

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

February 14, 1987

The eleventh meeting of the Labor and Employment Relations Committee was called to order by Chairman Lynch on February 14, 1987, at 1:00 p.m. in Room 325 of the State Capitol.

ROLL CALL: All members were present.

CONSIDERATION OF SENATE BILL NO. 315: Senator Bob Williams, Senate District 15, sponsor of the bill, gave the opening statement and reserved the right to close. A copy of his testimony is attached as Exhibit 1.

PROPOSERS: Mr. Gene Huntington, representing Governor Schwinden, rose in support of Senate Bill 315, and stated two years ago Governor Schwinden appointed a Governor's Workers' Compensation Advisory Council to study the total Workers' Compensation Act and propose recommendations for reform. The Council worked hard for the past two years to develop recommendations. Mr. Huntington believes Senate Bill 315 contains the recommendations of the Council. Any solution to the Workers' Compensation problems must reduce costs so future costs will not exceed the income and so that the Workers' Compensation program will not continue to be run in a deficit. This must be done by avoiding major rate increases and preserve the basic benefits of wage replacement, medical benefits for injured workers, and reduce litigation for some predictability and stability to the Workers' Compensation system. The Governor's bill will attempt to limit litigation by clearly defining benefits in the process for obtaining them so negotiation and litigation are minimized. The Governor's bill also proposes to replace the Workers' Compensation Court with the Board of Industrial Insurance, which is a process for settling disputes without going directly to court. The flood of litigation in recent years resulted in attorneys seeking new interpretations of the Workers' Compensation laws. Those different and changing interpretations of the law have increased the cost of the benefits, but have lead to a system that has very little predictability and stability in terms of its

LABOR AND EMPLOYMENT

February 14, 1987

Page 2

financial condition. The Board of Industrial Insurance is not a proposal to return to the system that existed in the early 1970's which led to the creation of the Workers' Compensation Court. It is a Board that is independent, as the judge is independent in the current Workers' Compensation Court. Mr. Huntington feels the creators of the Workers' Compensation Court never envisioned the current level of litigation. In reviewing the Legislative Interim Study that led to the recommendation to create the court, it was clear they looked at the alternatives of a review board, an appeals board, and an administrative judge. In the end they selected a judge. The report said the reason for selecting a judge and the direct appeals Supreme Court is that since the judge will be an expert in the field of Workers' Compensation, the committee members felt there would not be a great volume of cases appealed. In 1986 there were 40 cases appealed to the Supreme Court. Clearly the Court has not worked as it was intended. The proposal for a Board of Industrial Insurance is not an experiment, but a process that is used in most other states and by other agencies in state government. Mr. Huntington urged the committee and the legislature to take responsible action to reduce the cost of Workers' Compensation so major rate increases are not needed, and to reduce the level of litigation.

Mr. Bob Robinson, Administrator, Workers' Compensation Division, gave written testimony in support of Senate Bill 315. His testimony is attached as Exhibit 2.

Mr. Laury Lewis, former Administrator of the Workers' Compensation Division, currently Administrator of the Nevada State Industrial Insurance System, stated he is not speaking as a proponent or an opponent. Mr. Lewis stated he is going to make comparisons of the Montana Workers' Compensation System to the Nevada State Insurance. He said there are reasons the Nevada system does work, and because it works there has been only one overall rate increase since 1978. The reason it works is because of the laws of the state. Mr. Lewis feels the State Fund should remain. He explained he is appointed by a 7 member board of directors, 3 of which represent organized labor and 3 of which represent policy holders and 1 represents the general public. Montana is facing a serious problem and it needs to be corrected. Mr. Lewis feels both SB 315 and SB 330 are getting at the issues. Mr. Lewis feels SB 315 has better language, but there are still administrative problems in both bills. Nevada's system works because it has quick, good and fair benefits to the workers. Their temporary total rates are good, they

## LABOR AND EMPLOYMENT

February 14, 1987

Page 3

pay for impairments, and they have a good rehabilitation program. Mr. Lewis stated SB 315 and SB 330 are both trying to address this. Mr. Lewis stated anytime there is a system where the benefits are not clear, there will be litigation. When there is language in the law concerning reaching impairment awards based upon factors relevant to a worker's gainful employment, potential loss of future earning capacity, or their education or age to determine their benefits, there will be litigation. This is not the fault of labor, attorneys, or management. If that language is in the law, there will be litigation. Large lump sum settlements create problems; they bring litigation and this should be addressed. Mr. Lewis feels the issues of both bills are issues that need to be addressed to save the State Fund.

Mr. Jim Cannon, Chairman of the Governor's Advisory Council on Workers' Compensation, stated there was much time spent trying to find a solution to the Workers' Compensation problem. He distributed a copy of the Workers' Compensation Reform Legislation, which is attached as Exhibit 3. He regrets the fact there are two bills because it was the hope of the Council to have one bill. The Council was operating on the basis of actuarial information which proved to be very far under the actual facts. The Council asked the Governor to make a special actuarial audit in order to receive the best information possible. The Council acted primarily on the basis of that information received in April, and in November more information was brought forth that the fund was more than \$81 million unfunded liability. A great deal of the Council's recommendations were adopted and made a part of the Governor's bill. Mr. Cannon suggested more emphasis should be put on the similarity of the two bills rather than the differences. Mr. Cannon summarized the differences of the two bills. He feels if litigation can be reduced as proposed in both bills, where the litigation takes place would be less important. The Council did not get into the question of management, but it is of major importance and should not be overlooked.

Mr. Mike McCarter, a Helena attorney, stated a part of his practice is in Workers' Compensation defense as he represents the State Fund. Mr. McCarter stated the Liberal Construction Clause has had a broadening coverage and benefits through judicial interpretation of the current Workers' Compensation Act. This has occurred because the language in the Act is vague and nonspecific and the Liberal Construction Clause is an invitation to the court to construe the act, to fill in where it is vague. Mr. McCarter does not

believe litigation can be eliminated, but it can be diminished by enacting a more specific Workers' Compensation Law which would eliminate ambiguity and uncertainty and send a message the legislature wants the Act interpreted as it is written, and not favoring any particular party. Section 18 is a new definition of what constitutes an injury or accident under the Workers' Compensation Act. This excludes compensation for mental or emotional stress, and excludes compensation for ulcers resulting from job anxieties. Micro-trauma would also be eliminated. Under subsection 2A, an unexpected traumatic incident would eliminate compensation for unexpected results. Section 5 deals with cardiovascular strokes and heart attacks, and compensation will be awarded if the job was the primary factor of the condition.

Mr. Dan Hoven, a Helena attorney who has represented the State Fund, stated that presently permanent partial disability benefits can be obtained by an injured worker by earning capacity and by indemnities. Section 38 of SB 315 embraces the concept of actual diminution in earning capacity and eliminates totally any indemnity award for an injured worker for permanent partial disability. Under Section 38, the injured worker would be entitled to 66 2/3% of the diminution of wage loss for a period of 500 weeks. However, there would be no benefits for an injured worker if he is making the same or more money after the injury or the recuperative period. Presently under the indemnity award theory which SB 315 eliminates, a claimant need not prove an actual loss of wages and he can be entitled to benefits if he demonstrates a perspective loss of earning capacity in the future. SB 315 is trying to eliminate the situations where an injured worker who has reached maximum healing may return to his same job and receive the same pay, or greater pay, or he may return to a different line of employment at the same pay and still be eligible for compensation benefits. SB 315 will pose the policy question to the committee whether the committee should have the Workers' Compensation Act provide benefits only for actual demonstrated wage loss, or whether the Workers' Compensation Act should also be extended as it presently does to take into account a much broader concept of disability which would include factors such as pain, and the impact of the injury on the worker to earn money in the future.

Ms. Maggie Bullock, Administrator of the vocational rehabilitation programs in the Department of Social and Rehabilitation Services, gave testimony in support of SB 315. A copy of her testimony is attached as Exhibit 4.

LABOR AND EMPLOYMENT

February 14, 1987

Page 5

Mr. Bruce Vincent, representing Vincent Logging, Libby, Montana, turned in petitions for the record, which are attached as Exhibit 5. Mr. Vincent stated the Workers' Compensation Action Committee (WCAC) represents the group of people this bill will effect. They are the three current victims of the collapsing system; they are the injured worker, the non-injured worker, and the employer. The reason this group was formed is because of the high premium rates. Mr. Vincent has not seen a pay raise since 1973, and there seems to be no raise possibilities in sight. Six Hundred members of the WCAC attended a Governor's Advisory Council meeting held in Libby to express their views. WCAC members held a rally in Libby to get people involved, and after the rally a meeting was held to further discuss what was necessary for reform in the Workers' Compensation system. The Governor's bill answers every demand the WCAC expressed concern with, and they believe it is a workable bill. Mr. Vincent urged the committee to support this bill.

Mr. William T. Oftedal, representing E. H. Oftedal & Sons, Inc., gave testimony in support of this bill. A copy of his testimony is attached as Exhibit 6.

Mr. Jim Smith, representing the Montana Association of Rehabilitation Facilities, stated they support SB 315 because the injured worker is critical to this process and it has a good rehabilitation process for the injured worker.

Mr. Bob Holding, Montana Motor Carriers Association, Inc., gave testimony in support of this bill. A copy of his testimony is attached as Exhibit 7.

Mr. Stuart Doggett, representing the Montana Chamber of Commerce, stated they support SB 315.

Mr. Joe Rick, logging contractor from Superior, Montana, and President of the Montana Logging Association, urged support of SB 315.

Mr. Roger Young, representing the Great Falls Chamber of Commerce, gave testimony in support of this bill. A copy of his testimony is attached as Exhibit 8.

Mr. Dennis Terrio, representing Local Union 206, International Brotherhood of Electrical Workers, stated they support SB 315.

Mr. Lloyd Doney, representing ASARCO Troy Unit, gave testimony in support of this bill. A copy of his testimony is attached as Exhibit 9.

Mr. Steve Seifert, representing Columbia Falls Aluminum Company, stated they support SB 315.

Mr. Don DeJarnett, representing Montana Steel and Supply, Billings, Montana, and the Billings Chamber of Commerce, gave testimony in support of SB 315. A copy of his testimony is attached as Exhibit 10.

CONSIDERATION OF SENATE BILL NO. 330: Senator Fred Van Valkenburg, Senate District 30, sponsor of the bill, gave the opening statement and reserved the right to close. A copy of his statement is attached as Exhibit 11.

PROPOSERS: Mr. Wade J. Dahood, attorney from Anaconda who practices Workers' Compensation law, stated he had listened to the proponents of SB 315, but he heard very little concerning the protection of the injured worker. Mr. Dahood stated the reason for SB 315 was not discussed, but he feels the reason for SB 315 is because the deficit that occurred during this administration and because of the heavy litigation load. Mr. Dahood stated in many of the injured worker cases, it takes him 90 days to receive his first check and it takes far too long for the Workers' Compensation Division to settle claims. Mr. Dahood feels the answer to some of the problems would be to appoint someone who has real experience working with the insurance business. Mr. Dahood stated there is no reason the Workers' Compensation rates are so high. There are ways to balance a budget. He stated there are two experts on the Workers' Compensation system who will be testifying today, they are Mr. Norm Grosfield and Professor David J. Patterson. These two experts are joining the proponents of SB 330 to urge the committee to adopt legislation that will not lose sight of the fact our constitution, laws, and government are based on protecting the citizen.

Rep. Jerry Driscoll, House District 92, stated he was on the Governor's Workers' Compensation Advisory Council. They submitted a report to cut 18-22% of the cost from the Workers' Compensation system, however, the administration did not want to follow the recommendation of that report. Thus, they came up with their own bill, SB 315. Rep. Driscoll stated of all the money paid into the system, injured workers receive less than half. Most of the cuts and changes presented are taken from the injured worker.

## LABOR AND EMPLOYMENT

February 14, 1987

Page 7

Senate Bill 315 would raise administration costs higher. Between 1985 and 1986 the administration costs were raised \$1 million, medical benefits were raised \$6 million, and workers benefits were raised \$4 million. Senate Bill 330 would change permanent partial disabled from a maximum of 500 weeks to a maximum of 350 weeks. SB 315 would eliminate permanent partial benefits. SB 315 gives the permanently disabled worker a lump sum compromise, but it is really an interest-bearing loan. Rep. Driscoll urged the committee when considering the two different bills to read the Governor's charge to the Advisory Council and remember the injured worker. Costs must be reduced but the administrative costs do not need to be increased.

