

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

March 13, 1985

The meeting of the Business and Labor Committee was called to order by Chairman Bob Pavlovich on March 13, 1985 at 8:00 a.m. in Room 312-2 of the State Capitol.

ROLL CALL: All members were present.

SENATE BILL 193: Hearing commenced on Senate Bill 193. Senator Richard E. (Dick) Manning, District #18, sponsor of the bill, explained that this repeals the laws on explosives and requires the state fire marshall to adopt rules based on national standards to safeguard life and property from the hazards of explosives. Senator Manning distributed to committee members Exhibit 1 which is attached hereto.

Representative Schultz asked Senator Manning if the reason for Senate Bill 193 is that it is obsolete. Senator Manning answered that that was correct.

Representative Simon asked Senator Manning the differences between the present law and Senate Bill 193. Senator Manning explained that there is no difference and has not been a change since 1917.

There being no further discussion, the senator was excused by the chairman and the hearing on Senate Bill 193 was closed.

SENATE BILL 303: Hearing commenced on Senate Bill 303. Senator Richard E. (Dick) Manning, District #18, sponsor of the bill, explained this clarifies the authority of the Public Service Commission to assess fines for violations of the federal Natural Gas Pipeline Safety Act of 1968. Each day in violation is a separate offense subject to a fine of \$1,000 a day up to a maximum of \$200,000.

Proponent Eileen Shore, representing the Public Service Commission, explained that in 1968 the federal government preempted the commission from allowing safety measures over natural gas pipelines. The fine structure is the same as that provided in the federal law. Senate Bill 303 will make clear in the statute that the Public Service Commission has the authority to do what they have been doing since 1968.

Proponent Karla Gray, representing the Montana Power Company,

stated this bill will clarify the Public Service Commissions authority to enforce safety measures and allows for fines in conformance with the federal law.

Representative Kadas asked Eileen Shore if the fine applies only to natural gas pipeline safety, what recourse do the others have. Ms. Shore explained that all else is covered in other statutes.

Representative Wallin asked Senator Manning what this bill will do for saboteurs. Senator Manning stated that they may be fined and taked to court like anyone else.

Representative Brown asked Senator Manning if on page 1, line 18 "person" limits the liability to individual. Senator Manning stated the liable party is the person responsible for the act.

Representative Brown asked Karla Gray the same question. Ms. Gray stated they reason for this amendment is to bring this act in conformance with the federal statute.

Representative Kadas asked Karla Gray why Montana Power Company feels subsection (2) is necessary. Ms. Gray explained that the factors in subsection (2) are an exact parallel of the language in the federal act and they did not want any questions as to the standards invloved in the act.

Representative Kadas then asked Karla Gray how this narrows the authority. Ms. Gray stated the intention is to bring this in line with the federal act.

There being no further discussion by proponents and no opponents to the bill, all were excused by the chairman and the hearing on Senate Bill 303 was closed.

SENATE BILL 194: Hearing commenced on Senate Bill 194. Senator Richard E. (Dick) Manning, District #18, sponsor of the bill, explained this provides for regulation of the use of explosives and for licensing of persons who use explosives but includes a "grandfather" provision for those persons licensed as construction blasters by any state or federal agency on October 1, 1985. This will provide for the protection and safety of workers. Exhibits 2 and 3 were distributed to committee members by Senator Manning.

Proponent Kurt Wilson, a licensed construction blaster, stated

the bill excludes the mining industry and the private user. This is an important measure for the safety of public property and lives. A person need not belong to a union to benefit. The manufacturers of explosives see the need for training, this training will add no additional cost to the state. Mr. Wilson cited some instances that ended in tragedy due to inexperienced blasters.

Proponent Gene Fenderson, representing the Montana State Building and Trades Council, explained that this is an essential bill for our workers and the public.

Proponent Gary Blewett, Administrator, Worker's Compensation Division, Department of Labor and Industry, stated any cost will be derived from those people being licensed.

Representative Kitselman asked Gary Blewett if a non-union contractor must go through a union program in order to get a license or certificate. Mr. Blewett stated that the department established programs and it would not necessarily need to be through a union program.

Representative Kitselman asked Kurt Wilson the same question. Mr. Wilson explained that there are union programs and several other programs. The intent of the bill is not to have only union program, non-union members are given the same opportunity as union members.

Representative Kitselman asked Mr. Wilson when a non-union shop hires an apprentice and they must pay union wages or not continue in business what the reasoning is. Mr. Wilson stated that an apprentice is paid under the state or federal Davis-Bacon Act.

