors and the taxpayers themselves. The old adage, "you get what you pay for", certainly holds true in the construction industry. Construction projects, particularly those in the public sector such as dams, power plants, highways and schools, require highly skilled labor. There is no doubt that wages of construction workers could be cut all the way down to the minimum by hiring unskilled workers. But would this really save the taxpayers any money, as this bill is apparently intended to do? The answer is no. First, unskilled workers will certainly take longer to do a job than skilled workers, therefore productivity would be down and costs to the local taxpayers would rise. Second, if local government wants quality construction projects, with fewer long-run maintenance costs, then it must attract skilled workers. And in order to attract qualified, well-trained construction workers, it is almost always necessary to pay no less than the locally prevailing wage.

In the long run, exempting local governments from the provisions of the Little Davis-Bacon Act will cost more, not less, in terms of dollars, and in terms of public safety and well being.

We urge you to vote against Senate Bill 152.

Thank you.

Exhibit 2
Mitch Mihailovich



MONTANA STATE BUILDING & CONSTRUCTION TRADES COUNCIL
IN AFFILIATION WITH
THE NATIONAL BUILDING & CONSTRUCTION TRADES DEPARTMENT
AMERICAN FEDERATION OF LABOR — CONGRESS OF INDUSTRIAL ORGANIZATIONS

President Mitch Mihailovich

Secretary-Treasurer Dan Jones

TESTIMONY OF MITCHELL MIHAILOVICH
IN OPPOSITION TO SENATE BILL 152
BEFORE THE SENATE LABOR AND EMPLOYMENT RELATIONS COMMITTEE
FEBRUARY 8, 1983

I am Mitch Mihailovich, President of Montana State Building and Construction Trades Council.

As I stated to all of you in my letter of January 27th, I am here to enlist your support in OPPOSING SB 152. SB 152 is an attempt by a few "anti-worker individuals" to turn back the clock on the historic prevailing wage systems or put simply, to turn their backs on the working men and women of this state.

The Montana Little Davis-Bacon Act (Section 18.2-401, et. seq.) has been an important step in this state's road to economic and social justice. It has restricted exploitation of the wage earner and insured safer and healthier conditions for working men and women.

Critics of the Montana Little Davis-Bacon would like to repeal the Act. Being unable to attain this, they seek to torpedo the program's effectiveness through administrative modifications.

SB 152 if passed, will mean wage cutting that would produce chaos and cut-throat competition, and destroy the standards that have been developed over the years. With local conditions in turmoil, the kind of stability that is so important for economic progress for workers and employers and this state would be non-existent.

Again I urge you to OPPOSE SB 152.

Exhibit 3
Arlyn Plowman



UNITED CEMENT, LIME AND GYPSUM WORKERS
LOCAL UNION NO. 239 AFL-CIO
THREE FORKS, MONTANA

NAME OF WRITER

ADDRESS

CITY, STATE AND ZIP

TESTIMONY OF ARLYN PLOWMAN - SENATE BILL 152
SENATE COMMITTEE ON LABOR AND EMPLOYMENT RELATIONS

FEBRUARY 8, 1983

I am Arlyn Plowman, Cement, Lime, Gypsum and Allied Workers' Union, Local #239, Three Forks. Our members oppose Senate Bill 152. As industrial workers, the provisions of the state's Little Davis-Bacon Act do not affect our jobs, but they do affect us as taxpayers and members of the general public.

We know that workers who are paid the prevailing wage on projects are going to be well-trained, skilled and highly productive workers. We know that the projects they work on are going to be safe and well built. We don't want our kids going to a school which may be poorly constructed because the workers didn't know what they were doing. We don't want our streets and roads falling apart shortly after they have been built at additional cost to the taxpayer. We don't want public buildings which may not be safe.

If any of us were going to build a house, we wouldn't go out and find the cheapest help we could get. Cheap help means cheap product, which can be dangerous, as well as costing more for upkeep and repair in the long run. The same is true for public construction.

Please help keep local projects safe and sound by voting against Senate Bill 152.

Thank you.

(NOTE: Union label removed
for duplication purposes)

THE PREVAILING WAGE LAW
REQUIRES THAT CONTRACTORS BIDDING
ON PUBLIC PROJECTS COMPETE
ON THE BASIS OF MANAGEMENT,
PRODUCTIVITY AND SKILLS. REPEAL
OF THE ~~P~~ PREVAILING WAGE LAW
WOULD NOT ENCOURAGE COMPETITION
ON THE BASIS OF ^{GOOD} ~~GOOD~~ MANAGEMENT.
RATHER IT WOULD ENCOURAGE
COMPETITION ON THE BASIS OF WHO
TREATED THEIR WORKERS THE
WORST. IT WOULD GIVE LESS
HONORABLE EMPLOYERS AN
ECONOMIC ADVANTAGE. IT WOULD
ENCOURAGE THE EXPLOITATION
OF WORKERS.

Jim Mayes
Exhibit 4

Thank you for the opportunity to appear before the committee to testify in opposition to SB 152. I am JIM MAYES appearing for Operating Engineers Local 400. Our organization represents over 3,200 workers engaged in heavy and highway construction in Montana.