Mr. Howard Hultgren, a Billings chiropractor and member of the Governor's Advisory Council, stated the Advisory bill recommended the administration be divided. Currently the present administration has the responsibility of administering the Division and the State Fund, Plan 3. They recommended the administration be divided and Plan 3 be administered separately. Mr. Hultgren urged the committee to consider the division of administration and thus, improving the quality of the services rendered to the injured worker. He supports Senate Bill 330 because he feels it is more people conscious than Senate Bill 315. Mr. Hultgren feels there is a problem with the definition of injury, and this could lead to much litigation.

Mr. Norm Grosfield, prior Administrator for the Workers' Compensation Division and an attorney in private practice for Workers' Compensation issues since 1973, stated Advisory Councils have been used in Workers' Compensation since approximately 1969. He has worked with many of these councils and they have come to the legislative session with full support and submitted proposals to the legislature and the legislature adopted the proposals. He thought the council that was appointed to review the Workers' Compensation matters in 1985 was going to function the same way. Mr. Grosfield was concerned with the size of the council because with that amount of people it is hard to have unanimity. The Advisory Council gave 19 votes in support of the recommendations. Mr. Grosfield's areas of suggestion involved a reduction of benefits in the least important areas, which were death and permanent partial benefits, and the restricting application of the definition of injury in certain aggravation matters. He

feels the recommendations of the Advisory Council are good and avoid the complex government setup that is being proposed in SB 315. The Advisory Council bill, when compared to the complexity of the bureaucracy that will be established by the Governor's bill, will actually save greater funds, excluding the discussion of the definition of injury. Mr. Grosfield stated the Workers' Compensation system should not be made more complex than it already is, and the Governor's bill makes the system more complex. There are sufficient reductions in the benefit areas and in other areas to reduce the cost of Workers' Compensation in the Advisory Council's bill. Mr. Grosfield urged the support of the committee for SB 330.

Dave Patterson, Professor of Workers' Compensation Law at the University of Montana, gave testimony in support of SB 330. A copy of his testimony is attached as Exhibit 12.

Mr. Brad Luck, a Missoula attorney who represents insurance companies and employers, and represents Workers' Compensation Plans 1, 2, and 3, and was also on the Governor's Advisory Council, said he is representing the Montana Association of Defense Councils. Mr. Luck agrees with certain statements made by people supporting SB 315. The employers of Montana cannot continue to pay for the Workers' Compensation system as it exists today. There is a need for immediate, swift and significant reform. Mr. Luck worked with the other members of the Governor's Advisory Council toward that end. He is concerned the thoughtful, significant and meaningful reform is in jeopardy. Mr. Luck stated if SB 315 passes it will be the biggest boom to attorney involvement in Workers' Compensation the state of Montana has ever seen. Mr. Luck said he supports the council bill, SB 330, because the council bill provides the framework for the meaningful, thoughtful reform in savings that everyone wants. Mr. Luck is convinced, after studying the ramification of both bills, the appropriate vehicle for reform is the council bill. He said there are three major differences of SB 315 and SB 330. They are, claims handling, permanent partial disability, and settlements and lump sums. Mr. Luck feels from an employer and insurer view, the council bill is the superior product. In relation to permanent partial disability, there seems to be a myth that the division bill will create a wage supplement system to save money and totally reform permanent partial disability benefits; however, this is not correct. One of the biggest differences between the

## LABOR AND EMPLOYMENT

February 14, 1987

Page 9

two bills is the abolition of the Workers' Compensation Court. The initiation of litigation in Workers' Compensation today has gotten out of hand. The Governor's answer is to get rid of the Workers' Comp. Court and replace it with a super bureaucracy. The council's bill suggests a refining of the system by limiting the attorney's fees that are available to a claimant to be paid by the employer and the insurer. Therefore, the incentive to go to court has been taken away. The council bill gives the court significant new power to handle its own proceedings, which it did not have before, and the power to sanction litigants for their attorneys for unnecessary and frivolous litigation. Also, the council bill presents a step by step process that must be gone through before anyone can even go to the Workers' Compensation Court, a process that will reduce litigation. Finally, the council bill, as does the division bill, indicates the act shall be construed according to its terms. Mr. Luck stated the combination of everything he mentioned will fine-tune and streamline the process. Mr. Luck stated there have been times when he has been frustrated with the Workers' Compensation Court; however, the problem is not the judge or the system, the problem is the framework of the act. If there is a problem, then make it less subjected to interpretation.

Mr. Ray Conger, representing the Montana Council on Compensation Insurance, stated if SB 315 is adopted in its present form, then \$1 million of employers' liability insurance must be added to this bill under Plan 3. There will be a lot of employee/employer liability lawsuits that will be excluded under the general liability coverages that are standard in practice at this time. Mr. Conger does not feel claim examiners and hearing boards can work together in the same location and come together on any kind of mediation. After a claim examiner has turned down a claim, or the claim is going to be in dispute, at that point, the claim needs to be transferred to some other forum. It does not need to be transferred to a court as there is still room for mediation. Mr. Conger feels this position should be moved to the Policy Holders Compliance Division of the state of Montana. If they cannot come to an agreement on an informal basis, then it could go to the Workers' Compensation Court.

Mr. Glen Drake, representing American Insurance Association, gave testimony in support of SB 330. A copy of his testimony is attached as Exhibit 13.

OPPONENTS AND GENERAL COMMENTS OF SB 315 AND SB 330:

Mr. Doug Crandell, Chairman of the Montana Wood Products Association, and manager for Brand S Lumber, Livingston, Montana, stated there has been a 240% increase over the last five years in Workers' Compensation Rates. Mr. Crandell stated he does not feel he could complain about Workers' Compensation rates unless he cares for safety and puts that caring into practice. Mr. Crandell feels they have put that caring into practice. In the past 7 months at Brand S, they had had no lost time injuries. Yet, even considering the success of their safety record, the rates are still increasing. He was surprised to find neighboring states compensation rates substantially lower. This puts their lumber mill at a great competitive disadvantage with the national lumber market. Mr. Crandell feels the reason the Montana Workers' Compensation Division has problems is because of the law; it is very complex, long, and ambiguous, which opens the door for litigation. Also, the Liberal Construction Clause has created a problem, which is, when in doubt, liberally construe the law in favor of the claimant. Since the law is so confusing there is almost always doubt. Mr. Crandell's employees want the same things he does - if they are injured, they want fair compensation quickly, without the need to share the money with an attorney. They feel the advisory council's bill falls short because it does not simplify or clarify the bill. Mr. Crandell supports the Governor's bill because it is an easy bill to read and understand. In its clarity, SB 315 benefits the injured and uninjured worker and the employer; however, it is bad for those whose livelihood is enhanced by a system where litigation and settlements are the norm. They oppose SB 330, and support SB 315.

Mr. Jim Murry, representing the Montana AFL-CIO, gave testimony in support of SB 330. A copy of his testimony is attached as Exhibit 14.

Mr. Duane Hudson, an injured worker who has gone through the process to obtain benefits, stated he contacted the Workers' Compensation Division to check on his benefits but they put him on hold and do not answer his questions. He said if they pass SB 315, he does not have someone to represent him and they will keep putting him on hold and not answer his questions. He suggested the worker pay some of the Workers' Compensation premiums and maybe the worker will pay more attention to the effects of this bill.

LABOR AND EMPLOYMENT

February 14, 1987

Page 11

Mr. Jim Roscoe, representing Roscoe Steel, stated he meets weekly payrolls and costs daily. He feels Workers' Compensation's original intent has been changed and there is an incorrect attitude toward the act; it is case law for a relative few. He stated Roscoe Steel hired a man on a work release program from Montana State Prison in 1983. His productivity and efficiency began to decline, and in a week of extreme turmoil and failure to report to work, he filed what Mr. Roscoe considers to be a fraudulent claim. That same week he was returned to prison for violating a minor. Workers' Compensation claims they initiated benefits for this individual on September 26, 1986, and are asking Roscoe Steel when this individual will return to work. He told of another case history of an employee at their Missoula Plant who was injured July 12, 1985. He was a short term employee. Other employees have seen this individual working at a gas station and building a house since he left their employment. Also, on March 1986 he was convicted of felony theft. As of January 31, 1986, this individual has received \$11,975 from Workers' Compensation benefits. Also, in December 1986, EBI, a private insurer for Workers' Compensation paid this individual a lump sum of \$27,800, and as a result of that lump sum payment, cancelled their policy with Roscoe Steel. Mr. Roscoe stated not all Workers' Compensation cases at Roscoe Steel are bad, and the Workers' Compensation principal is good. He also stated if the rates keep rising, businesses will be extinct in Montana.

Mr. Gene Fenderson, representing the Montana State Building and Construction Trades Council, presented a copy of some statistics to be added to his testimony, which is attached as Exhibit 15. Mr. Fenderson stated there is a problem of fraud concerning the Workers' Compensation benefits. There are cases of employees taking advantage of the system and there are cases of employers not paying total compensation for their employees. He described a fraudulent claim which happened recently on a state building by an employer/contractor, who is known for cheating. This can be done very easily by hiring everyone as an independent contractor and if the worker happens to get hurt on the job, the employer tells the worker he will turn it in that he is an employee. This goes on heavily in the construction industry in Montana, and it has got to be stopped. The problems are not going to be cured by cutting benefits for workers as long as unscrupulous employees and employers get away with these actions. Mr. Fenderson requested the chairman and committee members to check into this type of thing.

LABOR AND EMPLOYMENT

February 14, 1987

Page 12

Ms. Maggie Sheen, representing herself, gave testimony in support of SB 330. A copy of her testimony is attached as Exhibit 16.

Mr. Willis Pickle, representing himself, stated in October 1974, he was disabled through an injury. He had slipped in some grease left by another employee, and as a result lost his left arm and the fingers of his right hand and sustained back injuries in the accident. He filed for Workers' Compensation benefits and it took several weeks to receive any benefits. Mr. Pickle was almost evicted from his home, bills began to pile up, and then Workers' Compensation benefits finally began. He filed for a lump sum settlement which was granted. Over a 4 year period, Workers' Compensation paid Mr. Pickle \$25,000 in compensation benefits. He was told by Workers' Compensation after his accident that he was considered 100% disabled and entitled to lifetime benefits. In 1978, they cut off his benefits. He tried for 8 years to be reinstated with benefits. In October 1986, Mr. Pickle went to an attorney for help. Mr. Pickle asked Workers' Compensation Division to give him a copy of his complete file. They gave him a copy of his file for a cost of \$96.00. His attorney agreed to represent him for nothing because the attorney came to the conclusion Workers' Compensation had not fulfilled their promises and not seen to his rehabilitation. The State Rehabilitation refused to give him the type of vocation of his choice and they refused to work with him. Mr. Pickle then refused to work with them because he felt they were not concerned with his rights. Thus, his benefits were cut off three times. Mr. Pickle stated he simply asked for what was just and honest and he was denied it and is still being denied what he deserves.

Ms. Marilyn Nelson, a claims representative with Plan 1 and Plan 2 stated she has reviewed SB 315 and finds the process unworkable. This bill would significantly increase the cost to employers and to insurance companies.

Mr. Vern Erickson, representing Montana State Firemen's Association, stated it has been well documented the fire service is one of the most dangerous occupations, both in the area of injury and death. They feel they would rarely, if ever, be able to collect through SB 315. They are opposed to SB 315.

LABOR AND EMPLOYMENT

February 14, 1987

Page 13

Mr. Ben Everett, who served on the Governor's Advisory Council, stated the council's proposal contains reform legislation that answers every complaint brought forth today. SB 330 is supported by the insurance industry, the Montana Association of Defense Council, Trial Lawyers, insurance representatives, laborers, and employers. SB 315 is asking for more responsibility and they cannot handle the responsibility they have now. There are cases of people entitled to receive benefits who are not receiving benefits, and people who should not be receiving benefits that are receiving them. This is poor, ineffective administration. This conflict of interest should not be added to. Mr. Everett urged the passage of SB 330.

Mr. Tom Keegan, a Helena attorney who represents both claimants and insurers in Workers' Compensation cases, stated the committee should listen to the people who know the business best. Mr. Keegan stated if the 5-step bureaucracy replaces the Workers' Compensation Court, it will not do justice to the injured worker. Mr. Keegan supports SB 330 with one exception, which is limiting the widow of the deceased worker to 10 years of benefits if the children are grown. Mr. Keegan feels this is a horrible way to balance the deficit.

