

MINUTES OF THE MEETING  
STATE ADMINISTRATION COMMITTEE  
MONTANA STATE SENATE

April 19, 1985

The fifty-ninth meeting of the State Administration Committee was called to order by Vice-Chairman Les Hirsch in Room 331, Capitol, at 10 a.m. on Friday, April 19, 1985.

ROLL CALL: With Senator Haffey being excused, all the members were present.

CONSIDERATION OF HOUSE JOINT RESOLUTION 48: Representative Gary Spaeth, House District 84, is the sponsor of this bill entitled, "A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN INTERIM STUDY OF JUDICIAL SELECTION METHODS AND COMPENSATION; REQUIRING A REPORT OF THE FINDINGS OF THE STUDY TO THE 50th LEGISLATURE." Representative Spaeth said that this is a simple resolution, and that it is self-explanatory. It deals with judicial selection and compensation and we want an interim study on it, to address the problems we are having on it. Representative Spaeth told the Committee that a judicial campaign can now run anywhere from \$100,000-\$150,000. He said the lawyers are the main contributors and that may be a problem. He felt that the judicial selection process and the compensation problem are two areas that really need to be studied. Representative Spaeth asked the Committee to pass this and to put it high on their list of ratings of things to be studied. He said Montana is rated 48th as far as judicial salaries goes. He said the proponents are the State Bar and the Judges of Montana.

PROPOSERS: There were no other proposers.

OPPOSERS: There were no opposers.

COMMITTEE QUESTIONS: There were no committee questions.

Representative Spaeth closed by thanking the Committee for their time and reminding them again how important this is. The hearing is closed on HOUSE JOINT RESOLUTION 48.

EXECUTIVE ACTION ON HOUSE JOINT RESOLUTION 48: Senator Conover made a motion that House Joint Resolution 48 be concurred in. Question was called, and with Senator Mohar voting no, the Committee voted that HOUSE JOINT RESOLUTION 48 BE CONCURRED IN.

EXECUTIVE ACTION ON HOUSE BILL 473: Senator Lynch said there were two amendments to be put in to exclude cities, towns and counties, and to exclude the university system. Senator Manning wanted to know why they were being excluded, and Senator Lynch

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told him that it was because of the exorbitant cost to implement this, and with the few jobs involved it would be overburdensome to them. Senator Manning wanted to know why the university system should be excluded. Senator Williams explained that people think of working for the state as a lifetime vocation, but they don't think of the others as lifetime vocations. Senator Manning said he wanted everyone included in it. He said that he worked for the City of Great Falls for many years and he thought of it as a vocation. Senator Harding wanted to know if this were implemented what would happen to the federal preference that the cities work under. No-one seemed to be able to give her an answer, so she kept asking. Mr. Antonietti told them that most first-class cities are already covered by the federal veterans preference and there aren't many jobs in the smaller cities. Senator Manning asked many questions that were answered at the hearing yesterday, because he had not been there. Ms. Feaver reiterated all the reasons she was against the bill and Mr. Antonietti told the Committee all the reasons that he was for the bill.

Senator Lynch made a motion that amendments 1, 2, and 3 be adopted. He told the Committee that these would protect the students' work programs. Question was called, and the Committee voted unanimously that amendments 1, 2, 3, be adopted. (See Exhibit "1" attached hereto and by this reference made a part hereof.)

Senator Harding asked the question again of what happens to the program that is currently in place. Valencia Lane, staff attorney, replied that it is replaced.

Senator Mohar made a motion that HOUSE BILL 473 be not concurred in. He felt we should vote this bill up or down before they start changing it. He felt that the present system should be given more of a chance to work before we add to it. Senator Lynch felt that the bill should go to the floor of the Senate.

Senator Manning made a substitute motion that HOUSE BILL 473 be concurred in as amended. Senator Conover asked what was wrong with the bill that came out of the special session. Mr. Antonietti replied that it did not give the veteran enough. He told the Committee that the provision that unless you were at least 30% disabled or more cut out a lot of veterans, and he listed other problems with it. Senator Hirsch said that it was too bad this bill came over so late that it could not receive a thorough hearing. Senator Lynch felt that it would go to a conference committee with the amendments, and it would be recommended that

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it go to a committee to answer technical questions. Question was called, and Senator Hirsch asked for a roll call vote. With Senator Harding, Senator Mohar, Senator Tveit, and Senator Hirsch voting no, the Committee agreed that HOUSE BILL 473 BE CONCURRED IN, AS AMENDED. (Senator Lynch will carry this to the floor.) (See Exhibit "2" for roll call vote.)