Representative Glaser asked Bob Kelley if his department is responsible for explosives from magazines and why the Department of Labor wants this authority. Mr. Kelley explained that the withdrawal of explosives from magazines is under his authority and it may come under the OSHA regulations, and this may be the reasons the Department of Labor is requesting this authority.

There being no further discussion by proponents and no opponents to the bill, all were excused by the chairman and the hearing on Senate Bill 194 was closed.

SENATE BILL 212: Hearing commenced on Senate Bill 212. Senator Dorothy Eck, District #40, sponsor of the bill, stated this will allow the governor to make agreements with other states to maintain or expand railroad passenger service

by Amtrak. Senate Bill 212 addresses the need and desire in the state for possibly increasing our rail travel service or at least maintaining what we have now. The possibility of Amtrak being eliminated in the presidents budget is present. The northeast route would probably be saved and the west service would be eliminated. It appears that the northern route is the second most profitable, but this does not mean that it makes a profit. This will allow the governor to take part in any negotiations to maintain our service should it become necessary. We are sending the message that we are concerned with our rail travel, added Senator Eck.

Proponent Joe Brand, Montana Director, United Transportation Union, explained that on the highline in the winter the only method of transportation is the train. It is of vital importance that these small communities receive this train service. Senate Bill 212 will allow the governor to enter into an agreement to maintain our rail lines.

Proponent Calvin Burr of Havre, representing the Locomotive Engineers, explained that the state should expand their rail service and do all possible to keep our present rail service. Money is well spent in transportation. When the government took over Amtrak they did not realize the expenses that exist.

Proponent Richard Hull, Transportation Division, Department of Commerce, stated that each year the department received comments from all types of people indicating a need for additional Amtrak service. This becomes an issue three months before the legislature begins and does not give Amtrak enough time to study different possibilities. Presently, the federal administration has proposed to eliminate all Amtrak services, is so, service will cease on September 30, 1985.

Representative Bob Bachini, wished to go on record as a proponent to Senate Bill 212.

Opponent Bob Pankrast, owner of the Helena bus depot, stated that he is not against transportation, but the loss' in the bus business should be considered. At the end of this month many small communities will lose their bus service that has been present for over 16 years. The entire highline and many other routes have lost service. It will take 6 million dollars to start Amtrak service on the lower route and will do nothing for those small communities who have no public transportation available. The cooperation from the local government was

almost not existent when Mr. Pankrast took over the Helena depot. A \$40,000 loss has been suffered since 1982. A look at the general picture of the entire transportation system in the state should be considered. A study will not help unless it is acted upon, added Mr. Pankrast.

In closing, Senator Eck, stated we are facing a public transportation crisis in Montana and we must face this. There is no place in the world where rail service is profitable without being subsidized. The young, elderly, low-income rely on public transportation and rail service is the most efficient, economical service. Both the highways and airline service are federal subsidized, added Senator Eck.

Representative Ellerd asked Mr. Pankrast if any bus system receives any kind of subsidy. Mr. Pankrast explained that the only type of bus is city transportation.

Representative Kitselman asked Senator Eck if it will take 6 million to keep Amtrak passenger service, how she can justify taking this money from our education. Senator Eck explained that this is not an attempt to do that. Montana can't spend money on transportation when our budget is so tight.

Representative Brandewie asked Mr. Burr how many crews work between Minneapolis and Seattle and the average work shift for each crew. Mr. Burr stated there are seven crews between the two cities with an average work shift of five hours.

Representative Bachini asked Mr. Pankrast if he was familiar with the bus service that was offered on the highline, what he attributed that closure to and if it may have been the type of service that was offered by the bus system. Mr. Pankrast stated he was acquainted with the service and that the carrier could not get over 65 cents per mile and a system can not operate on that and the type of service may have contributed to the closure.

There being no further discussion by proponents or opponents, all were excused by the chairman and the hearing on Senate Bill 212 was closed.

SENATE BILL 199: Hearing commenced on Senate Bill 199. Senator Iave Fuller, District #22, sponsor of the bill, stated this requires an apprentice on a public works project, under an apprenticeship agreement, to be paid at the rate specified in the agreement. Any person for whom an apprenticeship agreement is lacking is entitled to the prevailing hourly wage rate for a journeyman.

Representative Glaser commented that there exist a number of union and non-union contracts where they have master training, but not apprentice training and this would force those to use masters only on a project and no trainees. Also, in master training programs, arrangements are made for an individual to train under the supervision of a master and are paid by the amount of hours worked per week.

Representative Driscoll asked Representative Glaser if his training program is registered. Representative Glaser explained that he has an agreement with the local #532 and that there are not enough persons in the trade to register with the Department of Labor and Industry.

