

MINUTES OF THE MEETING
BUSINESS AND LABOR COMMITTEE
MONTANA STATE
HOUSE OF REPRESENTATIVES

January 17, 1985

The meeting of the Business and Labor Committee was called to order by Chairman Bob Pavlovich on January 17, 1985, at 9:00 a.m. in Room 312-2 of the State Capitol.

ROLL CALL: All members were present, with the exception of Representative Robert Ellerd, who was excused by the Chairman.

HOUSE BILL NO. 137: Hearing commenced on House Bill 137. Representative Jerry Driscoll, District #92, sponsor of the bill, stated that the purpose of this bill is to allow a person who is temporarily totally disabled under the workers' compensation law to use wage credits from employment prior to the disability, for purposes of unemployment insurance. The intent of the bill in 1983, was to allow for this. Representative Driscoll distributed to committee members Exhibit 1, which would change the filing period allotment from 18 to 24 months, from the date the individual's disability incurred.

Proponent David Wanzenreid, Commissioner, Department of Labor and Industry is in support of House Bill 137. Mr. Wanzenreid reiterated the fact that in 1983, this bill had the intent of allowing for the period prior to the disability and not of the last employment, but was not carried through.

Representative Wallin questioned Representative Driscoll for further explanation of House Bill 137. Representative Driscoll replied that if a doctor releases an individual who does not have a job to go back to, the individual may file a claim for unemployment provided he or she has not been out of the work force for more than two years.

There being no further proponents or opponents, all were excused by the Chairman and the hearing on House Bill 137 was closed.

HOUSE BILL 138: Hearing commenced on House Bill 138. Representative Earl Lory, District #59, sponsor of the bill, stated the purpose of the bill is to extend the inspection period on low-pressure boilers from one year to two years.

Proponent Gary Blewett, Administrator, Workers' Compensation Division, submitted his written testimony, which is attached hereto as Exhibit 2.

Proponent Don Allen representing the Montana Hospital Association, offered his support of House Bill 138. Mr. Allen explained that safety is necessary for hospitals and other establishments and inspection every two years is adequate to insure the safety of their patients.

Opponent Randy Siemers of the International Union of Operating Engineers, Local #400, submitted his written testimony, which is attached hereto as Exhibit 3.

Opponent Mike Keating, representing the International Union of Operating Engineers, Local #400, said there have been some close calls in the Great Falls public school system which could have resulted in tragedy. Mr. Keating stated a yearly inspection does help prevent problems and for the safety of our children and that of others, it is important that low-pressure boilers be inspected annually. Mr. Keating said he has spoken with 80% of the engineers in the Great Falls school system, all of whom oppose House Bill 138. Accidents do not happen because a yearly inspection is performed, which also helps keep the boilers updated, Mr. Keating added.

Opponent Don Judge, representing the Montana State AFL-CIO, stated it is better to allow funding to comply with the one year requirement, than come back to the Legislature in two years and have to face the possible tragedy of a school blowing up. He said anyone associated with public buildings should be concerned with the safety of such buildings, adding it is preferable to avert catastrophe rather than wait for them to happen. He stressed it is not unreasonable to require such safety measures for Montana citizens.

Representative Jones questioned Mr. Ed Gasmeyer as to what an inspection covers. Mr. Gasmeyer explained an inspector checks on all aspects of a boiler, to include both internal and external workings.

Representative Bachini questioned Mr. Gasmeyer as to the cost of inspecting a boiler. The response was that there is no fee for inspection.

Representative Driscoll asked Mr. Blewett how many inspectors there are now and what their annual salary is. Mr. Blewett stated there are two full time inspectors, each earning between \$15,000 and \$16,000 annually.

Representative Glaser told Mr. Siemers he received the impression Mr. Siemers thought boiler operators were incompetent; thus the need for annual inspection. Mr. Siemers replied it was not his intention to give this impression, as boiler operators are responsible workers.

Representative Thomas asked Mr. Gasmeyer how many other states do not require annual inspection and what percentage of boilers are low-pressure. Mr. Gasmeyer replied eight states presently do not require annual inspection and that approximately 87% of all boilers are of the low-pressure kind.