CONSIDERATION OF HOUSE JOINT RESOLUTION 41: Representative Norm Wallin, House District 68, Gallatin, is the sponsor of this resolution entitled, "A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA ADOPTING THE PROVINCE OF TAIWAN AS A SISTER STATE." Representative Wallin told the Committee about his trip to Taiwan. He told them about the wonderful things they have been doing in Taiwan and about their free enterprise system. He said that they are buying their coal from South Carolina right now, but we would be a better market. Representative Wallin said that the people of Montana wish to conduct and carry out numerous economic and cultural programs with the people of Taiwan, and he feels this would be beneficial to the state of Montana. He told the Committee that this was set so fast, that his proponents did not have a chance to be here. However, he did have some written testimony from them and he entered that. (Exhibit "3" attached hereto and by this reference made a part hereof.)

PROPOSERS: There were no other proponents.

OPPOSERS: There were no opponents.

COMMITTEE QUESTIONS: Senator Hirsch asked what had to be done to establish relationships. Representative Wallin replied that it was done in Congress. Representative Wallin said that Taiwan has much money in our banks, so we are supporting their government with the interest. Senator Mohar asked how many sister states Montana has. Representative Wallin replied that we only have one.

Representative Wallin closed by thanking the committee. The hearing on HOUSE JOINT RESOLUTION 41 is closed.

EXECUTIVE ACTION ON HOUSE JOINT RESOLUTION 41: Senator Harding made a motion that HOUSE JOINT RESOLUTION 41 be concurred in. Question was called, and the Committee voted unanimously that HOUSE JOINT RESOLUTION 41 BE CONCURRED IN.

The meeting was adjourned at 11:30 a.m.

  
SENATOR JACK HAFFEY, CHAIRMAN



Exhibit 4  
HB-473  
4-19-83

Proposed amendment to HB 473, Third Reading  
(blue).

1. Page 3, line <sup>25</sup> ~~23~~.  
Following: "government;"  
Strike: "or"

2. Page ~~3~~ <sup>4</sup>, line <sup>2</sup> ~~25~~.  
Following: "contractor"  
Strike: ". "  
Insert: "; or"

3. Page 4, line <sup>3</sup> ~~1~~.  
Following: ~~page 3~~ line 2  
Insert: "(f) a position held by a student  
under the Montana work-study  
program provided for in Title 20,  
chapter 25, Part 7, or under a  
student employment program  
administered by the Montana  
university system or a community  
college."

4. Page 4, line ~~2~~ <sup>4</sup>.  
Following: ~~line 3~~  
Strike: "(i)"

5. Page 4, lines ~~6 and 7~~ <sup>8 and 9</sup>.  
Following: "Montana" on line ~~6~~ <sup>8</sup>  
Strike: the remainder of line ~~6~~ <sup>8</sup> through  
"town" on line ~~7~~ <sup>9</sup>

6. Page 4, line ~~11~~ <sup>11</sup>.  
Following: "PROGRAM,"  
Insert: "any county, city, or town,"

ROLL CALL VOTE

*Exhibit '2'*  
HB-473  
4-19-83

SENATE COMMITTEE STATE ADMINISTRATION

Date \_\_\_\_\_ House Bill No. 473 Time 4-19-85

NAME	YES	NO
SENATOR ANDERSON	✓	
SENATOR CONOVER	✓	
SENATOR FARRELL	✓	
SENATOR HARDING		✓
SENATOR LYNCH	✓	
SENATOR MANNING	✓	
SENATOR MOHAR		✓
SENATOR TVEIT		✓
SENATOR HIRSCH, Vice-Chairman		✓
SENATOR HAFHEY, Chairman	✓	
	6	4

Glenda Pennington  
Secretary, Glenda Pennington

Les Hirsch  
Chairman, Senator Jack Haffey

Motion: Be concurred in as amended

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Exhibit 3  
NB - 4  
4-19-84

## DEPARTMENT OF LABOR

### Employment and Training Administration

#### 20 CFR Parts 652 and 653

#### Services for Veterans

**AGENCY:** Office of the Assistant Secretary for Veterans' Employment and Training, Employment and Training Administration, Labor.

**ACTION:** Final rule.

**SUMMARY:** This document contains final regulations to implement certain amendments to the veterans' employment and training laws administered by the Department. It reflects the provisions of 38 U.S.C. requiring State employment service agencies to provide veterans and eligible persons the maximum of employment and training opportunities, with priority given to the needs of disabled veterans and veterans of the Vietnam era. Further, these regulations clarify the role and responsibilities of the Assistant Secretary for Veterans' Employment and Training in administering certain veterans' programs and activities that were previously under the jurisdiction of the Employment and Training Administration.

**EFFECTIVE DATE:** April 30, 1984.

**FOR FURTHER INFORMATION CONTACT:** Joseph C. Juarez, telephone: (202) 523-9110.

**SUPPLEMENTARY INFORMATION:** The rules published in this document replace the veterans' service regulations at 20 CFR Part 653, Subpart C, issued March 27, 1979, with a new set of regulations in 20 CFR Part 652, Subpart B. The new rules implement amendments to the veterans' employment and training laws in 38 U.S.C., Chapters 41 and 42. They also clarify and simplify the administration of ongoing legislative mandates regarding employment services to veterans.