Mr. Brad Luck, a Missoula attorney, stated he is concerned that no one is discussing the specifics of the two bills. SB 315 has not been fully explained to most employers. Most employers believe SB 315 promises speedy benefits, avoidance of litigation, and quick adjudication. However, SB 315 actually provides confusion, invites litigation, and it is anything but self administering. The heart of the division bill is the elimination of the Workers' Compensation Court and the replacement of a 5-step bureaucratic process which is a creation of a super bureaucracy. Mr. Luck stated the 5-step procedure will take a minimum of 3 years, but could take up to 5 years. He does not understand how this lengthy process could be considered an efficient administration of justice. The backers of SB 315 state it will cut down on litigation, and Mr. Luck agrees because the workers and employers cannot afford to go through that process. Also, SB 315 is replacing one Workers' Compensation Court Judge with three highly paid board members. How can this be a savings. The state of Montana cannot afford the additional cost this superbureaucracy will cost for manning each level with personnel. Mr. Luck stated in 1974, the Legislative Auditor did a study of the administration of Workers' Compensation Division. The June 1974 report stated the

Division function of handling the State Fund, being an insurance company, constituted an incestuous conflict of interest and it was recommended to be terminated. However, it was never totally terminated and 12 years later, in 1986, the exact concerns were voiced by the Governor's Advisory Council. Now the Division wants absolute and total control of the system. Employers are not aware of the problem the definition of injury is going to create. It will cut down on the number of Workers' Compensation claims and the possibility of common law claims is real, and there is a high probability of an increase of liability insurance. Mr. Luck said he has been hearing there is no use for people to come and talk about the particulars of this bill and to talk about what is really involved because it has been said it is "greased", and the Department of Labor has said there is nothing that can stop their bill. Mr. Luck finds this somewhat curious because the Division received a lot of support prior to anyone ever reading the bill. Mr. Luck stated personally, he has more confidence in the legislative process and it is his hope the committee will consider both of these bills and use the good from SB 315 and place it in SB 330 for some real reform that is cost effective.

Senator Lynch stated if it is "greased", it is not known to the chair.

Mr. Don Wilkens, representing the Lumber and Sawmill Workers in Libby, gave testimony in support of SB 330. A copy of his testimony is attached as Exhibit 17.

Mr. Don Jenkins, representing the Golden Sunlight Mine, Inc., gave testimony in support of SB 330. A copy of his testimony is attached as Exhibit 18.

Mr. Norm Grosfield, a Helena attorney who represents Workers' Compensation claims, and a prior Administrator for the Workers' Compensation Division, stated he supports SB 330. Mr. Grosfield reviewed the differences of the two bills. The Division adopted all the recommendations that would take away benefits from injured workers, plus, in some areas they have gone even further. The Division's bill eliminates the Workers' Compensation Court. Mr. Gorsfield totally favors the retention of the court and said he was involved in the creation of the court. The system that is being proposed is a complex system that does not provide an independent review. The Division states the worker has to appeal to this independent board; however, that is not true. The process takes you to an

## LABOR AND EMPLOYMENT

February 14, 1987

Page 15

employee of the Department of Labor and Industry to have the case heard. SB 315 specifically states the findings of fact of the hearing officer hired by the department, the same department which runs the State Fund, are conclusive unless they are not supported by substantial evidence. There is truly not an independent review as when you appeal to this commission, the commission is bound by the findings of fact. It would make more sense if this system was to be used to set up the first initial appeal at the commission level, which would remove some of the conflict problem. Mr. Grosfield stated the intent is to control the findings of fact. He said Senator Thayer asked the question, if a Workers' Compensation bill could be written in a simple, easy form so everyone could understand it. Mr. Grosfield explained the law in Workers' Compensation is relatively clear to the people who work with it on both sides. The Supreme Court clarified the permanent partial area in 1982 and the definitions are clear. The problem that is faced is the problem of fact in 90% of all cases that are litigated. Legislation cannot be drafted to control different factual situations. The definition of injury is basically the same definition all the jurisdictions of the United States and Canada use. There are some variations, but basically all jurisdictions cover repetitive trauma, unusual strains, and in a certain set of limited circumstances, it covers heart attacks and strokes. The Advisory Council recommended the evidence requirements be strengthened in that area. The proposal in SB 315 and SB 330 on aggravation will cut out a lot of potential cases in the heart attack area. There are two problems with putting the definition in as suggested. The first problem is it simply is not right, just, or fair. The second problem is a great danger is created in abolishing the Exclusive Remedy Rule and that is the pivotal rule of Workers' Compensation law. The initial law that was passed in 1909 was thrown out because a claimant could pursue a civil action as well as recover Workers' Compensation. If injury is defined so narrowly, then 40-50% of all injuries will be cut out with this definition; however, the Supreme Court states there must be an adequate remedy, and if you are not covered by Workers' Compensation, then it means a tort action. The third issue is the difference in subrogation, and that could be a minor issue. The Advisory Council recommended not to change the subrogation law, and the Division would reinstate the prior law which existed prior to the constitutional amendment and allow for recovery by the insurer against the third part.

The fourth issue is the Advisory Council stated a claimant should recover cost if they are successful before the Workers' Compensation Court. The Division's bill is removing that provision. The fifth area is permanent partial disability, and SB 330 will save the employer more than SB 315. The permanent partial area is one of the major areas where there can be cost savings. The sixth area is the area of rehabilitation. The Division's bill creates a complex, lengthy decision making process. Ten years ago there were no private rehabilitation vendors in the state of Montana. Today there are over 100. Mr. Grosfield believes there is a need for private rehabilitation vendors, and it should be recognized in the law. This is one of the major reasons there is such a deficit now, as all cases, even minor ones, are referred to rehabilitation. They are referred to private rehabilitation vendors because the state has too much work. Private rehab vendors charge between \$40-50 an hour. The primary reason for the high cost of temporary total impairment is because under the rehab system, the Division wants to place in law, people are kept on rehab for a long period of time and they give them temporary total impairment, and that is a high cost. Mr. Grosfield feels rehab is overutilized, and he suggests the committee look into that area closely. The seventh area is the lump sum and settlement area. It is a great benefit psychologically to the claimant to get the case completed, and it is also a great benefit to the insurance industry. In Oregon, they cut out all lump sum settlements, and it was industry that came in and demanded the law be reinstated to allow resolution of cases. This was costing them far too much and the paper work and administrative work was far too great. Mr. Grosfield stated it will cost more to operate SB 315, both from the benefit standpoint and from the complexity of the bureaucracy which the insurance industry will have to operate under.

Mr. Keith Olson, representing the Montana Logging Association, gave testimony in support of SB 315. A copy of his testimony is attached as Exhibit 19.

Ms. Bonnie Tippy, representing the Montana Chiropractic Association, submitted amendments for SB 315. A copy of the amendments is attached as Exhibit 20.

Mr. Ray Tilman, representing Montana Resources, Butte, Montana, stated there is some good in both bills. The problem is only 40% of the money goes to the injured workers. When administrators and attorneys take money

LABOR AND EMPLOYMENT

February 14, 1987

Page 17

from the fund, it is a problem for the injured worker. Montana Resources works hard to prevent injuries and to rehabilitate injured workers. Mr. Tilman stated if the committee looks at both bills and incorporates the good points of each, then there will be a good bill.

Ms. Peg Hartman, representing the Department of Labor and Industry, stated they are opposed to SB 330 and support SB 315. Ms. Hartman stated she was the previous Administrator of the Unemployment Insurance Division. She said in that division, there is a process required by Federal Law that calls for a hearing office, a board, a district court, and a supreme court. The process has been supported as not having a conflict of interest and as being an impartial fair hearing process by extensive national case law. This process provides an incredible amount of speed and no delay of justice, because 120 days is all that may lapse before 85% of the cases must be settled, and most of those cases go through the board. There is a minimum attorney involvement in the Unemployment Insurance process because it is so fast and the law is so clear.

Mr. Mike Micone, representing Western Environmental Trade Association, stated they oppose SB 330 because of the reduction of the permanent partial benefits to 350 weeks. They believe SB 315 provides the workers of Montana better opportunities and benefits. The rehabilitation section in SB 315, which emphasizes a return to work program, is something they firmly believe should be in effect. They also support the elimination of the Workers' Compensation Court. Mr. Micone invited the committee to research the suggestions of fraud involved in Workers' Compensation, but asked that they please not hold up the deliberations of the Workers' Compensation laws.

Mr. Jerry Okonski, a logging contractor from Libby, stated they support SB 315. They recognize there is a need for an immediate solution to this costly problem so the businesses can remain competitive. Mr. Okonski invited any interested party to visit his operation to see the level of their safety and the treatment of their employees. They feel SB 315 provides the greatest good for the greatest number in the long run.

Tom Simkins, representing Simkins Hallin Lumber Company, gave testimony supporting SB 315. A copy of his testimony is attached as Exhibit 21.

DISCUSSION ON SENATE BILL 315 AND SENATE BILL 330:

Senator Haffey stated to his knowledge, there is nothing "greased" about either bill being presented today.

Mr. Luck stated being new to the process, you say things that do not get fully explained. He stated he should have explained his statement by saying regardless of what is being said outside, he has all the faith in the world this committee is going to consider two complicated proposals on a complicated problem, and come up with the appropriate answer.

Senator Haffey asked Mr. Grosfield to consider Ms. Hartman's testimony and explain why he believes SB 330 is the best starting place to control costs and why he cannot convince the Division SB 330 is the best starting place.

Mr. Grosfield stated he has great respect for Bob Robinson. He said the toughest job at the Division is not Mr. Robinson's job, but it is the claims examiner's job. Concerning the testimony of Peg Hartman, unemployment is a simple system because it is a simple insurance concept. There are very few issues of dispute and there is little money involved compared to Workers' Compensation. In Workers' Compensation there is what is called the digest system in law, and it sets forth various different subject areas. Workers' Compensation is one of the largest areas in the digest system to study because there are so many complex issues that can arise. Under the unemployment law there are approximately 2 or 3 complex issues that can arise and the money that is being dealt with is relatively small. Mr. Grosfield believed Senator Haffey's primary question was directed toward the issue of permanent partial disability and how it is handled. Mr. Grosfield explained there needs to be sufficient people to operate this and to keep on top of the cases. State Fund adjustors have too many cases. Generally, it is fairly clear. Most cases involve medical pay and if there is wage loss, they are placed on benefits. In theory the benefit should be paid to the worker 14 days after the injury. The injured worker stays on temporary total benefits until a physician states they have reached maximum healing. At the point when they have reached maximum healing, a determination is then made as to whether the injured worker is permanently totally disabled and should continue to receive the same benefit or if they are able to go back to work at their old job. If they return to work, their benefits are cut off. If it is determined they are partially disabled with a permanent condition, it is

## LABOR AND EMPLOYMENT

February 14, 1987

Page 19

broken down into two issues. There is a wage loss permanent partial disability which means there has to be a demonstration of true wage loss, and there is an indemnity award. Under both bills, permanent partial wage loss would be kept in the law. Under the Division's bill, the injured worker would receive the permanent partial wage loss for up to 500 weeks and under the Advisory Council's bill, the injured worker would receive permanent partial wage loss for up to 350 weeks. There is a cost savings with SB 330's approach. The Division would calculate an indemnity award on a medical impairment rating and under the Division's bill, the injured worker would get 20% of the 500 weeks of benefits. Under the current law, the indemnity approach allows for an impairment award plus additional considerations. The Division does not like that approach because it is not a simple easily calculated approach. Mr. Grosfield stated the impairment awards are basically meaningless; they are decided by a doctor. The doctor will say he will not judge if the injured worker can return to work or what his limitations will be in the work place, he will just follow the AMIA guide and testify it is an impairment award. The adjustors of the State Fund will review all of the information regarding a claimant and offer a settlement of an indemnity award assuming the person does not have a wage loss. Most cases are resolved this way, and they do not go to litigation. Under the Advisory Council's bill there would still be that analysis and an agreement would have to be reached. For permanent partial benefits, the Advisory Council's bill codifies the current law but cuts back on the potential recovery.

Senator Haffey asked Mr. Grosfield with the potential for additional litigation, and with a court in existence, would you still conclude the lower cost of premiums will flow from SB 330 rather than SB 315.

Mr. Grosfield replied yes, especially with the fact there will not be a closure of cases, the cases will have to remain open for at least 10 years. Most cases under the current system are resolved between one and three years after the injury.

Senator Haffey asked Professor Patterson to respond to Mr. Grosfield's previous statement. Professor Patterson explained when he referred to a conflict of interest, he was referring exclusively to the judging process. In the judicial process one of the highest goals of the legal

profession is the decider of fact. It has to be completely impartial. To put the decision making process in the same area that administers the system, colors it. If this process was transported to some other dispute arena, the judge would have to be disqualified. If this process is adopted, it could bring down the entire system. Attorneys could object they are not receiving due process, and his client was not obtaining access to the judicial system. The Exclusive Remedy Rule which protects the employer from massive damage litigation would crumble.

Professor Patterson stated this is a good system and no one has said how to make the system sound.