There being no further discussion and no proponents or opponents present, the senator was excused by the vice-chairman and the hearing on Senate Bill 199 was closed.

ACTION ON SENATE BILL 193: Representative Ellerd asked Bob Kelly if there was any opposition to the bill in the senate, which was answered no. Representative Kadas moved DO PASS on Senate Bill 193. Second was received, Senate Bill 193 will BE CONCURRED IN by unanimous vote.

ACTION ON SENATE BILL 194: Representative Driscoll moved DO PASS on Senate Bill 194. Representative Glaser moved to amend on page 6, line 22 to insert "construction project" before magazine and explained that the intent is to address construction project magazines and not all magazines. Representative Simon asked Bob Kelly if this will provide for two different agencies having authority over the use of explosives. Mr. Kelly answered that this will not be the case. Question being called to the amendment offered by Representative Glaser, resulted in a unanimous vote. Representative Kitselman asked if a non-union shop hires a non-union employee and is in an apprentice program and not a union member must he be paid union wages. It was decided that further action would be delayed.

ACTION ON SENATE BILL 303: Representative Nisbet moved DO PASS ON Senate Bill 303. Second was received, Senate Bill 303 will BE CONCURRED IN by unanimous vote.

ACTION ON SENATE BILL 212: Representative Bachini moved DO PASS on Senate Bill 212. Representative Ellerd stated that there is a problem in the state with the bus system and we should not strand those people on the highline or in small communities. Representative Kadas moved the

amendment changing the word passage to passenger. This was a clerical change that was overlooked in the senate. The amendment did pass by unanimous vote. Representative Jones commented that if we pass this bill and the governor signs an agreement, there will be a special session to pay for it. Representative Kitselman added that the prior resolution passed out of committee address' the problem and this area should be studied for two years. Representative Bachini added that the legislature will not appropriate for Amtrak before taking care of its immediate needs. Representative Hansen stated that should something arise during the next two years, the governor should be able to act. Representative Thomas stressed that this legislation is not needed, we can tell the governor our concerns. Question being called a roll call vote resulted in 12 members voting yes and 8 members voting no. Senate Bill 212 will BE CONCURRED IN AS AMENDED.

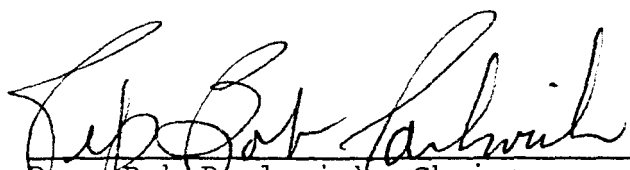
ACTION ON SENATE BILL 199: Representative Kadas moved DO PASS on Senate Bill 199. Representative Glaser commented that he personally sits on the good side of the labor industry. Apprentice programs are disallowing trainees and his industry is not unique. This will hurt the small business' even if they are organized. Dan Miles, Chief, Apprenticeship Bureau, Department of Labor and Industry answered the concerns of Representative Glaser. Mr. Miles explained that there is nothing that precludes a one man employer from having an apprenticeship program and that there are many union as well as non-union programs. Representative Kitselman explained a situation in Billings involving Denney's Electric. The department requires that any master employer who employs an apprentice must be registered with the Department of Labor and Industry. The standards are not being applied evenly to all contractors, but are being arbitrarily enforced, added Representative Kitselman. Representative Brandewie asked Mr. Miles since the wages of an apprentice are based on a percentage of a journeymans wages and the department represents both union and non-union, can they use the same formula in both union and non-union shops and is the reason the department imposes union standards is to discourage non-union shops. Mr. Miles added that the standards set cover the entire training program and the department does not look directly at a the union scale. Representative Brandewie asked Mr. Miles if the local unions set the standards. Mr. Miles stated that they do not, wages can vary from each area. Representative Brandewie offered a substitute motion that Senate Bill 199 DO NOT PASS. Representative Driscoll explained that a laborer makes more than an apprentice, and that anyone can be called an apprentice. If you do not register your program with the department you must pay prevailing wage. An

apprentice can not be paid a portion of prevailing wage, unless the employer has a registered program. Representative Hansen asked Mr. Miles if there is a limit as to the number of apprentices' that a person may have. Mr. Miles explained that the ratio is one apprentice to three journeyman. Question being called to the DO NOT PASS motion by Representative Brandewie resulted in 10 members voting yes and 10 members voting no. Senate Bill 199 will be sent to the floor WITHOUT RECOMMENDATION.