Recent news reports have confirmed that some 45 percent of Montana construction workers are unemployed and, furthermore, that that figure may rise to as high as 60 percent. There are over 1,200 members of my own union who are unemployed. It should be remembered by this committee that these are Montanans who are out of work. They live here, own homes here and pay taxes -- taxes which fund local government project that are the subject of this legislation.

On its face, this bill pretends to reduce local government costs by allowing those local governments to pay less than the prevailing wage when "only local funds are used." Nowhere in the bill is the term "local government" actually defined. We may presume that it can be interpreted to include cities, towns, counties and even school districts. A substantial amount of construction in this State is performed by cities, towns, counties and school districts. Therefore, this bill would authorize a tremendous amount of construction in Montana to be performed at sub-standard wage rates.

No one would argue that the costs of local government have increased in recent years. Along with all segments of society, local government has been the victim of the unwise economic policies of the Federal government. But just as the costs of

government have increased, so too have the costs of transportation, food, education and housing.. And these are costs which are borne by the working taxpayer, along with the cost of financing his or her government through taxes. It makes little sense, however, to attempt to relieve the financial burden on local governments by cutting back on the wages paid to the people who finance those local government budgets.

Will this bill do anything to aid unemployment among Montanans? I think not. Let me give you an example. The Federal Highway Administration demands that highway jobs be awarded to the lowest bidder. The Federal Highway Administration refuses to allow the State of Montana to apply its own law which grants a 3% preference to Montana contractors who bid on highway construction work. Organized labor is attempting to have this regulation changed to allow more of this work to be awarded to our own resident contractors. But in the meantime, over the last few years, we have seen more and more of this in-state work being awarded to out-of-state contractors who do not hire local citizens, but rather import their own workers. Thus the gasoline taxes and other taxes paid by Montanans do not finance jobs which provide payrolls to Montanans; rather an ever-increasing amount of your tax dollars and mine find their way into the pockets of out-of state employees who add little to the local economy or tax base. When the present State Administration is supporting the notion of "BUY MONTANA", it makes little sense to me to enact legislation that will -- in the main -- support jobs for out-of-state contractors and employees. Why is that so?

Because if this bill becomes law, let me assure you that the vast bulk of locally financed governmental projects will be done by out-of-state contractors and workers -- workers who will be paid sub-standard wages and who will, more than likely, not be provided with such fringe benefits as health insurance or adequate unemployment insurance. Who is to pick up the cost of providing those benefits when the job is over and the out-of-state contractor has taken his money and gone home? We all know the answer to that: it will be the local taxpayer.

The hidden social cost of this legislation is an increased burden on the public assistance programs that are already over-burdened.

This bill is not only detrimental to working men and women, it could prove disastrous to resident Montana Contractors as well. These are the employers who also pay taxes year after year in this state and who provide jobs for thousands of Montanans. This Union and other construction Unions have labor agreements with the vast majority of these contractors. Those contracts, fairly bargained for by both labor and management, have provisions for the payment of decent wages and fringe benefits such as health insurance and pension. If this bill should pass, you will be denying those contractors the right to even bid on local government construction projects. Because no fair contractor who has agreed through negotiations to pay decent wages and fringe benefits can agree with a local government to pay less than the prevailing wage. By default, our own resident contractors will be frozen out of the bidding process. Rather than seeing a decline in Montana's unemployment, we will see an increase

in out-of-state employers who import their own workers rather than providing jobs to local residents. I can cite to you several contracts let by the state and localities to Dunninck Brothers of Minnesota - a company that provides its work in Montana to Minnesotans.....not to Montanans.

The Montana Attorney General has recently ruled that recipients of public assistance who are employed on "Workfare" projects must receive prevailing wages for their hours worked. Based upon that decision, we submit that his bill may not even stand the test of judicial scrutiny if it should pass. Surely the Montana construction worker who actively seeks work during our short construction season deserves similiar consideration.

This proposed legislation cures nothing. On the contrary, it "ROBS PETER TO PAY PAUL." It would penalize Montana workers and Montana contractors alike. It holds the promise of further burdening local public assistance agencies. All of the ills of the 1930's which led to the passage of the Little Davis-Bacon Act will be visited on us again.

We urge this committee to carefully consider this bill and to recommend its defeat.

Thank you very much.

6-phillet 5
Gene Vuckovich

THE FEDERAL PREVAILING WAGE LAW, THE DAVIS-BACON ACT, WAS INTRODUCED IN THE U.S. SENATE BY JAMES J. DAVIS (R. PENNSYLVANIA) AND IN THE U.S. HOUSE OF REPRESENTATIVES BY ROBERT L. BACON (R. NEW YORK) AND HAD WIDE BI-PARTISAN SUPPORT. IT WAS SIGNED INTO LAW BY REPUBLICAN PRESIDENT, HERBERT HOOVER IN 1931.

MONTANA'S LITTLE DAVIS-BACON ACT WAS ALSO ADOPTED IN 1931.

BOTH THE FEDERAL AND STATE DAVIS-BACON ACTS WERE PASSED BECAUSE OF THE DEEP CONCERN ABOUT THE BIDDING PROCESS ON BOTH FEDERAL AND STATE CONSTRUCTION PROJECTS, WHICH WERE RESULTING IN CONDITIONS WHEREBY COMPETITORS WERE UNDERBIDDING EACH OTHER BY PAYING SUBSTANDARD WAGES. THIS PROCESS WAS HARMFUL TO BOTH THE WORKERS AND TO FAIR CONTRACTORS.