Representative Thomas questioned Mr. Gasmeyer concerning insurance requirements for boilers. Mr. Gasmeyer replied the insurer inspects those boilers which are insured, which are accepted by the State, while uninsured boilers are State inspected. He said there are approximately 3,000-4,000 insurer inspected boilers and 1,200 State inspected boilers.

Representative Schultz asked Mr. Gasmeyer to explain the licensing renewal process for operating engineers. Mr. Gasmeyer replied renewal must be made annually within 30 days of the licensee's anniversary date, adding no additional testing is required.

Representative Driscoll asked Mr. Don Judge to explain the difference between an inspector and an operator. Mr. Judge said an inspector must have a minimum of 10 years experience and hold a first class engineer's license, while an operator must hold a third class engineer's license.

Representative Hansen asked if two inspectors were adequate to cover the entire state. Mr. Gasmeyer said one inspector operates out of Great Falls and the other out of Billings.

Chairman Pavlovich asked if an inspection could be made, based upon individual request. Mr. Gasmeyer replied inspections have been completed on such requests.

There being no further discussion, all were excused by the Chairman and the hearing on House Bill 138 was closed.

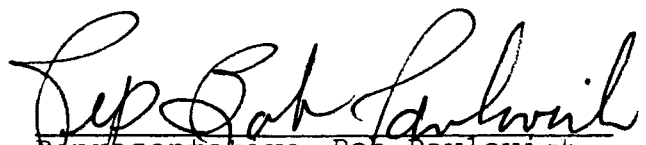
HOUSE BILL 137: At the request of Representative Wallin, Chairman Pavlovich reopened the hearing on House Bill 137. Representative Wallin asked Representative Driscoll if the individuals receiving compensation should be collecting from worker's compensation and not from unemployment funds. Representative Driscoll replied that anyone receiving a doctor's release to return to work, who finds several weeks later he or she is not fully recovered and must refrain from working, is entitled to receive unemployment benefits.

Commissioner Wanzenreid, in an effort to clarify the intent of House Bill 137, reiterated Representative Driscoll's statement.

Representative Kitselman asked Mr. Wanzenreid if the proposed amendment would change filing time from 18 to 24 months. Mr. Wanzenreid said the 18 month filing period would affect several individuals with an approximate fiscal impact of \$12,000, while the 24 month filing period would have no fiscal impact.

There being no further discussion, all were excused by the Chairman and the subsequent hearing of House Bill 137 was closed.

ADJOURN: There being no further business before the Committee, the meeting was adjourned at 10:18 a.m.


Representative Bob Pavlovich
Chairman

DAILY ROLL CALL
BUSINESS AND LABOR COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date Jan. 17, 1984

NAME	PRESENT	ABSENT	EXCUSED
Bob Pavlovich	✓		
Les Kitselman	✓		
Bob Bachini	✓		
Ray Brandewie	✓		
Jan Brown	✓		
Jerry Driscoll	✓		
Robert Ellerd			✓
William Glaser	✓		
Stella Jean Hansen	✓		
Marjorie Hart	✓		
Ramona Howe	✓		
Tom Jones	✓		
Mike Kadas	✓		
Vernon Keller	✓		
Lloyd McCormich	✓		
Jerry Nisbet	✓		
James Schultz	✓		
Bruce Simon	✓		
Fred Thomas	✓		
Norm Wallin	✓		

Amendment to HB 137

- 1) Page 2, line 15
Following: "within"
Strike: "18"
Insert: "24"

TESTIMONY ON H.B.138
Before the House Business and Labor Committee

by
Gary Blewett, Administrator, Workers' Compensation Division
Department of Labor and Industry

The Department of Labor and Industry requests a change in the inspection interval for low pressure boilers from the current one year to two years.

This bill identifies two kinds of low pressure boilers which we believe do not need annual inspections to ensure safety. These are low pressure steam heating boilers and low pressure hot water heating boilers. This bill does not change the annual inspection frequency for high pressure boilers.

The law mandating annual inspections for all boilers was enacted in 1895. To our knowledge the inspection interval has not been reviewed by the legislature since then. We are now experiencing a volume of mandated inspections in excess of the time available through our current Safety Bureau staff assignments. To meet the volumes we now have, we will have to make some priority decisions, shift staff assignments, and possibly, in a subsequent biennium, request additional staff.