The Veterans' rehabilitation and Education Amendments of 1980 established the Assistant Secretary of Labor for Veterans Employment and Training (ASVET) and transferred to ASVET responsibilities for administration of employment services for veterans which were previously handled by the Employment and Training Administration. The 1980 amendments also established the Disabled Veterans Outreach Program (DVOP) as a permanent program administered by the ASVET. The Veterans' Compensation, Education and Employment Amendments of 1982

further clarified the responsibilities of the State and Assistant State Directors for Veterans' Employment and Training as well as the administration of the DVOP program. The new regulations in 20 CFR Part 652 implement these amendments.

The provisions of 38 U.S.C. continue to mandate that the "public employment service system" provide priority services to veterans. Sections 2004, 2007, and 2012 of 38 U.S.C. all contain specific references to functions to be carried out by the State employment service agencies. Further, 38 U.S.C. 2000, 2002, 2002A, and 2003 direct the ASVET to work closely with the State agencies to ensure that legislative mandates are carried out. These final rules continue to address State agency priority services to veterans. They also simplify the former regulations at 20 CFR Part 653, Subpart C, which they replace, by removing requirements that are more appropriately addressed through administrative guidelines.

Proposed rulemaking for the implementation of all amendments to Title 38, U.S. Code, Chapters 41 and 42 and to replace 20 CFR Part 653, Subpart C, was published on pages 34866-34869 of the Federal Register on August 1, 1983, for the purpose of soliciting public comment. The Department received written comments from a variety of sources including State agencies, veterans organizations, and other interested parties. The following summarizes the significant comments, recommendations, and actions taken:

#### Definitions

The Department agreed with several commentators and revised the definition for "Service Delivery Point" (SDP) under § 652.101 to encompass the area served by State agency local offices including extended service locations.

#### State Agency Services

Many commentators criticized the wording of § 652.120 for not containing a legislative reference, the services involved, or how such services relate to providing maximum employment and training opportunities to veterans and eligible persons. The Department has added the appropriate legislative reference, an explanation of services involved and a statement describing provision of maximum employment and training opportunities.

#### Local Veterans Employment Representatives (LVER)

Several commentators suggested that § 652.123 should be expanded to include the criteria for determining which local offices should be assigned full-time or

part-time LVERs. The Department has added the full-time criteria at § 652.123(a)(1) requiring 1,000 new or renewed applications from veterans and eligible persons during the most recent twelve-month reporting period. Also added was § 652.123(a)(2) stating that part-time LVERs shall be assigned in proportion to the full-time criteria. If the ASVET determines that appropriations exigencies preclude full application of these criteria, it may permit appropriate limited adjustments.

#### State Agency Cooperation and Coordination

Some commentators suggested inclusion of references in § 652.124 to cover coordination with related programs under other legislation. A new subparagraph (b) was added to include such references.

#### Complaints of Veterans and Eligible Persons

The Department adopted a recommendation from several commentators to include references to the type of complaints covered by § 652.125.

#### Determination of Compliance

Some commentators expressed concern that removal of the statistical methodology and numerical values for the so-called "indicators of compliance" from the regulations would adversely affect enforcement of the standards of performance governing State agency services to veterans and eligible persons. The Department does not agree. State agencies are held to the qualitative, verbal standards described in §§ 652.120-652.125. The indicators of compliance merely provide a convenient numerical picture of the State agency's performance. Inclusion of the indicators in the regulations has proven to be cumbersome. Accordingly, § 652.130(b) provides that statistical indicators for evaluating services to veterans and eligible persons will be established administratively through negotiations between State agency administrators and State Directors for Veterans' Employment and Training. The numerical values thus established for each reporting period will be published as a public notice in the Federal Register. The Department believes that this approach permits greater sensitivity to change and to the particular needs of the individual State.

#### Technical and Editorial Changes

Finally, various technical and editorial changes were made throughout

the regulations for purposes of clarity and consistency.

**Classification—Executive Order 12291**

The regulations are procedural in character. Therefore, they are not classified as a "major rule" under Executive Order 12291 on Federal regulations because they are not likely to result in (1) an annual effect on the economy of \$100 million or more; (2) a major increase in cost or prices for consumers, individual industries, Federal, State or local government agencies, or geographic regions; or (3) significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets. Accordingly, no regulatory impact analysis is required. In addition, these regulations do not affect any trade-sensitive activity because they do not apply in any way to governments, industries, or firms engaged in international trade.

**Regulatory Flexibility Act**

The Department believes that these regulations will not have "significant economic impact upon a substantial number of small entities" within the meaning of section 3(a) of the Regulatory Flexibility Act, Pub. L. 96-354, 91 Stat. 1164 (5 U.S.C. 605(b)). The Secretary has certified to the Chief Counsel for Advocacy of the Small Business Administration to this effect. This conclusion is reached because these regulations are procedural in character. The regulations implement amendments to 38 U.S.C. Chapters 41 and 42 and primarily concern changes at the national level in the administration of ongoing programs with no significant economic impact expected with respect to small entities. Accordingly, no regulatory impact analysis is required.