BY LAW, THE FEDERAL, STATE OR LOCAL GOVERNMENTS MUST ACCEPT THE LOW BID FOR CONSTRUCTION PROJECTS. BEFORE PREVAILING WAGE LAWS WERE PASSED, SOME CONTRACTORS WOULD UNDERBID THEIR COMPETITORS BY SLASHING WAGES. THAT RESULTED IN UNSAFE AND UNSOUND CONSTRUCTION, BECAUSE WORKERS WILLING TO WORK FOR LOW WAGES WERE NOT WELL-TRAINED AND HIGHLY SKILLED. PREVAILING WAGE LAWS PUT ALL CONTRACTORS ON AN EQUAL FOOTING WHEN BIDDING FOR PROJECTS AND PROTECT WORKERS, FAIR CONTRACTORS, COMMUNITIES AND THE TAXPAYING PUBLIC.

MONTANA'S LITTLE DAVIS-BACON PROTECTS WORKERS FROM UNSCRUPULOUS CONTRACTORS WHO WOULD SLASH WAGES TO OBTAIN PUBLIC CONTRACTS. CURRENT HIGH UNEMPLOYMENT IN THE CONSTRUCTION INDUSTRY WILL MAKE IT EVEN MORE TEMPTING FOR A CONTRACTOR TO CUT WAGES, IF THE LAW IS CHANGED.

THE LITTLE DAVIS-BACON ACT ENSURES SAFE AND SOUND CONSTRUCTION TO PROTECT THE PUBLIC. IT COSTS THE TAXPAYER LESS IN THE LONG RUN, BECAUSE SHODDY CONSTRUCTION REQUIRES MORE EXPENSIVE REPAIR AND MAINTENANCE. IT HAS A STABILIZING EFFECT ON THE ECONOMY OF LOCAL COMMUNITIES BY ASSURING THAT WORKERS ARE BEING PAID THE WAGE WHICH IS PREVAILING IN THAT AREA.

THE DAVIS-BACON ACT AND MONTANA'S LITTLE DAVIS-BACON ACT HAVE BEEN IMPROVED AND REVIEWED OVER THE YEARS. THE MOST RECENT THOROUGH REVIEW OF DAVIS-BACON WAS IN 1979 AND THE 1979 U.S. SENATE COMMITTEE REPORT CONCLUDED:

"THE CONSTRUCTION INDUSTRY CONTINUES TO MANIFEST A CHRONIC INSTABILITY THAT MAKES THE WAGE STABILIZATION EFFECTS OF THE DAVIS-BACON ACT DESIRABLE ON FEDERALLY ASSISTED CONSTRUCTION CONTRACTS. PARTICULARLY DURING PERIODS OF HIGH UNEMPLOYMENT, THE ABSENCE OF THE PREVAILING WAGE PROTECTION OF

THE DAVIS-BACON ACT COULD...RISK THE DESTABILIZATION OF THE CONSTRUCTION INDUSTRY, AND THREATEN THE ECONOMIC WELL-BEING OF THE CONSTRUCTION WORKERS AND THE COMMUNITIES IN WHICH THEY LIVE."

THESE WORDS ARE TRUE OF MONTANA'S LITTLE DAVIS-BACON ACT AS WELL.

IN A RECENT COURT DECISION, UPHOLDING THE PRESENT DAVIS-BACON ACT AGAINST AN EFFORT TO REPEAL THE PREVAILING WAGE LAW, U.S. DISTRICT COURT JUDGE HAROLD H. GREENE, ANALYZING THE DAMAGE THE PROPOSED REPEAL OF DAVIS-BACON PREVAILING WAGE WOULD CAUSE IF ALLOWED TO GO INTO EFFECT, SAID:

"THIS WOULD HARM NOT ONLY THE EMPLOYEES, WHOSE WAGES WOULD BE REDUCED IN THE INTERIM, BUT ALSO THE EMPLOYERS, WHO WOULD BE CONFRONTED WITH AN ALMOST IMPENETRABLE MAZE OF CHANGES AND RECOMPUTATIONS."

IN ORDER TO PROTECT WORKERS, FAIR CONTRACTORS, TAXPAYERS, LOCAL COMMUNITIES AND THE GENERAL PUBLIC, WE URGE THIS SENATE COMMITTEE TO GIVE A "DO NOT PASS" RECOMMENDATION TO SENATE BILL NO. 152.

SIGNED,



GENE VUCKOVICH, RECORDING SECRETARY
IRON WORKERS' LOCAL NO. 81
ANACONDA, MONTANA

*Confidential to
Gene Fenderson*

Senate Bill 152

Senate Committee on Employment and Labor Relations

February 8, 1983

I am here today to speak in strong opposition to Senate Bill 152, which would allow local governments to pay less than the prevailing wage on locally-funded construction projects.

Critics of prevailing wage laws charge that these laws drive up the cost of public construction. Their basic argument is that workers can be found who are willing to work for less than the locally prevailing wage rate. By preventing the use of this cut-rate labor, some think that prevailing wage laws create unnecessarily high project costs.

That argument is completely false because it ignores the important differences in skills and productivity. Well-trained and highly skilled construction workers are not often willing to work for substandard wage rates. The workers who can be recruited to work below the prevailing wage rate are likely to be less skilled and experienced.