Senator Keating asked Judge Reardon, the Workers' Compensation Court Judge, with regard to the Liberal Interpretation Clause and the case law, if the legislature changes the law, which will the court give most weight to in their decisions, either case law or legislative intent. Judge Reardon stated he was also the former chief legal counsel of the Division for 4 years, and he defended approximately 100 of these cases. Liberal construction is archaic in the sense it goes back to 1915. It came in when the law was originally drafted. Judge Reardon believes the drafters of the original law felt until some experience and some fact situations were presented, and if, all things being equal, a decision should favor the claimant because they gave up their common law tort right. Over the period of 70 years, Judge Reardon cannot even estimate the many times the Liberal Construction statute was used as the singular basis to decide a case. Judge Reardon stated he had a case after the testimony was completed and the medical testimony was given for both sides, and Judge Reardon believed the claimant, but it seemed to be the question of the medical evidence. Judge Reardon relied on the Liberal Construction clause and awarded the benefits to the injured worker. The insurance company appealed his decision to the Supreme Court and the Supreme Court reversed the decision because all things being equal does not mean the claimant always wins. Judge Reardon does not know if any significant changes would come about by getting rid of the Liberal Construction Clause. As a member of the Governor's Advisory Council, Judge Reardon voted to strike that language, not because he felt it was a determination of outcome of cases, but because he feels the benefit of doubt has changed from the claimant to the insurance industry.

LABOR AND EMPLOYMENT

February 14, 1987

Page 21

Senator Keating asked Judge Reardon which carries more weight with the court, case law or statute. Judge Reardon stated first you apply the statute as written to a given set of facts. If the statute is not clear, then they will look to case law. If the law is revamped there will be no significant case law to rely upon. The clearer the statute the better, but what is clear to one person may not be clear to someone else.

Senator Keating asked Mr. Laury Lewis from his point of view, does Montana's Workers' Compensation system appear to be quite litigious compared to other systems. Mr. Lewis said he is familiar with the Nevada and California systems. In comparison to Nevada, Montana is highly litigious, and in comparison to California, Montana is fairly close. Senator Keating asked Mr. Lewis if the remedy would be tighter language, or a clearer definition to help reduce the amount of litigation. Mr. Lewis stated in his experience, an administrative hearing process is the best way to go.

Senator Thayer asked Mr. Lewis to explain his views of the rehabilitation system in Nevada. Mr. Lewis stated there was a trade-off made in Nevada which was highly litigious because it is an area that cannot be tied down, and it becomes a matter of legislative interest. In Nevada the situation was getting out of hand so they made a trade-off to get rid of other factors. When they determined permanent partial disability awards, it was based on an impaired rating system. This is a way to avoid litigation. Mr. Lewis stated the Nevada system works because there is a strong rehabilitation effort.

Senator Gage asked Mr. Lewis to compare the number of claims in Nevada to Montana's claims. Mr. Lewis stated he is not familiar with Montana's claims today, but Nevada has a two plan system; the self-insurers and the State Fund. Nevada's annual premium income is approximately \$165 million and they have 650 employees. Their hearings process is, if a claimant's claim is denied, he has the right to appeal that decision and it goes to a hearings process. No attorneys are allowed in this process. If the claimant or employer is still not satisfied, they can appeal to the appeals officer and attorneys are allowed at this step. The next step would be the district court. Mr. Lewis stated this system works well.

Senator Lynch asked Mr. Robinson if both bills contain the provision dealing with incarcerated people not being eligible for Workers' Compensation. Mr. Robinson replied yes.

LABOR AND EMPLOYMENT

February 14, 1987

Page 22

Senator Lynch asked Mr. Robinson why the committee cannot receive the number and names of the illegal, non-paying employers. Mr. Robinson replied if the Workers' Compensation Division knew every uninsured employer they would have fined them. The ones the Division finds out about are ones that have an injury submitted and when they code the injury to the insurer, they find there is no insurance. At that point they know there is an uninsured employer. There are approximately 1,000 injuries submitted on an annual basis that have no insurance coverage, and there is only one person to audit the books of those firms and bring them into compliance. The Division takes a couple steps, which are to demand they obtain coverage for the employees, and they are fined a minimum of \$200, or double the premium they would have paid during the uninsured period. Senator Lynch asked Mr. Robinson to give the committee a figure of the amount of money the fund is losing from these illegal employers. Mr. Robinson stated he would try to get this information for the committee. Senator Lynch asked Mr. Robinson about the suggestion the bills were "greased", and if he attended a caucus meeting. Mr. Robinson stated they did not go to the Democratic caucus, but they were invited to the Republican caucus and made a presentation on the Workers' Compensation situation, which was the same presentation he made at the Senate Labor and Employment Relations Committee's Overview Hearing on Workers' Compensation on neither specific bill.

Senator Thayer asked Mr. Robinson if he feels with the passage of either bill, will there be a decrease of premium rates for employers. Mr. Robinson stated their actuary and experience tells them the State Fund rates are approximately 18-20% lower than they should be. Thus, the passage of SB 315 about equates with that, so to the extent costs are reduced 22%, it comes down to where the premium is now, and all of this will keep the State Fund even from this point on. If SB 330 passes, the cost reduction is not as much as in SB 315, and there would be an increase required. The State Fund's financial situation has been reviewed by the Legislative Auditor's Office to give a good idea of the cash projections in the future. Even with the reform in SB 315, the State Fund will not be able to pay benefits within 18-24 months. Senator Thayer asked Mr. Robinson to explain the definition of injury. Mr. Robinson stated they do not believe there will be a great amount of litigation due to this definition.

LABOR AND EMPLOYMENT

February 14, 1987

Page 23

The definition where it speaks to stroke and heart attacks states if a doctor can determine that something occurred at the work place that would have caused the injuries, then they are covered. There must be a medical determination that something happened in the work place.

Senator Gage asked Mr. Robinson if the Workers' Compensation Administration and the Unemployment Insurance Administration cover the same kinds of expenditures. Mr. Robinson replied no, Workers' Compensation only covers medical costs of the injury and the wage loss due to the injury. Mr. Robinson stated the dollar amounts of the Unemployment Insurance system are smaller and the duration of time is shorter. Senator Gage asked Mr. Robinson if the Board of Industrial Insurance in SB 315 has anything to do with the Unemployment Insurance system. Mr. Robinson stated it would take over the responsibility of the current Board of Labor Appeals.

Senator Manning asked Mr. Robinson if it is the intent to delete benefits for cases involving repetitive trauma, under the proposed definition of injury in SB 315. Mr. Robinson replied yes. Senator Manning asked Mr. Robinson, under the definition of injury, is it the intention to delete compensable coverage for unusual strain. Mr. Robinson replied no.

Senator Lynch asked Mr. Robinson the salary of the current Labor Commissioner. Mr. Robinson replied, \$45,000. Senator Lynch asked Mr. Robinson if they would give three people each 80% of that salary in SB 315. Mr. Robinson replied they will give three people \$40,000. Senator Lynch asked what a support staff will cost for these three employees. Mr. Robinson replied they will be transferring the support staff with the Workers' Compensation Court across to the Board. The creation of a board and staffing the board will cost approximately \$75,000 annually more than the current system. However, if they add the judge as in SB 330, it would be a "wash". Senator Lynch asked Mr. Robinson who would be qualified to sit on the Board. Mr. Robinson replied it would be people selected by the Governor, who have some understanding of the Workers' Compensation system and process, and have the integrity to conduct the work, and also, one person has to be an attorney.

Senator Lynch asked Mr. Everett if someone is injured and the new law goes into effect, and the injury is not under the new definition of injury, but there are suitable grounds to proceed, will the injured party's recourse be to sue

LABOR AND EMPLOYMENT

February 14, 1987

Page 24

the employer. Mr. Everett replied yes, if the injury is excluded from the definition, but because it is an injury, it can be an injury for common law purposes. Senator Lynch asked if this would be taken to the district court. Mr. Everett replied yes.

Senator Blaylock asked Mr. Grosfield if the state of Montana would be better off with just the two plans. Mr. Grosfield stated a good competitive three way system is a healthy system. In Mr. Grosfield's opinion, a State Fund controls the operations and premiums of the private carriers, but a sound three way system is a healthy system and controls premium costs.

Senator Blaylock asked Mr. Luck if he had any specific ideas for fine tuning the Workers' Compensation Court. Mr. Luck stated the number of problems that caused the influx of litigation in the Workers' Compensation Court are things that were addressed in the Advisory Council's bill, such as limiting attorney fees. Many people do run to court to get the insurers attention. SB 330 requires that before a claimant can file petition with the court, they have to make a demand upon the insurance company supported by appropriate documentation and the insurance company has 20 days to respond. That alone will drop the amount of cases being filed. Mr. Luck believes the court needs more control of the people who appear and with the types of actions being filed. SB 330 has rules that will apply to this.

Senator Keating asked Mr. Grosfield what would the effects be in Montana with a two plan system. Mr. Grosfield stated with the assumption the State Fund will get back on its feet, if you allow only private carriers and self-insurers to operate, they are controlled by a national rating organization and they inflated the cost of Workers' Compensation in the 1970's. Without the State Fund controlling the operations of the private insurance carriers, there would be an uncontrolled system and the national organization would unreasonably raise the rates.

Senator Thayer asked Mr. Grosfield if he helped draft SB 330. Mr. Grosfield replied yes, he had some input.

Senator Gage asked Mr. Grosfield to explain his views on the possibility of putting the state into the same situation private enterprise is, by being able to pick who they insure and then creating an assigned risk pool, as in other areas of insurance. Mr. Grosfield stated an assigned

risk pool would have to be created and then the State Fund would have to be considered a fully competitive insurance carrier. Mr. Grosfield is not sure the state of Montana is large enough to do that and it may create more complexity than is needed. The State Fund can operate well below the premium cost of private carriers and one of the burdens it has to bear is it becomes the assigned risk pool. Mr. Grosfield stated it is an interesting concept and one he has not considered.

Senator Haffey asked Senator Van Valkenburg and Senator Williams in their closing if they are willing to work with the other side on the subject of the court and of merging the best parts of the two bills.

Senator Thayer asked Mr. Robinson to explain the difference of the two bills concerning normal labor market. Mr. Robinson stated the normal labor market is included in the Advisory Council's bill and it refers to a geographic area where the claimant lives. Basically, it means the job area a worker can travel to within a reasonable commuting distance and a job with an equitable wage. In SB 330, normal labor market speaks to a geographic area where you can find a job for the rehabilitated worker within this area, and if there is no job for that person in that area, that person will remain on benefits indefinitely. In Montana, a person can get hurt in a very small town and because there is no job within a reasonable commuting distance, they can stay on benefits indefinitely. SB 315 states Montana is the worker's job pool, and once a job is found, pay that person's costs of moving to that job.

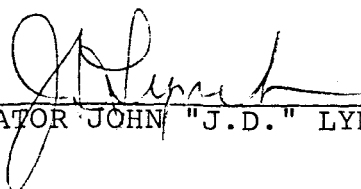
Senator Keating asked Mr. Conger what would happen if Plan 3 were eliminated. Mr. Conger, Chairman of the Montana Classification and Rating committee, stated in the 1979 Session, the legislation was drafted because of the poor responses of National Council on Compensation Insurance to adopt statutorily a classification and rating committee in Montana. Every year the committee is presented with the suggested rate level, the rate level is given with input from the State Fund and from the National Council, and it is developed from Montana payrolls and Montana losses. Their rates have always tried to be competitive with the State Fund and they have felt they could compete at a rate of 15% above the State Fund. They set the rate at whatever level they feel they should be at. In Montana, they make the rates.

Senator Keating asked Mr. Conger if there were only two plans, would his group set the rates. Mr. Conger replied his group would still control the rates.

Senator Williams closed by stating SB 315 is a bill that is trying to keep the deficit from getting worse than it already is. Senator Williams stated he hopes if there is any fraud in the system it is detected and resolved. He said any action taken on the Workers' Compensation system will effect every man, woman and child in the state of Montana. Senator Williams said he realized this is a heavy burden on this committee and the legislature, but he urged the committee to support this bill. He said he will do everything in his power to work with all involved parties to achieve a good Workers' Compensation system in Montana.

Senator Van Valkenburg closed by stating he is very willing to work with every party who has an interest in this matter. He believes the bulk of the testimony heard would lead a reasonable person to come to the conclusion the Workers' Compensation Court is a good court and one with a real value in the state of Montana. It is obvious there need to be changes in the court and the statutory law that exists and if the committee and everyone involved comes to that conclusion, then SB 330 is the basis to start the changes. He believes it would be easier to work from SB 330 and incorporate the good ideas from SB 315 into that bill. Senator Van Valkenburg said he is disappointed to hear Ms. Hartman compare Workers Compensation to the Unemployment Insurance system because they are vastly different, and the comparison of the two systems administrative work is naive'. He agrees with Mr. Luck's statement that SB 315 is a well-intended catastrophe waiting to happen. Senator Van Valkenburg stated the legislature has an obligation to make this work, and he pledged his cooperation to make it work.