**List of Subjects**

**20 CFR Part 652**

Employment, Grant programs—Labor, Labor employment service programs, Veterans.

**20 CFR Part 653**

Agriculture, Employment, Equal employment opportunity, Labor, Migrant labor.

Accordingly, Parts 652 and 653 of Title 20, Chapter V of the Code of Federal Regulations are amended as set forth below:

**PART 652—ESTABLISHMENT AND FUNCTIONING OF STATE EMPLOYMENT SERVICES**

1. The table of contents for Part 652 is amended by designating §§ 652.1–652.9 as "Subpart A—Employment Service Planning and Operations" and adding a table of contents for a new Subpart B, as follows:

**Subpart A—Employment Service Planning and Operations**

**Subpart B—Services for Veterans**

**Purpose and Definitions**

Sec.

652.100 Purpose and scope of subpart.

652.101 Definitions of terms used in subpart.

**Federal Responsibilities**

652.110 Roles of the Assistant Secretary for Veterans' Employment and Training (ASVET).

**Standards of Performance Governing State Agency Services to Veterans and Eligible Persons**

652.120 Standards of performance governing State agency services.

652.121 Performance standard on facilities and support for Veterans' Employment and Training Service (VETS) staff.

652.122 Reporting and budget requirements.

652.123 Performance standards governing the assignment and role of Local Veterans' Employment Representatives (LVERs).

652.124 Standards of performance governing State agency cooperation and coordination with other agencies and organizations.

652.125 Standards of performance governing complaints of veterans and eligible persons.

**State Employment Service Agency Compliance**

652.130 Determination of compliance.

652.131 Secretary's annual report to Congress.

**Standards of Performance Governing the Disabled Veterans Outreach Program (DVOP)**

652.140 Administration of DVOP.

652.141 Functions of DVOP staff.

652.142 Stationing of DVOP staff.

2. The authority citation for Part 652 is revised to read as follows:

Authority: Wagner-Peyser Act, 29 U.S.C. 49 et seq.; 38 U.S.C. Chapters 41 and 42.

3. A new Subpart A heading is added to §§ 652.1–652.9 to read as follows:

**Subpart A—Employment Service Planning and Operations**

4. A new Subpart B is added to Part 652 to read as follows:

**Subpart B—Services for Veterans**

**Purpose and Definitions**

**§ 652.100 Purpose and scope of subpart.**

(a) This subpart contains the Department of Labor's regulations for implementing 38 U.S.C. 2001–2012, Chapters 41 and 42, which require the Secretary of Labor to provide eligible veterans and eligible persons the maximum of employment and training opportunities, with priority given to the needs of disabled veterans and veterans of the Vietnam era, through the public employment service system established pursuant to the Wagner-Peyser Act, as amended.

(b) This subpart describes the roles and responsibilities of the Assistant Secretary for Veterans' Employment and Training (ASVET) and the staff of the Veterans' Employment and Training Service (VETS).

(c) This subpart describes the performance standards for determining compliance of State agencies in carrying out the provisions of 38 U.S.C., Chapters 41 and 42 with respect to:

(1) Providing services to eligible veterans and eligible persons to enhance their employment prospects,

(2) Priority referral of special disabled veterans and veterans of the Vietnam era to job openings listed by Federal contractors pursuant to 38 U.S.C. 2012(a), and

(3) Reporting of services provided to eligible veterans and eligible persons pursuant to 38 U.S.C. 2007(c) and 2012(c).

(d) Performance standards are contained in this subpart at §§ 652.140–652.142 on the conduct of the Disabled Veterans Outreach Program (DVOP) in accordance with 38 U.S.C. 2003A.

**§ 652.101 Definitions of terms used in subpart.**

"Assistant Secretary for Veterans' Employment and Training (ASVET)" shall mean the official of the Department of Labor as described in § 652.110.

"Assistant State Director for Veterans' Employment and Training Service (ASDVETS)" shall mean a Federal employee who is designated as an assistant to a State Director for Veterans' Employment and Training Service (SDVETS).

"Disabled Veteran" shall mean a veteran who is entitled to compensation (or who but for the receipt of military retired pay would be entitled to compensation) under laws administered by the Veterans Administration and who is not classified as a Special Disabled Veteran.



"Eligible person" shall mean:

(1) The spouse of any person who died of a service-connected disability; or

(2) The spouse of any member of the armed forces serving on active duty who at the time of application for assistance under this subpart, is listed, pursuant to 37 U.S.C. 556 and the regulations issued thereunder, by the Secretary concerned, in one or more of the following categories and has been so listed for a total of more than 90 days: (i) Missing in action, (ii) captured in line of duty by a hostile force, or (iii) forcibly detained or interned in line of duty by a foreign government or power; or

(3) The spouse of any person who has a total disability permanent in nature resulting from a service-connected disability or the spouse of a veteran who died while a disability so evaluated was in existence.