It is the professional opinion of my staff in the Safety Bureau that it is reasonable and consistent with the concerns of safety to mandate a less rigorous inspection schedule for low pressure boilers. We believe the change is advisable for four reasons:

(1.) Since 1895 technology in boiler construction and safety features has changed considerably, especially in the area of low pressure boilers. Low pressure boilers are more frequently used now and are far safer.

(2.) Current law already allows the Workers' Compensation Division to authorize longer inspection intervals on a case-by-case basis. If we were to receive such requests dealing with low pressure boilers, we would allow two-year intervals if there were no evidence of any other problems with the boiler.

(3.) Another section of law requires that all boilers, whether low pressure or high pressure, be operated and maintained by a licensed boiler engineer. The Safety Bureau issues and reissues the licenses annually. This means only trained professionals who know about boiler dangers can legally handle these boilers. These engineers can request a Safety Bureau special inspection at anytime should the engineer believe that approach is necessary to enforce compliance with safety requirements.

(4.) It is preferable to have inspection staff available to check and double check problem boilers rather than be constrained to over frequent inspection of all boilers. Targeting limited resources on complaints and followups on known violators will contribute to effective safety management more than maintaining frequent routines.

Testimony H.B. 138 (continued)

The Safety Bureau needs to make a decision soon. Should it reassign staff from other non-mandated duties to meet the existing annual schedule? Eventually we probably would have to consider requesting the addition of inspection staff. Before such decisions are made, we thought it important to bring our professional opinion to the Legislature's attention and see if the law could be changed. We believe the change we have proposed is long overdue. Improvements in technology will allow this change without compromising safety, and we will better be able to use existing staff to target on problem situations and respond to complaints.

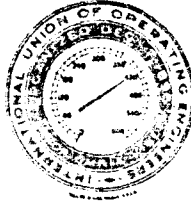
Your approval of this bill is requested in the interests of both safety and effective management.

International Union of Operating Engineers

LOCAL 400

Affiliated with AFL-CIO

Montana



HEADQUARTERS
2737 Airport Road
Helena, Montana 59601
Telephone: (406) 442-959

TESTIMONY OF RANDY SIEMERS ON HOUSE BILL 138, JANUARY 17, 1985, HEARINGS OF THE HOUSE BUSINESS AND LABOR COMMITTEE

Mr. Chairman and members of the committee, I am Randy Siemers and I am testifying on behalf of the International Union of Operating Engineers Local 400. The Operating Engineers in Montana, although we are generally recognized as representing construction heavy equipment operators and miners, our union also represents what we call Stationary Engineers.

Our stationary engineers maintain and operate the boiler equipment to which this bill pertains. Coming from the construction field, I, frankly, do not have stationary experience, and was not sure what the impact of this bill would be, or how our members -- the men and women who actually maintain boilers -- felt about it. So last night I called four of eight stationary engineers in the Anaconda Schools and they told me that safety is their main consideration and they felt that yearly inspections have prevented accidents in their schools. Schools that have had low-pressure steam boilers for some years, like the Dwyer School built in 1960, or Anaconda Senior High, built around 1950-54, or the Old Anaconda Central, now the Junior High, built in 1951 or 1952, or the building now known as the Anaconda Vo-Ed Annex, which has its original boiler that was converted from coal to gas some years ago, built in 1928.

When I asked are these systems potentially dangerous, the answer was sobering and simple. "If a valve stuck, or if some other mechanical problem developed, pressure can build up and they can blow up."

We believe one year is a reasonable and rational inspection period. It makes good sense. We want to effectively continue to minimize the potential for tragedy, and at the very least, to effectively continue to minimize the possibility of heat going off in buildings in Montana during the winter.

For the safety of our members, and anyone in the state associated with boiler operation and maintenance in schools, rest homes, churches, state buildings, including this Capitol, and for the safety of the public who expect buildings to be safe, we're compelled to oppose this bill and we urge that you oppose it.

BUSINESS AND LABOR

COMMITTEE

Date January 17, 1985

[illegible]

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

HOUSE Business and Labor COMMITTEE

BILL House Bill 138

Date January 17, 1985

SPONSOR Representative Earl Lory

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.