ADJOURNMENT: There being no further business to come before this committee, the hearing adjourned at 6:20 p.m.

  
SENATOR JOHN "J.D." LYNCH, Chairman

jr

ROLL CALL

LABOR AND EMPLOYMENT RELATIONS COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date Feb 14, 1987

| NAME                          | PRESENT | ABSENT | EXCUSED |
|-------------------------------|---------|--------|---------|
| John "J.D." Lynch<br>Chairman | X       |        |         |
| Gene Thayer<br>Vice Chairman  | X       |        |         |
| Richard Manning               | X       |        |         |
| Thomas Keating                | X       |        |         |
| Chet Blaylock                 | X       |        |         |
| Delwyn Gage                   | X       |        |         |
| Jack Haffey                   | X       |        |         |
| Jack Galt                     | X       |        |         |
|                               |         |        |         |
|                               |         |        |         |
|                               |         |        |         |
|                               |         |        |         |
|                               |         |        |         |
|                               |         |        |         |
|                               |         |        |         |
|                               |         |        |         |
|                               |         |        |         |

Each day attach to minutes.

DATE

J2k H 1997

COMMITTEE ON

## VISITORS' REGISTER

| NAME               | REPRESENTING                                 | BILL #     | Check One |        |
|--------------------|--|------------|-----------|--------|
|                    |  |            | Support   | Oppose |
| Al + Joyce Dece    | Mitko K- W                                   |            |           |        |
| Kenner Fisher      | Nebraska Freight Line                        | 315        |           |        |
| Ted J. Doney       | <del>Mont</del> Rehabilitation Assoc. of MT. | 315<br>330 | X         |        |
| John J. Hagan      | Crawford & Co                                |            |           |        |
| Donn Grant         | Century Agency                               |            |           |        |
| Howard Hallgren    | advisory committee                           |            |           |        |
| John J. Hagan      | Montana Logging Assoc.                       |            |           |        |
| John J. Hagan      | SELF   |            |           |        |
| Michael Lee        | Self   |            |           |        |
| Gregg Allen        | Mt. Robert Allen                             | 315        | X         |        |
| BOB HELDING        | MT. ASSOC. REALTORS                          | 315        | X         |        |
| Jim Smith          | MT. MOTOR CARRIERS ASSOC                     | 315        | X         |        |
| Larry Lewis        | NEVADA                                       |            |           |        |
| Ed LARABEE JR.     | PARK County Lumber                           | 315        | X         |        |
| George Wood        | Mt Self Insurance Assn                       | 315<br>330 | X         |        |
| Mike Miller        | SELF   | 315        | X         |        |
| Robert Anderson    | MT Taxpayers Assoc                           | 315        | X         |        |
| Bill Olson         | MT Contractors                               | 315        | X         |        |
| Charles C. Mott    | United Food & Commercial Workers             | 315        |           | X      |
| Don Crandall       | Brand-S Lumber                               | 315        | X         |        |
| Robert Biggerstaff | Biggerstaff Construction                     | 315        | X         |        |
| Mag Biggerstaff    | Biggerstaff Const.                           | 315        | X         |        |
| Stuart Duggett     | MT Chamber of Commerce                       | 315        | X         |        |
| Ray Congdon        | Montana Council on Cooperative Ins.          | 330        | X         |        |
| Bill McRATRICK     | CHAMPION INTEL CORP                          | 315        | X         |        |
| Ben Handout        | MT MTR CARRIERS ASSN                         | 315        | X         |        |

(Please leave prepared statement with Secretary)

Testimony of Senator Bob Williams on SB 315

Mr. Chairman, members of the Committee, Senate Bill 315 is a complete reform of Montana's Workers' Compensation Act. Reform is needed now if the system is to continue in this state. We have already passed the point where private insurers are willing to do business in Montana and are rapidly approaching the point of a complete collapse of the State Fund. Workers' compensation expenses to Self-insurers are straining the operating resources of the entire business itself.

Montana's rates are considerably higher than those of our immediate surrounding states. That puts Montana employers at a competitive disadvantage for regional work and forces Montana employers to relocate taking jobs away from our people. At a time when our economy is at one of its lowest points in history, we cannot continue to burden businesses with an ever increasing cost for workers' compensation insurance. The rates on logging, mining, milling, construction, transportation and agricultural jobs--the real wealth and job producing industries-- range from 10 percent to more than 30 percent of gross payroll and yet, for the State Fund, those rates are 20 percent too low.

SENATE LABOR & EMPLOYMENT  
EXHIBIT NO. 1  
DATE 2/14/87  
BILL NO. SB 315

You have seen the trend <sup>of</sup> costs for all insurers. This money originates with employers but the people really paying are the Montana employees who face wage reductions and unemployment because their employers can no longer afford to operate with declining sales and increasing operating costs.

Workers' compensation is not only a Montana problem. Thirty-three of the 49 State legislatures meeting right now are considering major workers' compensation legislation.

Fingers will be pointed at all involved in this system, and rightfully so--all parties involved in the system are to blame. The bottom line is that major surgery, not band-aids, is necessary for our ailing system.

Workers' compensation statutes are a social contract to protect both the injured worker and the employer. The Workers' Compensation Act was created to provide a no-fault safety net for the worker injured on the job and to protect the employer and fellow workers from litigation and tort actions stemming from a workplace injury.

Something has happened to our system when a law enacted to prevent and reduce litigation erodes to the point that nearly 60% of those workers off work for eight weeks or more are

SENATE LABOR & EMPLOYMENT

EXHIBIT NO. 1

DATE 2/14/87

BILL NO. 53 315

represented by attorneys, over 1200 cases are filed on a Court docket annually, and more than 40 cases are appealed to the Supreme Court in one year. Something has been lost when a system designed to prevent litigation has a special court as the first place to resolve a dispute.

What we have is a vague law that has invited dispute and reinterpretation to the extent that it now barely resembles its original intent and the policy established by past legislatures.

SB 315 addresses the Court, it clarifies section upon section of vague statutes, it makes benefits available swiftly and surely, and it does not significantly reduce benefits to the injured worker. More importantly, it is designed to assist the worker back into the labor force through expanded and better directed rehabilitation benefits.

In considering this legislation, we need to be concerned about two groups--injured workers and employers. The insurance companies, the attorneys, the medical providers and the rehabilitation counselors involved in the system are not central to our deliberations. They will all adjust.

This bill will meet the needs of the worker in a humane manner. It will make our system affordable for the employer. I urge you to give a do pass recommendation to SB 315.

SENATE LABOR & EMPLOYMENT

DATE 2/14/87  
BY 53 315

Mr Chairman, members of this committee  
befr I present my testimony concerning 513 315, I  
would like to let you know why I am even  
involved in workers comp.

On the last general session I carried  
a bill allowing groups to self insure their workers comp.  
the bill passed and is now law.

one year ago I came to Helena with 2 saw mill  
operators. ——— cover Berg Lumber's problems. 29.6.

8 months ago ——— M&S facts, 1.75 \$ 51.80  
Maddox roofing - 12.55 % in 8/1  
28.10 % in 8/1

last fall - assist at workers comp a full day -

1 1/2 hr. with Judge Reardon

1 1/2 hr with Ben Huntington & Bob Robinson -

balance of day with Robinson -

past 2 weeks - 1 1/2 hr per day at workers comp  
building - trying to gather any information I could  
on the operation of the system -

If knowledge could be weighed by the pound &  
100 lb

speaking of pounds - 1st part - 1/2 case - 1 M 1/2 - in dict

~~name~~ name is Will Deffenbach and

He is ~~the~~ attorney on the Idaho revenue board - He has been there since 1967

Idaho's board consists of 1- attorney  
1- employer  
1- worker or employee  
and it works.

I forgot - try to Christ to speak - "Workers come, can we afford it." I had trouble believing

the facts & figures that I gathered up to get this stuff together (we have to afford it) just now.

another elderly gentleman invited with me at the colonial the other night to the speech strongly in favor of S.B. 315 and it kinda surprised me because I've known of him for 35 years or so in the F.B.I. His name

is Russ Williams (re-elected) <sup>AFH-CIO</sup>

he would be here today if it weren't  
for a previous engagement in D.C.

(among other trades the I.B.E.W. represents

line workers ~~etc~~ which should or could

be one of the highest risks in the state.

Something we must remember is our action

taken on workers comp will affect every man

woman & child in the state of MT.

Mr. Chairman & Members of the Comm. you have much

to consider, please give ~~some~~ thought to what

has us in this position today. Ask yourself

"Should the courts make the policy, or  
should the legislature?"

IV ~~Mr Chairman, if fingers are pointed~~  
 at any one, fingers should be pointed  
 at all of us but we are not here today  
 to lay blame, but we are here to  
 figure out what to do to make us feel  
 as the workers comp people in Nevada & Idaho  
 do and that is to feel we have a good  
 strong workable system that will, tightly,  
 protect the workers at a cost effective  
 rate that will insure the system we will  
 always have employers, to pay the premiums  
 to make sure we ~~don't~~ don't find ourselves  
 in this position again. I feel your  
 approval & support of SB 315 will insure  
 that.

1/ Jim Murry - chances of  
for mistakes yes - 250,000 +  
up to 4,000 out of the file at any one time -

2/ Duane Hubson - SB 315 is not perfect, again  
we need to save the program in order to improve  
on the services.

3/ Ben Everett - insurance support

4/ Brad Luck - concerned at costs of SB 315  
Nevada & Idaho seem to be getting by -

to do this would be a disaster - a ~~perfect~~ bill will still be passed  
SB 315 - projected to cost 20-25 %

SB 330 - project to cost 14-17 %

any package of less than 20 % will

demand a further rate increase - Can we

afford it.

WORKERS' COMPENSATION TERMS

SENATE LABOR & EMPLOYMENT  
EXHIBIT NO. 1  
DATE 2/27/07  
BILL NO. SB 357

assessment period -- time during which an injured worker is evaluated for rehabilitation possibilities

beneficiary -- generally a surviving spouse and unmarried children under age 18, age 22 if in an accredited school

class codes -- a numeric four-digit code used by most workers' compensation insurers to group similar employments into accident exposure classifications

compensable -- what is determined will be paid for by the insurer

compromise settlement -- an agreement between an insurer and a claimant on the amount of benefits the claimant will receive

concurrently -- paying out two or more benefits at the same time

consecutively -- paying out two or more benefits one after the other

conversion -- turning benefits that would normally be paid out over time into a lump sum payment

discount -- a reduced amount of a benefit, based on the idea that a lump sum of a benefit paid now is worth more than it would be paid out over time, because the receiver of the sum could invest it

impairment -- a medically determined physical restriction of a worker that could either cause the worker to be unable to work, or may inhibit the worker physically but not prohibit the worker from holding a job

incidence rates -- a measure of the number of accidents occurring in a given period of time

indemnity -- principally an award to pay for a loss that may occur sometime in the future

lost time injury -- an occurrence where the injured worker fails to return to the next scheduled work shift

lump-sum settlement/payment -- the conversion of future biweekly benefit payments into a single immediate payment

maximum healing -- the point at which a worker is restored medically as far as possible as the permanent character of the work-related injury permits

medical benefits -- generally any procedure, care of medicine prescribed by a physician licensed to practice in Montana, includes hospital care

occupational disease -- all diseases contracted from and in the course of employment, not an injury

pay lag -- the amount of time elapsed between acknowledgement and payment

permanent partial -- a condition when a worker's injuries are expected to last indefinitely, but involve only a part of the body

permanent total -- a condition when a workers' injuries are expected to last indefinitely, and involve the major part of the body

provider -- someone who gives a service to an injured worker

retraining period -- time during which an injured worker is participating in a rehabilitation retraining program

S.I.C. Codes -- Standard Industrial Classification Codes used to identify industry groups

SAWW -- State's Average Weekly Wage as annually determined by the Montana Department of Labor and Industry

social security offset -- an amount by which insurers can reduce wage compensation benefits when the injured worker is also entitled to social security disability

subsequent injury fund -- provides funding to limit insurers liability to 104 weeks in vocationally handicapped cases

temporary total -- a condition when a worker's injuries are not expected to last indefinitely, and involve the major part of the body

unfunded liability -- the amount owed by an insurer for all current or future claims against it that have not yet been paid

wage loss -- the concept that a worker is losing wages while injured (and will be compensated for that wage loss)

SENATE LABOR & EMPLOYMENT

EXHIBIT NO. 1

DATE 2-1-77

BILL NO. SB 316

2:30

SENATE LABOR & EMPLOYMENT

EXHIBIT NO. 1

DATE 2/14/97

BILL NO. SB 315

R. Closing -

Mr. Chairman & members of this committee  
some how, we as a state have  
allowed our workers comp program to  
project out to the public the image  
that we should be blamed for every  
business ~~fail~~ failure in the state. True  
or false to each failure, we have to do  
something to change that thinking. SB 315 Candidates.