"Eligible veteran" shall mean a person who (1) served on active duty for a period of more than 180 days and was discharged or released therefrom with other than a dishonorable discharge, or (2) was discharged or released from active duty because of a service-connected disability.

"Local Veterans' Employment Representative (LVER)" shall mean a member of the State agency staff designated and assigned by the State agency administrator to serve veterans and eligible persons pursuant to this subpart.

"Regional Director for Veterans' Employment and Training Service (RDVETS)" is the representative of the ASVET on the staff of the Veterans' Employment and Training Service (VETS) at the regional level; supervises all other VETS staff within the region to which assigned; and shall report to, be responsible to, and be under the administrative direction of the ASVET.

"Service Delivery Point (SDP)" shall mean a designated local employment service office which serves an area that may also contain extended service locations.

"Special disabled veteran" shall mean (1) a veteran who is entitled to compensation (or who but for the receipt of military retired pay would be entitled to compensation) under laws administered by the Veterans Administration for a disability rated at 30 percent or more, or (2) a person who was discharged or released from active duty because of a service-connected disability.

"State agency" means the State governmental unit designated pursuant to section 4 of the Wagner-Peyser Act, as amended, to cooperate with the United States Employment Service in

the operation of the public employment service system.

"State Director for Veterans' Employment and Training Service (SDVETS)" is the representative of ASVET on the staff of the Veterans' Employment and Training Service (VETS) at the State level.

"United States Employment Service (USES)" shall mean the component of the Employment and Training Administration of the Department of Labor, established under the Wagner-Peyser Act of 1933, as amended, to maintain and coordinate a national system of public employment service agencies.

"Veteran of the Vietnam era" shall mean an eligible veteran who (1) served on active duty for a period of more than 180 days, any part of which occurred during the Vietnam era (August 5, 1964, through May 7, 1975) and was discharged or released therefrom with other than a dishonorable discharge; or (2) was discharged or released from active duty for a service-connected disability if any part of such active duty was performed during the Vietnam era.

"Veterans' Employment and Training Service (VETS)" shall mean the organizational component of the Department of Labor administered by the Assistant Secretary of Labor for Veterans' Employment and Training established to promulgate and administer policies and regulations to provide eligible veterans and eligible persons the maximum of employment and training opportunities according to 38 U.S.C. 2002.

#### Federal Responsibilities

##### § 652.110 Role of the Assistant Secretary for Veterans' Employment and Training (ASVET).

(a) As the principal veterans' advisor to the Secretary of Labor, the ASVET shall formulate, promulgate, and administer policies, regulations, grant procedures, grant agreements and administrative guidelines and administer them through the Veterans' Employment and Training Service (VETS) so as to provide eligible veterans and eligible persons the maximum of employment and training opportunities, with priority given to the needs of disabled veterans and veterans of the Vietnam era, through existing programs, coordination, and merger of programs and implementation of new programs.

(b) ASVET shall oversee activities carried out by State agencies pursuant to 38 U.S.C., Chapters 41 and 42.

(c) ASVET shall ensure that appropriate records and reports are maintained by State agencies within

their management information systems to fulfill their obligations under this subpart.

#### Standards of Performance Governing State Agency Services to Veterans and Eligible Persons

##### § 652.120 Standards of performance governing State agency services. \*

(a) To the extent required by 38 U.S.C. 2002 and other applicable law, each State agency shall assure that all of its SDPs, using LVERs and other staff, shall provide maximum employment and training opportunities to eligible veterans and eligible persons with priority given to disabled veterans and veterans of the Vietnam-era, by giving them preference over non-veterans in the provision of employment and training services available at the SDP involved. Services are those activities or efforts including but not limited to registration, counseling, referral to supportive services, job development, etc., which are directed to help applicants find jobs or training. When making referrals from the group of applicants meeting the specific eligibility criteria for a particular program, State agencies shall observe the priority order to referral in paragraph (b).

(b) In making referrals of qualified applicants to job openings and training opportunities, to provide maximum employment and training opportunities under 38 U.S.C., SDPs shall observe the following order of priority:

- (1) Special disabled veterans;
- (2) Veterans of the Vietnam era;
- (3) Disabled veterans other than special disabled veterans;
- (4) All other veterans and eligible persons; and
- (5) Nonveterans.

##### § 652.121 Performance standard on facilities and support for Veterans Employment and Training Service (VETS) staff.

Each State agency shall provide adequate and appropriate facilities and administrative support such as office space, furniture, telephone, equipment, and supplies to VETS staff.

##### § 652.122 Reporting and budget requirements.

(a) State agencies shall provide RDVETS, SDVETS, and ASDVETS with access to regular and special internal State agency reports which relate in whole or in part with services to veterans and/or eligible persons.

(b) Each State agency shall make reports and prepare budgets pursuant to instructions issued by the ASVET and in

such format as the ASVET shall prescribe.