ACTION ON SENATE BILL 194: Representative Driscoll explained the difference between training and apprenticeship. There are six firms that train blasters and the Department of Labor and Industry would be hard pressed not to approve Du-Pont. Representative Kitselman added that this grants rulemaking authority to the department and the board dictates to the department what the standards will be. Representative Bachini asked Kurt Wilson to comment. Mr. Wilson explained that the intent of the bill is to have qualified persons who are capable of handling explosives. Representative Brandewie moved that Senate Bill 194 be passed for the day.

ACTION ON SENATE BILL 146: Representative Driscoll moved DO NOT PASS on Senate Bill 146. Representative Simon stated that the continuing education requirement is the major area of disagreement in the bill and that this requirement could be made effective on July 1, 1987 and enable the industry to work out the problems. Representative Pavlovich added that people are against continuing education. Representative Hansen added that the Board of Realty Regulation should have a hand in developing continuing education. Representative Brandewie offered a substitute motion that Senate Bill 146 DO PASS. Representative Hansen suggested the broker should provide the education. Representative Brandewie moved the amendments as shown on the Standing Committee Report attached hereto. The amendments do pass by unanimous vote. Representative Thomas moved to amend throughout the bill inserting "classroom or equivalent" in front of hours. The amendment did pass by unanimous vote. Representative Kadas added that those persons who make \$5,000 a year selling real estate are being wiped out. A roll call vote resulted in 18 members voting yes and 2 members voting no. Senate Bill 146 will BE CONCURRED IN AS AMENDED.

ADJOURN: There being no further business before the committee, the meeting was adjourned at 11:30 a.m.


Rep. Bob Pavlovich, Chairman

DAILY ROLL CALL
BUSINESS AND LABOR COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date March 13, 1985

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 McCormick	✓		
Jerry Nisbet	✓		
James Schultz	✓		
Bruce Simon	✓		
Fred Thomas	✓		
Norm Wallin	✓		

STANDING COMMITTEE REPORT

March 13

19 35

MR. SPEAKER

We, your committee on BUSINESS AND LABOR

having had under consideration SENATE Bill No. 212

third reading copy (blue)
color

AUTHORIZING AGREEMENTS TO AUGMENT ANTEPR SERVICE

Respectfully report as follows: That SENATE Bill No. 212

BE AMENDED AS FOLLOWS:

- Line 22
Strike: "PASSAGE"
Insert: "passenger"

~~DO PASS~~

AND AS AMENDED,

BE CONCURRED IN

STANDING COMMITTEE REPORT

March 13 19 85

MR. SPEAKER

We, your committee on BUSINESS AND LABOR

having had under consideration SENATE Bill No. 193

third reading copy (blue)
color

REPEAL PROVISIONS ON EXPLOSIVES; MANDATE STATE FIRE
MARSHAL TO ADOPT RULES

Respectfully report as follows: That SENATE Bill No. 193

~~DO PASS~~
BE CONCURRED IN

STANDING COMMITTEE REPORT

March 13

19 35

MR. SPEAKER

We, your committee on BUSINESS AND LABOR

having had under consideration SENATE Bill No. 139

third reading copy (blue)
color

PREVAILING WAGE FOR APPRENTICE ON PUBLIC WORKS PROJECT

Respectfully report as follows: That SENATE Bill No. 139

~~DO PASS~~
WITHOUT RECOMMENDATION

March 13

85

page 2 of 2

19

SB 146

4. Page 3, line 16
Following: "classroom"
Insert: "or equivalent"
5. Page 4, line 11
Following: "classroom"
Insert: "or equivalent"

AND AS AMENDED,
BE CONCURRED IN

STANDING COMMITTEE REPORT

March 13 1935
page 1 of 2

MR. SPEAKER

We, your committee on BUSINESS AND LABOR

having had under consideration SENATE Bill No. 146

third reading copy (blue)
color

EXPANDING LICENSING REQUIREMENTS FOR REAL ESTATE BROKERS AND SALESMEN

Respectfully report as follows: That SENATE Bill No. 146

BE AMENDED AS FOLLOWS:

1. Title, line 7
Following: "TRAINING"
Insert: "OR EQUIVALENT"
2. Title, line 12
Following: "15"
Insert: "CLASSROOM OR EQUIVALENT"
3. Page 2, line 16
Following: "period"
Insert: ", including proof of conformance, but except as provided in 37-51-302 the board may not require examination of licensees"