Well-trained skilled workers will be able to complete a project much more quickly and do a high quality job. While there might be some small initial savings as a result of paying below the prevailing wage rate, these savings could be quickly wiped out by the need for repairs and costly maintenance.

We understand the financial crunch which local governments are experiencing because of the Reagan recession, but paying below the prevailing wage rate is a false economy. In the long

run, it will cost local governments and the taxpayers more money, . .
not less.

We urge your opposition to Senate Bill 152.

to Charles R. Shields
Charles Shields

February 8, 1983

Exhibit 7

Charles R. Shields
1755 West Central
Missoula, Montana 59801

Senate Bill 152 hearing:

I am Charles R. Shields, I reside at 1755 West Central Avenue, Missoula, Montana. I am a past member of Missoula's City Council and the State Board of Health and Environmental Sciences.

My life's work has been in the construction trade and I worked for many years as a maintenance and construction foreman and supervisor for the University of Montana.

I can testify that in most cases you get just what you pay for. Top quality craftsmen bring and are worth top dollar when you get them at the prevailing wage you are getting a bargain.

Public projects cannot be built too well, the material shows but the workmanship can be covered up. No matter how high the quality of the material if poorly installed it will cost you forever. This bill rather than saving the taxpayer money would actually cost them money in the long run.

In my own trade plumbing before you can become a union member, you must go through a four year state approved apprenticeship program which involves two nights a week classroom instruction, as well as, four full years of on the job training or the equivalent of four years. You must then pass an examination before being accepted as a journeyman plumber or pipefitter.

While Davis-Bacon is one of labor's most hard-won legislative protections it is interesting to note that the Davis-Bacon Act was introduced in Congress in 1931 by two Republican lawmakers. It was approved by the Republican-controlled House of Representatives and by the Republican-controlled Senate and it was signed into law by a Republican president, Herbert Hoover. The need for the Davis-Bacon protection is as clear and pressing now as it was half a century ago. Before Davis-Bacon unscrupulous contractors reaped huge profits while their employees were given the choice of accepting totally unfair wages or not working at all.

I feel that Senate Bill 152 is an attempt to deny those construction workers who will be hired on local government projects the decent wages they are entitled to. They would not have the right to earn the same amount of money that other craftsmen in the same area are earning for doing essentially the same work. Rather, they would have been paid at virtually whatever rate the contractor dictated. This condition breeds discontent and shoddy workmanship neither of which we can afford. When you have the poor quality inspection you have on most jobs you should be able to depend on the craftsmen on these jobs to look out for your interest. Trained craftsmen do quality work.

In conclusion, I would like to repeat that if government wants quality construction projects with fewer maintenance costs, they should be happy to pay no less than the locally prevailing wage rate in order to attract the skilled workers that they must depend on.

Charles R. Shields

Charles R. Shields
Representing Building Trades

Suggested Amendments

SB 315

Line 22, page 1

Delete: after 'in' delete 'a noncertified'

Add: after 'in', 'any other'

Line 11, page 2

After 'contract' add: 'or reasonable assurance'

Line 12, page 2

After 'any' add: 'such'

After line 13 add: (3) If any school employee is denied benefits and such employee is not offered an opportunity to be reemployed for the next succeeding school year or term, such individual shall be entitled to retroactive payment for each week for which the individual filed a timely claim for benefits and for which compensation was denied solely because of this section.

*Ernest A. G.
Jerry Overmier*

I rise in support of the amendments to Senate Bill 315. As a member of the Board of Labor Appeals, I can speak firsthand of the problems that the Board has in interpreting the word 'contract'.

The Division and lower appeals interpret this to mean that if the teacher has reasonable assurance or letter of intent, then benefits should be denied between terms.

They have been reversed by higher appeals because higher appeals decisions are based on the strict interpretation of a written contract.

When the United States Congress required this denial it is my belief that tenure or reasonable assurance was sufficient in assuming that the individual would return to regular employment with the school.

Other state unemployment insurance laws do use the term 'reasonable assurance'; therefore, I would recommend this amendment.

It is noted that the bill classifies all other school employees as non-certified and I think this could create a problem in interpretation by the Board and recommend the suggested amendment.

JERRY OVERMIER



Exhibit 10
Jim Murry

Box 1176, Helena, Montana

JAMES W. MURRY
EXECUTIVE SECRETARY

ZIP CODE 59624
406/442-1708

TESTIMONY OF JIM MURRY, ON SENATE BILL 315, BEFORE THE SENATE LABOR AND
EMPLOYMENT RELATIONS COMMITTEE, FEBRUARY 8, 1983

Mr. Chairman, members of the committee, my name is Jim Murry and I'm
here today representing the Montana State AFL-CIO. I am appearing in opposition
to Senate Bill 315.

Senate Bill 315, as you are aware, would preclude non-teaching school
district employees, who work only during the academic season, from receiving
unemployment compensation benefits during regular periods of layoffs. This
legislation would effect cooks, bus drivers, teachers' aides, custodial workers
and clerical workers in our school districts. These employees are traditionally
underpaid with almost no chance for internal advancement. They are, however,
very loyal, dedicated, and trustworthy people who have the admired ability to
inter-react with our youth.