**§ 652.123 Performance standards governing the assignment and role of Local Veterans' Employment Representatives (LVERs).**

(a) To carry out the requirements of 38 U.S.C. 2004, at least one member of each State agency staff, preferably an eligible veteran, shall be designated and assigned by each State agency administrator as a full-time or part-time LVER in each SDP in accordance with terms/requirements of a grant agreement approved by the ASVET. The ASVET intends to use the following criteria in establishing the terms and requirements of grant agreements:

(1) At least one full-time LVER shall be assigned in each SDP which has had 1,000 new or renewed applications from veterans and eligible persons during the most recent twelve-month report period unless a waiver based on demonstrated lack of need is granted by the ASVET, and

(2) At least one part-time LVER whose time shall be devoted to veterans' services in proportion to the full-time criteria shall be assigned to each SDP not meeting the criteria for full-time LVERs in § 652.123(a)(1).

(b) Additional full-time or part-time LVERs may be assigned based on a determination of need by the State agency administrator and in accordance with terms/requirements of a grant agreement approved by the ASVET.

(c) Each LVER shall perform, at the SDP level, the duties prescribed at 38 U.S.C. 2003(c) required by 38 U.S.C. 2004.

**§ 652.124 Standards of performance governing State agency cooperation and coordination with other agencies and organizations.**

(a) Each State agency shall establish cooperative working relationships through written agreements with the Veterans Administration (VA) offices serving the State to maximize the use of VA employment and training programs for veterans and eligible persons.

(b) All programs and activities governed by this subpart will be coordinated to the maximum extent feasible with other programs and activities under 38 U.S.C., the Wagner-Peyser Act, the Job Training Partnership

Act, and other employment and training programs at the State and local level.

(c) Such relationships or agreements may be described in the Governor's Coordination and Special Services Plan prepared according to section 121(b) of the Job Training Partnership Act (Pub. L. 97-300).

**§ 652.125 Standards of performance governing complaints of veterans and eligible persons.**

Each SDP shall display information on the various complaint systems to advise veterans and eligible persons about procedures for filing employment service, Federal contractor, equal opportunity, and other complaints.

**State Employment Service Agency Compliance**

**§ 652.130 Determination of compliance.**

(a) The ASVET shall have authority for applying the requirements and remedial actions necessary to implement 20 CFR 658, Subpart H.

(b) The ASVET shall establish appropriate program and management measurement and appraisal mechanisms to ensure that the standards of performance set forth in §§ 652.120-125 are met. Specific performance standards designed to measure State agency services provided to veterans and eligible persons required by § 652.120(a) will be developed administratively through negotiations between State agency administrators and SDVETS and numerical values of the standards will be published as public notices in the *Federal Register*. A full report of those State agencies in noncompliance with the standards of performance and their corrective action plans shall be incorporated into the Secretary's annual report to the Congress cited at § 652.131 of this subpart.

(c) Every effort should be made by the State agency administrator and the SDVETS to resolve all issues informally before proceeding with the formal process.

(d) If it is determined by the ASVET that certain State agencies are not complying with the performance standards at §§ 652.120-125, such State agencies shall be required to provide documentary evidence to the ASVET that their failure is based on good cause. If good cause is not shown, the ASVET, pursuant to Subpart H of Part 658 of this

chapter, shall formally designate the State agency as out of compliance, shall require it to submit a corrective action plan for the following program year, and may take other action against the State agency pursuant to Subpart H of Part 658 of this chapter.

**§ 652.131 Secretary's annual report to Congress.**

The Secretary shall report, after the end of each program year, on the success of the Department and State agencies in carrying out the provisions of this subpart.

**Standards of Performance Governing the Disabled Veterans Outreach Program (DVOP)**

**§ 652.140 Administration of DVOP.**

(a) The ASVET shall negotiate and enter into grant agreements within each State to carry out the requirements of 38 U.S.C. 2003A for support of a Disabled Veterans Outreach Program (DVOP) to meet the employment needs of veterans, especially disabled veterans of the Vietnam era.

(b) The ASVET shall be responsible for the supervision and monitoring of the DVOP program, including monitoring of the appointment of DVOP specialists.

(c) DVOP specialists shall be in addition to and shall not supplant local veterans' employment representatives assigned under § 652.123 of this subpart.

**§ 652.141 Functions of DVOP staff.**

Each DVOP specialist shall carry out the duties and functions for providing services to eligible veterans according to provisions of 38 U.S.C. 2003A (b) and (c).

**§ 652.142 Stationing of DVOP staff.**

DVOP specialists shall be stationed at various locations in accordance with 38 U.S.C. 2003A(b)(2).

**PART 653—SERVICES OF THE EMPLOYMENT SERVICE SYSTEM**

**§§ 653.200 through 653.31 [Removed]**

5. In Part 653, §§ 653.200 through 653.231 (Subpart C—Services for Veterans) are removed.

Signed at Washington, D.C. this 23rd day of March 1984.

Raymond J. Donovan,  
Secretary of Labor.