~~DO PASS~~

STANDING COMMITTEE REPORT

March 13

19 85

MR. SPEAKER

We, your committee on BUSINESS AND LABOR

having had under consideration SENATE Bill No. 303

third reading copy (blue)
color

CLARIFY PSC AUTHORITY REGARDING NATURAL GAS PIPELINE SAFETY ACT VIOLATIONS

Respectfully report as follows: That SENATE Bill No. 303

DUPASSE
BE CONCURRED IN

ROLL CALL VOTE

HOUSE COMMITTEE BUSINESS AND LABOR

DATE _____ BILL NO. 146 TIME _____

NAME	AYE	NAY
Bob Pavlovich		✓
Les Kitzelman	✓	
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 McCormick	✓	
Jerry Nisbet	✓	
James Schultz	✓	
Bruce Simon	✓	
Fred Thomas	✓	
Norm Wallin	✓	

Secretary Debbie Agui

Chairman Bob Pavlovich

Motion: Do Pass As Amended 18-2

ROLL CALL VOTE

HOUSE COMMITTEE BUSINESS AND LABOR

DATE MARCH 13, 1985 BILL NO. 212 TIME _____

NAME	AYE	NAY
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 McCormick	✓	
Jerry Nisbet	✓	
James Schultz		✓
Bruce Simon		✓
Fred Thomas		✓
Norm Wallin	✓	

Secretary Debbie Aquil

Chairman Bob Pavlovich

Motion: DO PASS 12-8

ROLL CALL VOTE

HOUSE COMMITTEE BUSINESS AND LABOR

DATE _____ BILL NO. 199 TIME _____

NAME	AYE	NAY
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 McCormick		✓
Jerry Nisbet		✓
James Schultz	✓	
Bruce Simon	✓	
Fred Thomas	✓	
Norm Wallin	✓	

Secretary Debbie Aqui

Chairman Bob Pavlovich

Motion: DO NOT PASS 10-10

Exhibit 1
March 13, 1985
SB193
Submitted by: Senator
Manning

STATE
OF
MONTANA

DEPARTMENT OF JUSTICE
FIRE MARSHAL BUREAU

Room 371, Scott Hart Building, 303 North Roberts, Helena, Montana 59620 (406) 444-2050

MEMORANDUM

TO: SENATOR MANNING

FROM: ROBERT E. KELLY
State Fire Marshal

DATE: 4 February 1985

RE: REMARKS FOR SB 193

In 1984 the Legislative Auditor conducted a performance audit of the Fire Marshal Bureau. The Legislative Audit Committee accepted the performance audit report at their September 10, 1984 meeting.

The Audit recommended that the Fire Marshal Bureau:

- A. Review its current role and involvement with explosives storage in relation to other agencies.
- B. Seek appropriate legislative action to update state explosives storage laws.

The Audit found the State statutes regulating explosives were enacted in 1917 and only two amendments have been made to these statutes. One amendment had to do with penalties. This came about following legislative action in 1981 where penalty statutes were required to specify punishment in terms of imprisonment and fines. The other amendment had to do with a licensing procedure. Neither amendment had to do with the storage, transportation or use of explosives.

SB 193 is designed to update requirements for the storage, transportation and use of explosives.

Exhibit 2
March 13, 1985
SB194

Submitted by: Senator
Manning

TESTIMONY FOR SB-194

For the record, I am Senator Richard E. Manning, Senate District 18, Great Falls, Montana.

The purpose of this bill is for the protection and safety of workers, public life, and property.

In the past years there has been many instances when individuals have pawned themselves off on contractors, city officials, and state groups as demolition people. And in many instances they did not have the necessary qualifications or training to call themselves that. Also, in many cases there was injury to people and buildings, and sometimes equipment or vehicles.

The purpose of this bill is an effort to avoid these problems in the future. This bill will pay its own way and also assure more public safety in this dangerous occupation.

Exhibit 3
March 13, 1985
SB194

Submitted by: Senator
Manning

BLASTING AND EXPLOSIVES SAFETY TRAINING

CASE HISTORIES

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Wilmington, Delaware 19898

Revision - 1

VISITOR'S REGISTER

HOUSE BUSINESS AND LABOR COMMITTEE

BILL Senate Bill 193

DATE March 13, 1985

SPONSOR Senator Manning

[illegible]

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITOR'S REGISTER

HOUSE BUSINESS AND LABOR

COMMITTEE

BILL Senate Bill 194

DATE March 13, 1985

SPONSOR Senator Manning

[illegible]

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

BUSINESS AND LABOR

COMMITTEE

DATE March 13, 1985

SPONSOR Senator Fuller

[illegible]

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

BUSINESS AND LABOR

COMMITTEE

DATE March 13, 1985

SPONSOR Senator Eck

[illegible]

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITOR'S REGISTER

HOUSE BUSINESS AND LABOR

COMMITTEE

BILL Senate Bill 303

DATE March 13, 1985

SPONSOR Representative Manning

[illegible]

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.