How many of us, for example, could spend four to six hours a day driving a
school bus loaded with kids ranging in age from 6 to 18, full of the vim and
vinegar that we all admire in the young? How do we measure the value of a driver
who can analyze and relate to each and every one of his passenger's moods, physical
conditions and emotional needs? Who knows his route, the weather, the hazards,
and the timing?

Or how do we measure the value of the cooks, the aides and the custodians
who are called upon to inter-react with these same children in much the same
manner as the bus drivers?

Professionals in the educational field and parents alike, well know that
stability is a critical component in the raising of well adjusted youth. That

means stability not only in the home and professional teachers, but also in those other persons who come into daily contact with the young. We can all remember that special cook who gave us the extra piece of cake; the driver who took us right up to the yard when the weather was bad; the custodian who fixed our broken desk or helped us get into our jammed lockers; and the aides who took care of us when a problem was too tough or we weren't feeling quite right.

That type of stability is hard to buy. But we get not only this kind of stability, but also the mental comfort of parents who know that their children are in good, "trustworthy" hands.

These workers aren't violating any of the intentions of the Unemployment Compensation Act by drawing benefits in the off seasons. They must still seek other employment, they must still have earned the qualifying credits, and they must accept appropriate employment if it is offered to them.

The fact of the matter is that employers don't want employees who can only work three months.

Proponents of this bill have talked about the "vacation" which these employees receive in the summer months. We should not confuse the term "vacation" which means "time off with pay", with the real situation these people are in. They are "out of work" in a "non-paid" status. When you are in a "paid vacation" status, you are not entitled to receive unemployment compensation benefits.

We respectfully request that you give Senate Bill 315 a "do not pass" recommendation.

Thank you.

Exhibit 11
Jerry Minor

Mr. Chairman, members of the committee,
my name is Jerry Lynn Minor. I
represent the Montana Federation of
Teachers, AFT, AFL-CIO.

I would like to speak in opposition
to SB 315.

This bill would eliminate unemployment
benefits for non-certified employees
of public, charitable or educational
organizations.

SB 315 is aimed at the lowest
paid employees of educational organ-
izations. Classified employees, such
as secretaries & teacher aides, are
not paid on a 12 month basis -
they are paid an hourly rate for the
9 months they work. During the
summers they are laid off with
no assurance that a job will be
waiting for them in the fall.

These employees are already
hurting economically. ^{For example,} Most ~~of them~~ teacher aides
are women & a large number of
them are single parents. They must
work to support themselves & their
families. They frequently became
teacher aides because that is
what they know best. Caring for

You should understand - that teacher aides & other classified personnel are often in a terrible bind. Their wages are low & they would like to provide a better living for their families. ~~But~~ In order to get a better job they need more education, but they can't afford to quit working & start paying tuition.

As a former Head Start employee I can speak from personal experience when I say that teacher aides are paid poorly. Imagine for a moment that you are a ~~Head Start~~ ^{in Massachusetts, but} Head Start teacher aide, attempting to feed, clothe & house yourself & your children for less than \$6000 a year plus unemployment benefits for the summer months. Your unemployment benefits, in this case, would be less than \$100 a ^{week} ~~month~~. You would not look forward to summer as a time to vacation ~~clearing~~ ~~your schedule~~ — instead you would dread ~~the~~ the inevitable economic hard times for you & your family. If you were like

other teacher asks you would look for a job - and in these times of high unemployment you probably wouldn't find one.

Now imagine that unemployment benefits were denied you because of the passage of this bill. I don't think I'm exaggerating when I say this bill ~~could~~ be the straw that broke the camel's back. ~~What else~~ I beg for the sake of my friends in Head Start & all of the ~~affected~~ non-~~certified~~ educational employees of the state, that you give SB 315 a "do not pass" recommendation.

Thank you for your consideration.

Exhibit 12

AMALGAMATED TRANSIT UNION AFL-CIO-CLC

LOCAL 381
P.O. BOX 266

BUTTE, MONTANA
59703

TESTIMONY OF LINDA GORDON ON SENATE BILL 315, HEARINGS OF THE SENATE
LABOR AND EMPLOYMENT RELATIONS COMMITTEE, FEBRUARY 8, 1983

My name is Linda Gordon, a bus aide from School District No. 1, Butte, Montana. I am here to testify as to why I feel the bill Senate Bill 315, should not be passed. Many of the aides who work for the school district are the sole supporters of their households and without receiving any unemployment during the summer months, they would have no income coming in at all. The only alternative they would have is to try and get other help from the state. If we could find work during the months that we are off, we would, but no one wants to hire anyone for a period of two and one-half to three months.

My 5 kids & I need my unemployment benefits more so now than before, because my husband is an Anaconda Company employee and will be out of work by July 1. There are other people who work for the school district who are in this same situation and when the Company is closed in July, they become the sole supporters. As you are well aware, there are no other jobs available for the company employees.

Please vote no on Senate Bill 315.

[Original letterhead had union "bug"]

Exhibit B.
Carol Hill

AMALGAMATED TRANSIT UNION AFL-CIO-CLC

LOCAL 381
P.O. BOX 266

BUTTE, MONTANA
59703



Carol Hill, School Bus Aide, Butte, School District #1

Mr. Chariman and committee members, I am here today in protest of Senate Bill 315. This is the bill that would take away unemployment insurance from school employees during the summer months.