Mr. Chairman, members of this committee - we  
have heard reference to Idaho and their  
successful workers comp system. I called  
yesterday & spoke to an elderly gentleman and  
he was quite proud of their system. The man

*Testimony of Bob Robinson*

Mr. Chairman, Members of the Committee, Senate Bill 315 will restore balance and predictability to Montana's Workers' Compensation system. It will benefit all workers and employers. Recent projections indicate that, without this reform, the ability of the State Fund to pay benefits through the next biennium is in jeopardy. Employers in many industries are operating in the red or right on the margin of profitability. Continued uncontrolled premium increases will cause more businesses to close or lay off employees. Right now, the State Fund January rate increase is being paid for by salary reductions to many employees.

The Workers' Compensation Advisory Council's recommendations provide the basis for the reforms contained in SB 315. But, to provide true and lasting reform, SB 315 necessarily goes beyond the Council's recommendations. SB 315 returns Montana's system to the philosophy intended by the original law. It will provide full medical coverage for the injury and financial support until the injured worker can return to work. It emphasizes this return-to-work philosophy by providing additional benefits and stressing rehabilitation. In a series of public meetings held last spring, injured workers, employers and the public testified about their concerns with the system and the Council's preliminary recommendations. Senate Bill 315 addresses nearly every concern expressed, whether in relation to costs or benefits reduction or perceived abuses.

**SENATE LABOR & EMPLOYMENT**

EXHIBIT NO. 2

DATE 2/14/87

FILE NO. SB 315

The costs of temporary total and permanent partial benefits have increased 352% and 178% respectively over the last six years. The number of accidents during that period have remained constant and lost time injuries have actually declined. The state average weekly wage (the compensation rate of inflation) has increased only 58% over the same period. The percentage of claimants receiving temporary total (or maximum) benefits for more than twelve weeks have nearly tripled since 1979. This bill addresses such uncontrolled costs by getting at the root of the problem by forcing insurers to better serve the needs of the claimant through active rehabilitation and job placement.

Montana's legislature has said over and over again that lump sum settlements should be the exception, not the rule. In practice, lump sum settlements are the rule rather than the exception and are both a major disincentive to return to work and a major incentive for increasing attorney involvement. This bill addresses the issue by limiting lump sums to actual impairment for partial injuries and for the necessities of life and debt restructuring with a \$20,000 limit for permanent total injuries. The Council recommendation rejects the 1985 Legislature's attempt to control lump sums. The recommendations on lump sum settlements would broaden the criteria for approval of lump sums and actually invite greater attorney involvement.

SENATE LABOR & EMPLOYMENT

2  
2/4/77  
5B 3/5

At the hearings the working man opposed the Council's reduction of the permanent partial benefits limit from 500 weeks to 350 weeks. SB 315 retains the 500-week limit currently in the law and makes all injured workers eligible for the maximum benefit, if they are actually losing wages as a result of injury.

✓ This bill defines a compensable injury as one that definitely occurred on the job. It would eliminate stress and micro-trauma as compensable injuries and would require medical verification that heart attacks and strokes resulted from an event at work to be compensable.

✓ The standard of proof that an injury occurred at work or aggravated a pre-existing condition is raised from a "possible" to "probable" standard in this bill. This adjustment should eliminate some abuses.

Montana's workers' compensation system has become a substitute for an unemployment system through more and more restrictive interpretations of the normal labor market. SB 315 provides new benefits that assist workers in finding new employment and in moving to the new job. Additional benefits would be created as an incentive for prospective employers to provide on-the-job training.

SENATE LAST 1 11 1987  
EXHIBIT 117-2  
DATE 2/1/87  
FILE NO. SB 315

This bill does not reduce benefits other than for a six-day waiting period before wage compensation benefits begin, and, in fact, expands the availability of permanent partial benefits from the present system. It provides, for the first time, cost of living adjustments for injured workers who are permanently, totally injured.

There is no windfall in this bill for the majority of Montana's employers that are insured by the State Fund. The best they may be able to hope for in the next few years is a leveling of rates. Employers insured by private companies whose premiums are at an adequate level may see a 20 to 25 percent decrease.

Poor claims management will be suggested as the problem with the system. There is no doubt that errors and omissions have occurred at the State Fund. This was caused by workload increase. However, significant improvement is being made daily. Past due bills have been brought current, and compensation payments are being made to claimants sooner after the accident has been accepted. Earlier contact will be made with the injured worker just as soon as the Division's supplemental budget is approved.

All Montana workers and employers are suffering under Montana's workers' compensation system, not just the injured. Passage of this bill in its entirety will help restore health to all of us.

2  
2/14/82  
SB 315

# DEPARTMENT OF LABOR & INDUSTRY

## DIVISION OF WORKERS' COMPENSATION



TED SCHWINDEN, GOVERNOR

MARGARET "PEG" CONDON BLDG.  
5 SO. LAST CHANCE GULCH

# STATE OF MONTANA

February 13, 1987

HELENA, MONTANA 59601

TO: Members of the Senate Labor & Employment Relations Committee

RE: Settlement and Legal Fee Data

FROM: Robert J. Robinson, Administrator  
Workers' Compensation Division *RJ Robinson*

The following information is provided in reponse to the request made at the committee meeting on February 10, 1987.

The State Compensation Insurance Fund has a three-attorney legal staff to defend the Fund in cases brought before the Workers' Compensation Court and the Supreme Court. The legal unit is supported by one administrative assistant and a para-legal assistant. In addition, the State Fund contracts with 4 to 6 law firms, as well as the Attorney General's office, on an as needed basis at hourly rates.

The following is a breakdown of our costs for legal defense for fiscal 1986.

|                          |                  |
|--------------------------|------------------|
| State Legal Unit         | \$151,558        |
| Contracted Legal Counsel | <u>\$515,000</u> |
| Total                    | \$666,558        |

We have no information on the defense costs for Plan 1 and 2 insurers.

We have no way of providing exact information as to the amount of legal fees paid by claimants or assessed against insurers by the Court. In an attempt to provide some information on this subject, the Division collected data on 25% of all affidavits for Plan 1 and 2 settlements awarded in 1986. The sample was random in that every fourth settlement affidavit was selected.

*2/14/87*  
*28 315*

Page 2

February 13, 1987

Members of the Senate Labor & Employment Relations Committee

RE: Settlement and Legal Fee Data

Affidavits specifically identify the final disposition of settlement funds including the amount allocated for attorney fees. Settlement affidavits are reviewed by the Division and approved by the Court.

The results of the sample indicate that approximately 24% of the settlement amount for those claimants represented by attorneys were allocated for attorney fees.

In 1986 approximately \$38,000,000 in settlements were approved for all three plans.

Attached is a schedule of settlements by attorney and by insurance plan type. The table is a computation of the Division's weekly settlement reports.

SENATE LABOR & EMPLOYMENT

FILE NO. 3  
DATE 2/14/87  
FILE NO. SA 315

SETTLEMENTS SUMMARY  
FROM 1/1/86 TO 12/31/86  
ATTORNEYS A - L

| ATTORNEY NAME | PLAN 1 & 2 SETTLEMENTS |              | PLAN 3 SETTLEMENTS |              | ALL PLANS |                |
|---------------|------------------------|--------------|--------------------|--------------|-----------|----------------|
|               | NUMBER                 | TOTAL        | NUMBER             | TOTAL        | NUMBER    | GRAND TOTAL    |
| J Aiken       | 1                      | \$32,000.00  |                    |              | 1         | \$32,000.00    |
| B Anderson    | 1                      | \$6,000.00   |                    |              | 1         | \$6,000.00     |
| L Anderson    | 3                      | \$111,000.00 | 3                  | \$97,151.34  | 6         | \$208,151.34   |
| J.M. Ashley   | 1                      | \$8,000.00   |                    |              | 1         | \$8,000.00     |
| J.P. Atkins   | 1                      | \$11,691.00  |                    |              | 1         | \$11,691.00    |
| R Bach        |                        |              | 7                  | \$72,436.19  | 7         | \$72,436.19    |
| W Baillie     |                        |              | 1                  | \$1,500.00   | 1         | \$1,500.00     |
| T Baiz        |                        |              | 3                  | \$56,988.76  | 3         | \$56,988.76    |
| M Barber      | 1                      | \$3,733.26   |                    |              | 1         | \$3,733.26     |
| J Bartlett    | 2                      | \$63,000.00  |                    |              | 2         | \$63,000.00    |
| DE Bauer      | 2                      | \$52,261.00  |                    |              | 2         | \$52,261.00    |
| D Bauxum      |                        |              | 1                  | \$3,500.00   | 1         | \$3,500.00     |
| E Beaudette   | 1                      | \$20,000.00  | 2                  | \$10,451.00  | 3         | \$30,451.00    |
| J Bechhold    |                        |              | 1                  | \$6,991.00   | 1         | \$6,991.00     |
| M Beck        | 9                      | \$237,725.00 | 14                 | \$297,101.45 | 23        | \$534,826.45   |
| J Bell        | 2                      | \$39,992.42  | 1                  | \$1,813.50   | 3         | \$41,805.92    |
| L Bennett     |                        |              | 1                  | \$5,319.81   | 1         | \$5,319.81     |
| S Berg        | 1                      | \$4,263.60   |                    |              | 1         | \$4,263.60     |
| G Best        | 2                      | \$82,926.00  | 1                  | \$22,500.00  | 3         | \$105,426.00   |
| B Boggs       | 6                      | \$76,775.00  | 6                  | \$23,033.55  | 12        | \$99,808.55    |
| T Boland      | 4                      | \$37,225.00  | 6                  | \$143,678.77 | 10        | \$180,903.77   |
| E Boschert    |                        |              | 1                  | \$1,000.00   | 1         | \$1,000.00     |
| V Boshier     |                        |              | 1                  | \$4,500.00   | 1         | \$4,500.00     |
| J Bothe       | 38                     | \$928,510.70 | 38                 | \$865,860.50 | 76        | \$1,794,371.20 |
| J Bottomly    | 3                      | \$137,750.00 | 6                  | \$127,327.80 | 9         | \$265,077.80   |
| RV Bottomly   | 1                      | \$33,979.81  | 3                  | \$138,498.10 | 4         | \$172,477.91   |
| K Bridenstine |                        |              | 1                  | \$1,386.71   | 1         | \$1,386.71     |
| J Brosius     |                        |              | 1                  | \$13,921.63  | 1         | \$13,921.63    |
| G Brown       | 1                      | \$6,293.00   |                    |              | 1         | \$6,293.00     |
| RL Brown      | 3                      | \$89,500.00  | 4                  | \$64,924.57  | 7         | \$154,424.57   |
| SR Brown      | 1                      | \$40,000.00  |                    |              | 1         | \$40,000.00    |
| T Budewitz    |                        |              | 1                  | \$4,426.28   | 1         | \$4,426.28     |
| B Bulger      | 1                      | \$34,152.00  |                    |              | 1         | \$34,152.00    |
| T Bulman      | 11                     | \$118,988.30 | 19                 | \$183,954.27 | 30        | \$302,942.57   |
| F. Burgess    | 5                      | \$109,151.00 | 6                  | \$34,733.39  | 11        | \$143,884.39   |
| R Burgess     | 3                      | \$60,027.50  |                    |              | 3         | \$60,027.50    |
| W Burns       | 2                      | \$130,256.60 | 1                  | \$2,835.00   | 3         | \$133,091.60   |
| J Cate        |                        |              | 3                  | \$8,059.51   | 3         | \$8,059.51     |
| M Cok         |                        |              | 2                  | \$56,000.00  | 2         | \$56,000.00    |
| W Conklin     |                        |              | 1                  | \$600.00     | 1         | \$600.00       |
| MS Connel     | 1                      | \$70,006.20  |                    |              | 1         | \$70,006.20    |
| D Conner      | 3                      | \$96,440.30  | 2                  | \$57,046.57  | 5         | \$153,486.87   |
| J Connors     |                        |              | 7                  | \$178,186.70 | 7         | \$178,186.70   |
| G Corn        | 3                      | \$88,453.35  | 1                  | \$19,878.00  | 4         | \$108,331.35   |
| D Cotner      | 1                      | \$57,000.00  | 1                  | \$27,398.81  | 2         | \$84,398.81    |
| G Crowe       | 2                      | \$23,437.93  | 4                  | \$24,418.85  | 6         | \$47,856.78    |
| E Cummings    | 3                      | \$45,003.90  |                    |              | 3         | \$45,003.90    |
| W Dahood      | 3                      | \$76,000.00  | 2                  | \$48,200.00  | 5         | \$124,200.00   |
| J Daley       | 1                      | \$7,700.00   | 2                  | \$37,462.27  | 3         | \$45,162.27    |
| M Datsopoulos | 20                     | \$415,522.80 | 19                 | \$210,992.18 | 39        | \$626,514.98   |
| E.D. Daue     | 1                      | \$16,500.00  |                    |              | 1         | \$16,500.00    |