(FR Doc. 84-8497 Filed 3-29-84; 8:45 am)

BILLING CODE 4510-79-M

Exhibit (4)  
HJR-41  
4-19-85

TESTIMONY

IN SUPPORT OF HJR 41  
(TAIWAN SISTER STATE RESOLUTION)

By:

Mike Fitzgerald  
President & Managing Director  
Montana International Trade Commission  
Suite 612, Power Building  
Helena, Montana 59601

Before  
The House Committee On Business And Labor  
Montana State Legislature  
State Capitol  
Helena, Montana 59601

March, 1985

## Taiwan

Taiwan, meaning "Terraced Bay", formerly known to Westerners as 'Formosa', is a lush island in the Western Pacific, approximately 100 miles east of the China coast. Shaped like a tobacco leaf, it is separated from Fukien Province on the Chinese mainland by the Taiwan Straits, whose width is from 90 to 120 miles, almost the same distance as between the state of Florida and the island of Cuba.

Taiwan is not just one island, but several. Its area, including Penghu Island (the Pescadores) and other islets, is 13,851 sq. miles, a little larger than Holland, or about the size of Massachusetts and Connecticut combined. Roughly 76 percent of Taiwan is mountainous, rising to 13,000 feet, leaving only 24 percent or about 2.2 million acres of land suitable for farming. Its climate is semitropical with plenty of rainfall and sunshine, almost like that of the state of Georgia.

People:	19.2 million
Land:	@ 13,000 square miles (@ 1/10 as big as Montana)

Exports to U.S.:	\$11.2 billion
Imports from U.S.:	\$4.7 billion
Total World Trade:	@ \$43 billion (15th largest in the world)
Per Capita Income:	@ \$2,600

Premier:	Kuo Hua Yu
President:	Ching-Ku-Chiang
Governor of Taiwan:	Chuan-Chiu-Huah
Rep. of Coordination Council of North American Affairs in the U.S.:	Fredrick Chien.

- Over the past decade Taiwan has been one of the 5 fastest growing economies in the world. Taiwan's average compounded growth rate has been 8.2% - about 3 times that of the European Economic community.
- Trade between the U.S. and Taiwan has increased from \$100 million in 1950 to @ \$15 billion 1984.
- Taiwan is the 7th largest trading partner of the U.S. and the 2nd in Asia after Japan.
- Taiwan is the 10th largest agricultural market in the world. In an attempt to equalize her trade balance advantage, Taiwan has sent special procurement missions to the U.S. in 1976, 1978, 1979, 1980, 1981, 1982, 1983 and 1984 - making purchases of U.S. goods totalling about \$40 billion.

fourth to Montana. From these four visits alone, Montana reaped great benefit:

1978	28,500 M/T DN Spring Wheat	\$ 4,081,392
	27,500 M/T HR Winter Wheat	\$ 3,722,655
	29,000 M/T Barley	\$ 2,844,202
1980	43,000 M/T DN Spring Wheat	\$ 8,301,320
	25,000 M/T HR Winter Wheat	\$ 4,455,875
1983	34,500 M/T DN Spring Wheat	\$ 6,219,642
	26,000 M/T Barley	\$ 3,827,200
1984	60,000 M/T DN Spring Wheat	\$10,317,000
	26,000 M/T Barley	\$ 3,620,500
Total	166,000 DN Spring Wheat	\$28,919,354
	52,500 HR Winter Wheat	\$ 8,178,530
	81,000 Barley	\$10,291,902
	Total	\$47,389,786

To a state like ours, where agriculture is the number one industry, these figures take on special significance.

Over the last five years the United States has consistently retained 85 percent of the Taiwanese wheat import market. What makes this figure so important for Montana is that 70 percent of these imports are of the type of wheat Montana produces best -- dark northern spring wheat and hard red winter wheat. Therefore, the majority of the type of wheat used in Taiwan is produced in Montana.

We are deeply grateful to have long-time friends and trading partners who have given us the opportunity to expand our export market. The passage of this resolution would give us the opportunity to strengthen the bonds of friendship now and help assure procurement of future markets.

TESTIMONY OF MONTANA WHEAT RESEARCH AND  
MARKETING COMMITTEE DIRECTOR GLENN MOORE  
FOR THE HOUSE BUSINESS AND LABOR COMMITTEE  
ON HOUSE JOINT RESOLUTION 41  
TUESDAY, MARCH 26, 1985  
HELENA, MONTANA

Chairman Pavlovich, members of the Committee, on behalf of the Montana Department of Agriculture and the Montana Wheat Research and Marketing Committee, thank you for the opportunity to testify on a resolution that could benefit the relationship between Montana and Taiwan.

As you know, the need to develop new foreign markets and cultivate new trading partners for our agricultural products is very prevalent. Our relationship with one of our current trading partners, Taiwan, is as important, if not more important, than any new relationship we may establish. When attending a trade conference in Taiwan in 1983, Governor Schwinden made a commitment toward building a sister-state relationship. The importance of this relationship, and others in the Far East, to the future of Western United States' markets cannot be overstated as so aptly pointed out by Ambassador Mike Mansfield.