At one time, some of these jobs we have were considered second jobs, used for the little extras we all enjoy. However, with the recession, the loss of many main bread-earners jobs, these jobs we have become the main source of income. With the high cost of food, clothing and utilities, families are finding it very hard to make ends meet month by month. Now because of no fault of these school employees, you are trying to take away the only income these families will have during the summer months, when school is not in session.

I hear and read every day, "let's cut the state spending, let's save the state money", well, let's think about it for a minute. What would cost the state more, letting these school employees get their unemployment, or would it cost the state more by forcing them to apply and get on welfare?

I hope each of you can see the importance of Senate Bill 315, and vote for non-passage of it.

Thank you.

Exhibit 14
Marie Mehrens
AMALGAMATED TRANSIT UNION AFL-CIO-CLC

LOCAL 381
P.O. BOX 266

BUTTE, MONTANA
59703

(Union bug removed for duplicating)

I am Marie Mehrens, a School Bus Driver for Butte School District #1.

I am here today on behalf of the school bus drivers to speak in opposition to Senate Bill 315, which is to exclude non-professional school district employees from collecting unemployment insurance during the summer months when school is not in session.

Unemployment Insurance is not a gift. All of us must legally qualify to draw benefits. We must be able, available and actively seeking work, but at this time of unemployment it is very difficult to find any kind of work. It is even more difficult to find employment for a three month period in the summer.

I would like to remind you that we are employed to help children and to transport your children safely. On the one hand the school district knows that continuity of employees is good for children. Bus drivers become more professional with each year they drive.

On the other hand, this bill would deny us a means of supporting ourselves during the summer months. Many of our people are heads of households, and if they have no income or jobs during these months, they will be forced to seek some public assistance. In the Butte system, there are 22 drivers. At least 21 of these 22 worked part-time last summer. Obviously, the drivers preferred working as opposed to staying at home and collecting full unemployment. If they are denied unemployment insurance, where will they go for food and sustenance during the summer months? If many of these people had enough marketable skills to qualify for other jobs, they would be working at other better paying jobs. Taking away unemployment insurance is going to force many of these people on Welfare. That will lead to higher turnover, and who will suffer? THE CHILDREN.

The time when school district employees went to work for extra pin money is

past. A second pay check is not a luxury anymore, but a necessity for the average family. Skyrocketing inflation has eaten away the value of the dollar, as we all know, and to deprive a large segment of public employees of the benefits for which they must qualify is bad enough. It is unfair and uncaring to force them to give up the pride and dignity of being self-supporting, to penalize them for caring about the future of our nation and our most precious resource, our children.

In conclusion, I strongly urge you to vote against Senate Bill 315, due to its discriminatory nature.

Thank you.

Exhibit 15
Joan Troglia
2810 St. Ann
Butte, Montana

Dear Senator Lynch,

I guess that I could say that I am one of the few people that are trying to stay off of welfare, and I am proud of it!

I am divorced and trying to raise two daughters with a twenty hour a week job. I have been trying to get child support for "seven years" through our Montana Child Support Enforcement Bureau with "no" success. All they do to my ex-husband is slap his hands. He has been in contempt of court four times now, and still, I get nothing.

My daughter had surgery last October, and I had to let my bills go unpaid, so I could pay cash, which the doctor insisted on. I am just barely making ends meet now, but I haven't given up yet.

If I don't get unemployment for this summer, I'm afraid to say, that myself, along with many other people that are trying will lose their "will" to keep their jobs and at least try. What is cheaper for our

State? To support many on welfare all year long? Or- give us few a break, and give us our unemployment for three months???

I would like to see anyone there try like my friends and I have tried. Is there anyone there that cares about us "few" people? Do we just simply give up, and go on welfare for the rest of the year?

Would you like to pay my daughter's doctor bills, feed them, clothe them, and put a roof over their heads?

I am trying! "PLEASE" give us a chance!
Vote no to bill # SB315.

Thankyou for listening!

Joan Trogia

2111 Warren
Butte, Montana
Feb. 7, 1983

Dear Senator Lynch:

I would like Bill ^{SB} #315 defeated because I am paid only for nine months out of the year and am making a wage of only \$6.51 an hour. I am out of work for three months in the summer and work a week when I am called. I need unemployment in order to live. As you know no employer is going to hire a person who could work only for 3 months and then leave. This bill is discriminating against school district employees and is most unfair.

It's hard enough to make a living at such a small wage without my unemployment taken from me.

I have 11 years experience and enjoy my job but if I lose my unemployment, I will have to look for other employment.

This bill would cause a terrible hardship for all of us. Please help.

Sincerely,

Mrs. R. Patterson

1020 W. Schuer
Butte, MT.

Dear J. B.

I'm writing to you to ask for your help in defeating SB 315, which would take away unemployment benefits from certain school district employees.

You helped us out on a similar bill in the past. I hope we can count on you again.

I am a school bus driver for School Dist #, in Butte, & love my job, mostly because it's ideal for a mom, which I am.

Many of the drivers are the sole supporters of their families. Others need the money just to make ends meet. To take this away would be devastating. Consider the alternatives (welfare, default on loans etc)

It is very difficult to find summer work; I'm sure you can understand why.

If those of you who are considering this bill could mentally put yourselves in our shoes, I'm sure you'd agree that it would be wrong to let this bill pass.