SENATE LABOR & EMPLOYMENT

FILE NO. 2  
DATE 21-11-87  
BILL NO. SB 315

|              |    |              |    |              |    |              |
|--------------|----|--------------|----|--------------|----|--------------|
| Davis        |    |              | 1  | \$59,148.18  | 1  | \$59,148.18  |
| R Dayton     | 3  | \$126,429.46 | 2  | \$25,207.00  | 5  | \$151,636.46 |
| Donovan      |    |              | 1  | \$8,580.00   | 1  | \$8,580.00   |
| Doubek       |    |              | 1  | \$4,290.00   | 1  | \$4,290.00   |
| Dowling      |    |              | 2  | \$7,147.00   | 2  | \$7,147.00   |
| Drake        |    |              | 1  | \$7,500.00   | 1  | \$7,500.00   |
| Duckworth    | 1  | \$50,226.40  | 2  | \$32,238.60  | 3  | \$82,465.00  |
| Dunn         | 1  | \$6,200.00   |    |              | 1  | \$6,200.00   |
| Eakin        | 1  | \$23,012.50  | 1  | \$26,633.95  | 2  | \$49,646.45  |
| Edmiston     | 2  | \$11,500.00  | 1  | \$9,913.16   | 3  | \$21,413.16  |
| Edwards      | 1  | \$25,750.00  |    |              | 1  | \$25,750.00  |
| M Eiselein   | 6  | \$104,760.98 | 6  | \$80,630.57  | 12 | \$185,391.55 |
| J Ellingson  | 3  | \$52,000.00  | 2  | \$13,000.00  | 5  | \$65,000.00  |
| Everett      | 8  | \$289,400.00 | 14 | \$367,016.30 | 22 | \$656,416.30 |
| R Fain       |    |              | 1  | \$715.00     | 1  | \$715.00     |
| C Ferguson   | 1  | \$14,650.00  | 5  | \$29,280.35  | 6  | \$43,930.35  |
| E Finn       | 5  | \$30,150.00  | 9  | \$114,653.98 | 14 | \$144,803.98 |
| Fitzgerald   | 2  | \$12,180.00  | 2  | \$22,087.50  | 4  | \$34,267.50  |
| M Friedman   |    |              | 1  | \$8,212.50   | 1  | \$8,212.50   |
| A Frost      | 1  | \$69,250.00  |    |              | 1  | \$69,250.00  |
| R Gabriel    | 4  | \$162,775.00 | 12 | \$289,520.86 | 16 | \$452,295.86 |
| D Garvey     |    |              | 1  | \$57,786.60  | 1  | \$57,786.60  |
| R Gebhardt   |    |              | 1  | \$27,391.56  | 1  | \$27,391.56  |
| T Geiszler   | 1  | \$12,405.04  |    |              | 1  | \$12,405.04  |
| A German     | 1  | \$10,000.00  |    |              | 1  | \$10,000.00  |
| B Goldman    | 13 | \$331,781.40 | 2  | \$32,873.00  | 15 | \$364,654.40 |
| J Goldan     | 2  | \$52,000.00  | 1  | \$31,552.25  | 3  | \$83,552.25  |
| J Grant      | 1  | \$57,000.00  |    |              | 1  | \$57,000.00  |
| R Gray       | 1  | \$10,000.00  |    |              | 1  | \$10,000.00  |
| L Graybill   | 1  | \$45,000.00  |    |              | 1  | \$45,000.00  |
| J Greef      | 1  | \$15,000.00  | 2  | \$602.88     | 3  | \$15,602.88  |
| K Grenfell   | 6  | \$132,008.76 | 3  | \$56,912.00  | 9  | \$188,920.76 |
| N Grosfield  | 6  | \$242,790.00 | 22 | \$401,809.28 | 28 | \$644,599.28 |
| M Guenther   |    |              | 2  | \$14,119.00  | 2  | \$14,119.00  |
| A Gunderson  |    |              | 1  | \$5,576.99   | 1  | \$5,576.99   |
| K Haker      | 1  | \$10,000.00  |    |              | 1  | \$10,000.00  |
| J Halverson  |    |              | 3  | \$47,804.86  | 3  | \$47,804.86  |
| V Halverson  | 25 | \$467,628.11 | 20 | \$448,747.21 | 45 | \$916,375.32 |
| TR Halvorson | 1  | \$1,000.00   |    |              | 1  | \$1,000.00   |
| R Hand       |    |              | 1  | \$22,451.00  | 1  | \$22,451.00  |
| M Hansen     | 1  | \$6,000.00   |    |              | 1  | \$6,000.00   |
| T Hanson     | 1  | \$56,564.00  |    |              | 1  | \$56,564.00  |
| C Harellius  |    |              | 1  | \$13,850.00  | 1  | \$13,850.00  |
| D Harman     | 1  | \$15,000.00  |    |              | 1  | \$15,000.00  |
| S Harman     |    |              | 1  | \$2,000.00   | 1  | \$2,000.00   |
| J Harrington | 7  | \$169,362.50 | 17 | \$321,484.24 | 24 | \$490,846.74 |
| D Harris     | 1  | \$67,683.85  | 1  | \$5,000.00   | 2  | \$72,683.85  |
| R Harrison   |    |              | 1  | \$18,304.38  | 1  | \$18,304.38  |
| C Hartelius  | 1  | \$36,000.00  |    |              | 1  | \$36,000.00  |
| L Hartford   | 5  | \$93,979.30  | 8  | \$84,995.98  | 13 | \$178,975.28 |
| M Hash       |    |              | 1  | \$4,989.93   | 1  | \$4,989.93   |
| J Hauf       | 1  | \$10,000.00  |    |              | 1  | \$10,000.00  |
| L.J. Haxby   | 5  | \$137,150.00 | 2  | \$9,012.50   | 7  | \$146,162.50 |
| D Hayes      | 1  | \$40,000.00  |    |              | 1  | \$40,000.00  |
| J Haynes     | 1  | \$2,500.00   |    |              | 1  | \$2,500.00   |
| J Healow     |    |              | 1  | \$47,000.00  | 1  | \$47,000.00  |
| R Heath      |    |              | 1  | \$13,725.80  | 1  | \$13,725.80  |
| J Hennessy   | 1  | \$12,000.00  |    |              | 1  | \$12,000.00  |
| R Herriott   | 1  | \$21,112.00  |    |              | 1  | \$21,112.00  |
| D Hileman    | 1  | \$14,500.00  |    |              | 1  | \$14,500.00  |

SENATE LABOR & EMPLOYMENT  
EXHIBIT NO. 2  
DATE 2/14/87  
BILL NO. 543 315

|    |             |    |                |    |                |    |                |
|----|-------------|----|----------------|----|----------------|----|----------------|
| W  | Hileman     | 1  | \$43,500.00    |    |                | 1  | \$43,500.00    |
| C  | Hingle      | 4  | \$108,076.00   | 1  | \$276.20       | 5  | \$108,352.20   |
| DL | Holland     | 1  | \$47,000.00    |    |                | 1  | \$47,000.00    |
| RJ | Holland     | 1  | \$20,502.00    |    |                | 1  | \$20,502.00    |
| JL | Hollow      | 1  | \$40,000.00    |    |                | 1  | \$40,000.00    |
| J  | Hoyt        | 2  | \$76,250.00    | 2  | \$36,887.77    | 4  | \$113,137.77   |
| J  | Hunt        |    |                | 2  | \$30,346.25    | 2  | \$30,346.25    |
| FL | Ingraham    | 2  | \$38,950.00    | 1  | \$20,868.52    | 3  | \$59,818.52    |
| J  | Iwen        | 1  | \$15,000.00    | 2  | \$11,492.50    | 3  | \$26,492.50    |
| K  | Jackson     | 5  | \$48,696.40    | 8  | \$196,397.95   | 13 | \$245,094.35   |
| R  | James       | 2  | \$37,387.29    | 1  | \$11,880.00    | 3  | \$49,267.29    |
| GR | Jarussi     | 5  | \$113,302.00   | 17 | \$343,403.17   | 22 | \$456,705.17   |
| K  | Jenkins     |    |                | 1  | \$65,750.00    | 1  | \$65,750.00    |
| TJ | Joyce       | 1  | \$34,625.00    |    |                | 1  | \$34,625.00    |
| R  | Kampfer     | 2  | \$10,739.09    | 8  | \$89,813.08    | 10 | \$100,552.17   |
| N  | Keefer      | 11 | \$189,167.50   | 19 | \$368,983.27   | 30 | \$558,150.77   |
| T  | Keegan      | 5  | \$208,312.50   | 1  | \$29,300.00    | 6  | \$237,612.50   |
| R  | Kelleher    | 14 | \$303,019.25   | 9  | \$109,524.04   | 23 | \$412,543.29   |
| G  | Keller      | 7  | \$164,038.42   | 12 | \$171,903.90   | 19 | \$335,942.32   |
| W  | Kelly       | 5  | \$197,180.78   | 1  | \$5,540.00     | 6  | \$202,720.78   |
| L  | Kerr        |    |                | 3  | \$15,665.80    | 3  | \$15,665.80    |
| K  | Knuchel     | 1  | \$20,000.00    | 3  | \$57,909.97    | 4  | \$77,909.97    |
| V  | Kozaliewics | 1  | \$18,000.00    | 2  | \$24,409.32    | 3  | \$42,409.32    |
| B  | Kronmiller  |    |                | 1  | \$9,277.50     | 1  | \$9,277.50     |
| M  | Lamb        |    |                | 1  | \$38,310.71    | 1  | \$38,310.71    |
| N  | Larrivee    |    |                | 3  | \$73,774.16    | 3  | \$73,774.16    |
| J  | Larson      |    |                | 1  | \$23,000.00    | 1  | \$23,000.00    |
| D  | Lauridsen   | 2  | \$48,200.00    | 10 | \$60,783.74    | 12 | \$108,983.74   |
| L  | Leg         |    |                | 1  | \$6,995.80     | 1  | \$6,995.80     |
| A  | Lerner      | 6  | \$181,490.00   | 5  | \$77,191.95    | 11 | \$258,681.95   |
| T  | Lewis       | 20 | \$1,108,551.60 | 29 | \$1,020,892.04 | 49 | \$2,129,443.64 |
| D  | Lind        | 3  | \$164,367.20   | 1  | \$16,000.00    | 4  | \$180,367.20   |
| T  | Lynaugh     | 14 | \$311,845.00   | 14 | \$150,781.27   | 28 | \$462,626.27   |
| JF | Lynch       | 1  | \$4,000.00     |    |                | 1  | \$4,000.00     |

|          |     |                |     |                |     |                 |
|----------|-----|----------------|-----|----------------|-----|-----------------|
| SUBTOTAL | 389 | \$9,970,215.00 | 489 | \$8,695,199.83 | 878 | \$18,665,414.83 |
|----------|-----|----------------|-----|----------------|-----|-----------------|