On September 28, 1984 we witnessed the sale of \$13.9 million of Montana grain to the Republic of China. This sale of grain was not to new trading partners, but to old and very dear friends. We have been selling to this country for many years. These people keep coming back because they recognize the quality of our products and the strength of our friendship.

This recent visit of the "Buying American" Procurement Mission was the ninth such mission to the United States and the

more

Exhibit 'B'  
HJR-41  
4-19-85

- Taiwan's special procurement missions have purchased the following in Montana:

1978:

- 28,500 metric tons dark northern spring wheat  
price = \$4,081,392.
- 27,500 metric tons hard red winter wheat  
price = \$3,722,655
- 29,000 metric tons of barley  
price = \$2,844,202

1980:

- 43,000 metric tons dark northern spring wheat  
price = \$8,301,320
- 25,000 metric tons hard red winter wheat  
price = \$4,455,875

1983:

- 34,500 metric tons dark northern spring wheat  
price = \$6,219,642
- 26,000 metric tons of barley  
price \$3,827,200

1984:

- 60,000 metric tons dark northern spring wheat  
price = \$10,317,000
- 26,000 metric tons of barley  
price = \$3,620,500

- For a total of @ \$47.5 million dollars worth of wheat and barley.
- Taiwan now has Sister State Agreements with the following:  
  
Arizona, Indiana, Kentucky, Missouri, Oklahoma, South Carolina, Tennessee, West Virginia, Virginia, Utah, Alabama, Arkansas, Colorado, Connecticut, Idaho, Illinois, Mississippi and Nebraska.
- The economic, political and cultural achievements of these people is truly admirable. Their economic progress, when one considers that they have no natural resources of consequence, is an inspiration. They are, without a doubt, some of the most industrious, ingenious people in the world.

When Chiang Kai-shek and his followers migrated to Taiwan between 1947 and 1949, they first developed their agriculture creating immediate surpluses which provided the basis for their world trade. Using the income from their trade surpluses they developed their arts, crafts and cottage industries then light manufacturing. During the past ten years they have been developing highways, railroads, ports, their steel industry, heavy manufacturing capacity and world class ship building industry. Now they are well along in becoming one of the leading technology manufacturing centers..of Aisa.

Their ingenious productivity and the vitality of the people is evidenced by the trade balance advantage they enjoy with nearly everyone of their trade partners. Their world trade organization, the China External Trade Development Council is one of, if not the most dynamic organization of its kind in the world.

Taiwan is a good friend and good customer to Montana. Our Commission heartily endorses HJR 41 and committs to insuring the successful continuation of Montana's expanding friendship and trade with Taiwan. I commend this legislative group for non-partisan support of HJR 41.

Thank you.



# STANDING COMMITTEE REPORT

April 19, 19 85

MR. PRESIDENT

We, your committee on **STATE ADMINISTRATION**

having had under consideration **HOUSE JOINT RESOLUTION** No. **41**

third reading copy ( blue )  
color

(Senator Harding)

**ADOPTING THE PROVINCE OF TAIWAN AS A SISTER STATE**

Respectfully report as follows: That **HOUSE JOINT RESOLUTION** No. **41**

BE CONCURRED IN

~~XXXXXX~~  
~~DO PASS~~

~~XXXXXXXXXX~~  
~~DO NOT PASS~~

Chairman.

# STANDING COMMITTEE REPORT

April 19, 1935

MR. PRESIDENT

## STATE ADMINISTRATION

We, your committee on

HOUSE BILL No. 473

having had under consideration

third reading copy (blue)

color

(Senator Lynch will carry)

## GRANTING PREFERENCE TO VETERANS IN CERTAIN EMPLOYMENT SITUATIONS

HOUSE BILL No. 473

Respectfully report as follows: That

be amended as follows:

1. Page 3, line 25.

Following: "government;"

Strike: "or"

2. Page 4, line 2.

Following: "contractor"

Strike: "."

Insert: "; or"

3. Page 4, line 3.

Following: line 2

Insert: "(f) a position held by a student under the Montana work-study program provided for in Title 20, chapter 25, Part 7, or under a student employment program administered by the Montana university system or a community college."

AND AS AMENDED

BE CONCURRED IN

XXXXXX  
DO PASS

XXXXXXXXXX  
DO NOT PASS

Chairman.

# STANDING COMMITTEE REPORT

April 19, 19 35

MR. PRESIDENT

We, your committee on **STATE ADMINISTRATION COMMITTEE**

having had under consideration **HOUSE JOINT RESOLUTION No. 48**

**third** reading copy ( **blue** )  
color

**(Senator Halligan)**

**INTERIM STUDY ON JUDICIAL SELECTION METHODS AND COMPENSATION**

Respectfully report as follows: That **HOUSE JOINT RESOLUTION No. 48**

**BE CONCURRED IN**

**~~XXXXXX~~**

**~~XXXXXXXXXX~~**  
**DO NOT PASS**

Chairman.