In my opinion it shouldn't be a Republican or Democratic matter; just a matter of fairness.

Thank You.

Sincerely

Sue Darlington

Dear Mr J.D. Lynch.

It has been brought to my attention that S.B. #315 To revise the law excluding certain personnel of educational institutions from employment insurance benefits will be in Legislative hearings Feb. 8, 1983.

As an employee of School District #1, working as a Special Education School Bus Aide, with a gross income of \$6200.00 for 1982, this unemployment insurance benefit in the summer is a very big necessity in the care and feeding of my four teenagers.

You, especially in politics, know with the high rate of inflation what it costs for groceries in a large family. In the summer, with no unemployment benefits, this could cause a great hardship. There are no jobs available for us.

Please, Mr Lynch, vote against this S.B #315. I have talked to Mrs Jacobsen, Mr Harrington, Miss McBride on this, and they all agree this would be a great loss to employees of educational institutions.

If you have any questions please feel free to contact me.

Thank You

Nancy Cassidy
3448 Carter Street
Butte MT 59701
Phone 494-3035

Senator: J. D. Lynch

I am writing in reference to (Bill 315) No employer wants to train a person for a three month job it is too costly to them. I am one who needs my income to supplement our income. There are a lot of employees who this is their (only) source of income for themselves & their family.

If this is taken away they have no other choice but to revert to some type of help from another program such as food stamps or welfare. I would greatly appreciate your support against (Bill 315)

Thank you

Barbara Talbott
Butte, MT.

Dear Senator Lynch;

I am writing to ask you to please help me in regard to S.B. 315

I am 58 year old and have been a widow for over 17 years, for 15 years I have been employed by the school district as a Special Ed Aide. I am very competent in my work and would like very much to continue working in this field.

For the three months that school is out, I must still pay my utilities, take care of my home day food that still cost the same as when school is in.

So please, help keep our unemployment insurance active

Thank You
May Junker



TESTIMONY OF FRANK R. SULLIVAN, PRESIDENT
HOTEL EMPLOYEES, RESTAURANT EMPLOYEES AND BARTENDERS UNION #457
125 WEST GRANITE, BUTTE

Mr. Chairman and Committee Members, I would like to take this opportunity to rise in non-support of Senate Bill 315, a bill designed to take away unemployment benefits for non-certified employees of any school which is not an institution of higher education.

In effect, this would place an unnecessary burden on many of our members who depend solely on their earnings to survive during the summer months, as this is the only income for these people.

Furthermore, it is aimed at employees who have a contract for the following year, and acts as a deterrent to a collective bargaining agreement.

(Union label removed for duplication purposes)

11/10/05

Gary C. Aklestad Chairman
Thomas F. Keating Vice Chairman

Members of the Labor Committee:

Senate Bill #315

As a school bus driver in school District #1 Butte, Montana I would like to express my concern and apprehension concerning the above bill.

Unemployment Compensation for people in this profession is sincerely and very necessarily needed.

Wages through the 9 month school term do not make a 12 month ability for a standard living.

Many drivers are the sole support of their families and many families, while there may be a

two wage family, still do not
equal a livable income in this
day of a recession economy.

Many of the families have been
reduced to a one income family
due to many industry lay-offs.

Every driver I'm acquainted
with very sincerely needs the help
during the summer months of
unemployment compensation.

I hope you will take this
letter into due consideration

Thank You

Jean

Hudson

School Bus

Driver

School District #1
Butte Mont.

Feb. 8, 1982

To: Senate Labor Committee Chairman
and Members

Re: Senate Bill 315

Dear Sir;

I hope that I can express to you, at this time, the ramifications of SB 315 on myself and the many, many more school employees throughout Montana who would be deperately affected if the above bill becomes law.

Being a lifelong resident of Butte and one of the citizens of Montana, of which there are many, who dearly love this State and everything it stands for in its beauty of land and abundance of great people who have always stood up and were counted when it became time to be counted, I want to stay here and work here and contribute what I can to this great State.

I wish that ^{the} state of ^{the} economy ~~were~~ ^{was} in better shape in Montana and especially in Butte. My Grandfather and Father both worked for the Anaconda Company dating back to the first decade of this century, one of my brothers also labored twelve years in the mines of Butte, he is now in Arizona. Many of my closest friends are now working out of state.

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in places such as Wyoming and overseas areas. Every one of them forced out of the state for economic reasons and not one of them by his own choice.

I am desperately trying to hang tough here as best I can. I work nine months out of the year driving school bus and trying to pick up odd jobs wherever I can. My monthly take home pay has rarely exceeded \$500.00 dollars per month in the last five years. During the summer months when there is no school and jobs are extremely hard to find sometimes the only subsistence I have is the \$85.00 per week I receive in unemployment benefits.

I would gladly work the mines as my family has traditionally done, if only I could. I would gladly fell timber or work the sawmills as ^{many} many of my friends have if there was only a market for these products. I would very much love to work a ranch or farm as my Mother's family has done if only their way of life wasn't also being threatened.

I am afraid that if I am forced out of Montana to seek work I may never be back, a thought that frightens me.

For those of us still hanging in here, we only hope that times will be better someday. The little bit we get only helps us to stay here one year longer hoping for the best.

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If SB 315 were to pass I am sure that myself and many more just like myself would have to go somewhere else to work.

Economic recovery is a slow process and I am sure that it will take place someday. Until government and industry can get together and make this a fulltime working world again please don't force those of us still left to leave the place we love by depriving us of what little help you can give.

If SB 315 were to pass many tax paying citizens would become non-tax paying citizens and only a total burden to the State.

Please consider the consequences of your vote and vote against SB 315. Insure the dignity of the working men and women of Montana.

Sincerely yours,

Leonard
W.
H. Ahlala

*Exhibit 7
Sen Tveit*

TESTIMONY OF SENATOR TVEIT
INTRODUCING AND SUPPORTING SB 199

Chairman Aklestad and Senators:

Senate Bill 199 requires that the fundamental distinctions between private and public employment be recognized when interpreting the public employee's collective bargaining act.

Because the Montana act was, in many respects, patterned after the National Labor Relations Act, private sector precedents are now being used, with the courts approval, to interpret the Montana Public Employee's Collective Bargaining Act. Senate Bill 199 is not intended to disallow the use of private sector precedent. Clearly the experience gained in the private sector is of value and should be considered. However, while private sector case law is instructive, it should be modified to allow for consideration of the inherent differences between the public and the private sectors. Private sector analogies have limited application in the public sector and the distinction between the private and public sectors cannot be minimized.

Employers in the private sector are motivated by profit. On the other hand, public employers are custodians of public funds and are mandated to perform governmental functions as economically and effectively as possible. The employer in the private sector is constrained only by investors who are most concerned with the return on their investment. The public employer must adhere to statutory enactments which control their operations. In Montana there is legislation which provides for job security, retirement programs, insurance contributions, leaves, and other benefits which are typically received only through negotiations in the private sector.

The private sector collective bargaining model provides unions with a special forum and special protections which are

not provided to competing special interest groups. The needs, concerns, and rights of the public are not relevant in the private sector and are therefore not even addressed in private sector labor law precedents.

Senate Bill 199 would allow for necessary deviation from the private sector precedent and consideration of the public's interest.

I urge a favorable recommendation from this committee.

TESTIMONY OF MONTANA EDUCATION ASSOCIATION

before Senate Labor Committee, February 8, 1983

on Senate Bill 199 (Tveit)

Senate Bill 199 will create chaos in public sector labor relations.

Montana's Public Employee Collective Bargaining Act is modeled closely after the National Labor Relations Act. Much of the language in the state and federal laws is identical or nearly so.

While Montana's law has been on the books only since 1973, the NLRA has been around for 50 years. A tremendous amount of federal case law has been built up over the years which gives solid precedence in interpreting the act. Since our own law is so similar, we can look to federal case law for guidance and precedence. The Montana Supreme Court in 1974 unanimously ruled that federal labor law is precedence in interpreting the Montana law. This has been the rule ever since. This bill, SB 199, would have the effect of overturning a solid Supreme Court decision.

If this bill were to become law what guidelines would the Board of Personnel Appeals and the state courts follow? The bill proposes no substitute for federal case law. The result would be total confusion. Employers and unions would be forever wrangling over whether a particular issue was fundamentally different from a similar situation in the private sector. We fear that decisions in unfair labor practice disputes would be made for political reasons rather than true and tested federal case law.

In our opinion there is no fundamental difference in public and private employment. Our experience over the past 10 years has shown that the Montana Public Employee Collective Bargaining Act has worked well for all concerned. Nobody has proposed to repeal it. This bill, however, would assault the very foundation of our law.

If there is a fundamental distinction, that distinction should be spelled out in the proposed legislation. Just exactly what is it the proponents are saying?

This bill comes from the Montana School Boards Association which has lost a few cases before the Board of Personnel Appeals and in the courts. They apparently feel they will gain a new defense for unfair labor practices if they can get this bill through. All they will need to do is convince some judge that there is a fundamental difference involved which exempts them from the usual standards of labor relations.

The present law is fair. Everyone knows which rules they're playing by. This bill would give an unfair advantage to employers by creating so much confusion that nobody will know what the law is.

We urge you to kill SB 199.

Exhibit 18
David Thelmer



UNITED CEMENT, LIME AND GYPSUM WORKERS
LOCAL UNION NO. 239 AFL-CIO
THREE FORKS, MONTANA

Exhibit 10
Arlyn Plowman

NAME OF WRITER

ADDRESS

CITY, STATE AND ZIP

TESTIMONY OF ARLYN PLOWMAN ON SENATE BILL 199, BEFORE THE SEANTE LABOR COMMITTEE, FEBRUARY 8, 1983

Chairman, Members of the Committee. I am Arlyn Plowman of the United Cement, Lime, Gypsum and Allied Workers Local 239.

We rise in opposition of Senate Bill 199.

We do not believe that public employees should be second class citizens. We believe they should have all the rights of private employees. They should not be penalized or discriminated against because of their employment.

The National Labor Relations Board has, over the years, developed extensive case law which is an asset to the Montana Board of Personnel Appeals. For Montana to develop its own precedence would be a costly duplication. Besides it would be like the tail wagging the dog.

We do not represent public employees, we are tax payers and we are workers. Some day some of us may end up working for a public employer and we would hate to see that as a demotion.

Thank you.



UNITED CEMENT, LIME AND GYPSUM WORKERS
LOCAL UNION NO. 239 AFL-CIO
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Thank you.