SENATE BILL  
 EXHIBIT 1  
 DATE 2/11/12  
 BILL NO. 315

SETTLEMENTS SUMMARY  
FROM 1/1/86 TO 12/31/86  
TORNEYS M - Z

|             |              | PLAN 1 & 2 SETTLEMENTS |              | PLAN 3 SETTLEMENTS |              | ALL PLANS |              |
|-------------|--------------|------------------------|--------------|--------------------|--------------|-----------|--------------|
| TORNEY NAME |              | NUMBER                 | TOTAL        | NUMBER             | TOTAL        | NUMBER    | TOTAL        |
| RB          | MacDonald    | 1                      | \$41,550.00  |                    |              | 1         | \$41,550.00  |
|             | Mackey       | 6                      | \$116,808.76 | 1                  | \$5,295.00   | 7         | \$122,103.76 |
|             | Mahan        |                        |              | 2                  | \$23,279.55  | 2         | \$23,279.55  |
| T           | Malee        |                        |              | 3                  | \$73,600.00  | 3         | \$73,600.00  |
|             | Malloy       |                        |              | 1                  | \$3,662.50   | 1         | \$3,662.50   |
|             | Maltese      | 1                      | \$31,560.00  |                    |              | 1         | \$31,560.00  |
| J           | Manley       |                        |              | 1                  | \$3,403.74   | 1         | \$3,403.74   |
| n           | Marble       | 2                      | \$83,000.00  | 2                  | \$28,530.00  | 4         | \$111,530.00 |
|             | Maristuen    |                        |              | 1                  | \$3,000.00   | 1         | \$3,000.00   |
| S           | Marks        | 4                      | \$99,319.23  | 4                  | \$53,829.77  | 8         | \$153,149.00 |
| L           | Marsillo     |                        |              | 3                  | \$45,381.80  | 3         | \$45,381.80  |
|             | Martin       | 2                      | \$172,500.00 | 3                  | \$59,417.00  | 5         | \$231,917.00 |
| L.          | Martin       | 1                      | \$2,760.97   |                    |              | 1         | \$2,760.97   |
| RJ          | Martin       | 2                      | \$61,020.00  |                    |              | 2         | \$61,020.00  |
|             | Martinson    | 1                      | \$10,000.00  |                    |              | 1         | \$10,000.00  |
|             | Massman      |                        |              | 1                  | \$37,936.67  | 1         | \$37,936.67  |
| A           | McAlear      | 1                      | \$1,025.50   | 1                  | \$7,336.54   | 2         | \$8,362.04   |
| D           | McCafferty   |                        |              | 1                  | \$21,517.94  | 1         | \$21,517.94  |
|             | McChesney    | 5                      | \$49,236.89  | 5                  | \$84,070.74  | 10        | \$133,307.63 |
|             | McCracken    | 1                      | \$18,000.00  |                    |              | 1         | \$18,000.00  |
| K           | McCurdy      | 2                      | \$81,000.00  | 1                  | \$7,311.00   | 3         | \$88,311.00  |
|             | McGarvey     | 3                      | \$143,293.58 | 2                  | \$69,043.53  | 5         | \$212,337.11 |
|             | McGee        | 1                      | \$61,000.00  |                    |              | 1         | \$61,000.00  |
| R           | McGee        |                        |              | 1                  | \$145.18     | 1         | \$145.18     |
|             | McGregor     |                        |              | 1                  | \$14,676.18  | 1         | \$14,676.18  |
|             | McGregor     |                        |              | 1                  | \$10,000.00  | 1         | \$10,000.00  |
| JL          | McKeon       | 3                      | \$21,000.00  | 12                 | \$222,069.05 | 15        | \$243,069.05 |
| MJ          | McKeon       | 5                      | \$83,744.97  | 3                  | \$33,487.49  | 8         | \$117,232.46 |
|             | McKittrick   | 3                      | \$79,919.01  |                    |              | 3         | \$79,919.01  |
|             | McKurdy      |                        |              | 1                  | \$90,000.00  | 1         | \$90,000.00  |
| L           | McNiel       | 3                      | \$55,750.00  | 1                  | \$1,340.00   | 4         | \$57,090.00  |
|             | Meglen       |                        |              | 1                  | \$6,700.00   | 1         | \$6,700.00   |
|             | Meissner     |                        |              | 1                  | \$500.00     | 1         | \$500.00     |
| R           | Melcher      | 1                      | \$26,433.90  | 5                  | \$52,975.71  | 6         | \$79,409.61  |
| I           | Meyer        |                        |              | 1                  | \$8,125.00   | 1         | \$8,125.00   |
|             | Milodrgovich | 4                      | \$28,065.00  |                    |              | 4         | \$28,065.00  |
|             | Moe          | 2                      | \$19,305.00  |                    |              | 2         | \$19,305.00  |
| D           | Molloy       | 1                      | \$41,000.00  |                    |              | 1         | \$41,000.00  |
|             | Moore        |                        |              | 1                  | \$3,704.25   | 1         | \$3,704.25   |
|             | Morales      |                        |              | 1                  | \$415.50     | 1         | \$415.50     |
| J.K.        | Morales      | 2                      | \$35,854.00  | 1                  | \$415.50     | 3         | \$36,269.50  |
|             | Morin        |                        |              | 2                  | \$25,513.49  | 2         | \$25,513.49  |
|             | Morse        | 1                      | \$36,000.00  |                    |              | 1         | \$36,000.00  |
| M           | Moses        |                        |              | 1                  | \$1,188.00   | 1         | \$1,188.00   |
| W           | Mouat        |                        |              | 1                  | \$5,012.49   | 1         | \$5,012.49   |
|             | Munro        | 2                      | \$102,856.00 |                    |              | 2         | \$102,856.00 |
|             | Murphy       |                        |              | 1                  | \$14,505.00  | 1         | \$14,505.00  |
| S           | Nardi        |                        |              | 1                  | \$13,990.65  | 1         | \$13,990.65  |
|             | Nye          | 1                      | \$55,400.00  |                    |              | 1         | \$55,400.00  |
|             | Oass         | 1                      | \$15,000.00  | 3                  | \$22,667.98  | 4         | \$37,667.98  |
| B           | Olson        | 1                      | \$560.00     |                    |              | 1         | \$560.00     |
| C           | Overfelt     | 8                      | \$179,110.12 | 7                  | \$184,378.01 | 15        | \$363,488.13 |

S. H. H. H.  
EXHIBIT 10-2  
DATE 2/14/91  
FILE NO. 58-315

|    |            |    |              |    |              |    |              |
|----|------------|----|--------------|----|--------------|----|--------------|
| G  | Overfelt   | 5  | \$86,323.00  | 2  | \$7,868.32   | 7  | \$94,211.32  |
| R  | Parish     | 1  | \$3,177.25   |    |              | 1  | \$3,177.25   |
| D  | Parker     |    |              | 1  | \$3,366.50   | 1  | \$3,366.50   |
| B  | Parrish    |    |              | 1  | \$7,196.00   | 1  | \$7,196.00   |
| A  | Patten     |    |              | 2  | \$12,723.36  | 2  | \$12,723.36  |
| C  | Petaja     | 1  | \$11,768.40  | 3  | \$124,142.72 | 4  | \$135,911.12 |
| D  | Peterson   |    |              | 1  | \$20,196.94  | 1  | \$20,196.94  |
| RM | Peterson   | 1  | \$14,000.00  | 1  | \$16,375.00  | 2  | \$30,375.00  |
| C  | Picotte    |    |              | 8  | \$117,257.24 | 8  | \$117,257.24 |
| G  | Picotte    | 17 | \$685,270.42 | 17 | \$273,184.93 | 34 | \$958,455.35 |
| R  | Plath      | 1  | \$2,750.00   | 5  | \$36,307.00  | 6  | \$39,057.00  |
| SC | Pohl       | 1  | \$15,482.00  | 4  | \$77,286.00  | 5  | \$92,768.00  |
| M  | Preazeau   | 11 | \$318,556.10 | 11 | \$78,444.24  | 22 | \$397,000.34 |
| P  | Prindle    | 6  | \$51,230.00  |    |              | 6  | \$51,230.00  |
| R  | Pyfer      | 4  | \$82,976.56  | 10 | \$118,643.82 | 14 | \$201,620.38 |
| R  | Ramler     | 1  | \$53,963.00  |    |              | 1  | \$53,963.00  |
| R  | Randono    |    |              | 5  | \$27,642.92  | 5  | \$27,642.92  |
| S  | Rebeck     | 1  | \$2,500.00   |    |              | 1  | \$2,500.00   |
| J  | Regnier    | 5  | \$292,500.00 | 3  | \$23,126.96  | 8  | \$315,626.96 |
| D  | Rennie     |    |              | 1  | \$327.84     | 1  | \$327.84     |
| K  | Rennie     | 1  | \$9,328.10   | 2  | \$13,113.60  | 3  | \$22,441.70  |
| J  | Renz       |    |              | 3  | \$2,439.38   | 3  | \$2,439.38   |
| DG | Rice       | 1  | \$8,310.00   |    |              | 1  | \$8,310.00   |
| J  | Rice Jr    |    |              | 3  | \$12,705.20  | 3  | \$12,705.20  |
| F  | Richter    | 1  | \$8,695.00   | 5  | \$49,449.95  | 6  | \$58,144.95  |
| L  | Ring       |    |              | 1  | \$1,601.60   | 1  | \$1,601.60   |
| S  | Roberts    | 8  | \$212,887.50 | 4  | \$99,891.50  | 12 | \$312,779.00 |
| JW | Robinson   | 1  | \$32,000.00  |    |              | 1  | \$32,000.00  |
| WA | Rossbach   | 2  | \$28,950.00  |    |              | 2  | \$28,950.00  |
| P  | Roy        |    |              | 3  | \$115,912.50 | 3  | \$115,912.50 |
| M  | Sand       | 5  | \$31,273.33  | 4  | \$109,919.20 | 9  | \$141,192.53 |
| J  | Sands      |    |              | 2  | \$54,545.92  | 2  | \$54,545.92  |
| R  | Savage     | 4  | \$88,501.87  | 1  | \$10,000.00  | 5  | \$98,501.87  |
| LM | Schraudner | 1  | \$36,000.00  |    |              | 1  | \$36,000.00  |
| C  | Schuyler   | 1  | \$1,255.00   |    |              | 1  | \$1,255.00   |
| J  | Screnar    |    |              | 1  | \$11,707.71  | 1  | \$11,707.71  |
| N  | Seidler    |    |              | 1  | \$3,293.00   | 1  | \$3,293.00   |
| T  | Seifer     |    |              | 1  | \$8,252.00   | 1  | \$8,252.00   |
| R  | Sewell     |    |              | 1  | \$3,840.53   | 1  | \$3,840.53   |
| P  | Sheehy     | 12 | \$400,210.69 | 15 | \$182,811.45 | 27 | \$583,022.14 |
| R  | Sheridan   | 1  | \$30,125.00  |    |              | 1  | \$30,125.00  |
| JM | Sherlock   | 1  | \$19,123.44  |    |              | 1  | \$19,123.44  |
| RA | Simonton   | 1  | \$42,895.00  |    |              | 1  | \$42,895.00  |
| R  | Skaggs     | 9  | \$335,941.44 | 15 | \$140,373.32 | 24 | \$476,314.76 |
| G  | Skakles    | 2  | \$48,350.00  | 1  | \$1,265.70   | 3  | \$49,615.70  |
| G  | Skakles    |    |              | 1  | \$1,265.70   | 1  | \$1,265.70   |
| D  | Skjelset   | 6  | \$177,746.00 | 11 | \$177,622.89 | 17 | \$355,368.89 |
| R  | Skorheim   | 2  | \$44,195.00  | 6  | \$110,680.63 | 8  | \$154,875.63 |
| D  | Slovak     | 2  | \$5,636.35   | 4  | \$21,363.60  | 6  | \$26,999.95  |
| A  | Small      |    |              | 1  | \$4,316.79   | 1  | \$4,316.79   |
| C  | Smith      | 7  | \$112,242.55 | 3  | \$25,475.37  | 10 | \$137,717.92 |
| R  | Smith      | 1  | \$60,000.00  |    |              | 1  | \$60,000.00  |
| A  | Smoyer     | 1  | \$34,000.00  | 2  | \$19,500.00  | 3  | \$53,500.00  |
| D  | Sommerfeld | 5  | \$132,218.75 | 10 | \$126,484.64 | 15 | \$258,703.39 |
| H  | Stahmer    | 4  | \$48,598.47  | 6  | \$38,929.64  | 10 | \$87,528.11  |
| H  | Stanton    | 1  | \$5,000.00   |    |              | 1  | \$5,000.00   |
| M  | Starin     | 2  | \$57,233.25  | 4  | \$77,257.57  | 6  | \$134,490.82 |
| M  | Stermitz   |    |              | 1  | \$2,737.50   | 1  | \$2,737.50   |
| D  | Stufft     |    |              | 2  | \$58,332.00  | 2  | \$58,332.00  |
| T  | Stusek     | 1  | \$2,250.00   |    |              | 1  | \$2,250.00   |

2/14/97  
28 3/5

## WORKERS' COMPENSATION REFORM LEGISLATION

### MAJOR REFORM EFFORTS:

- 1.) Advisory Council Proposals -- SB-330
- 2.) Governor's Requested Reform -- SB-315

#### A. Proposals which are common to both bills

| Bill          | Sec. | No.'s         |
|---------------|------|---------------|
| <u>SB-330</u> |      | <u>SB-315</u> |

- |    |    |   |
|----|----|---|
| 3  | 17 | 1.) Definitions: surviving spouse; unmarried child under age 22; Board of Rehab. Certification; benefit categories; T.T.; P.T.; and PP.                                   |
| 6  | 22 | 2.) Filing fraudulent claims--penalties attached.   |
| 7  | 25 | 3.) Covered and Exempt Employments.   |
| 9  | 26 | 4.) Liability of insurers; "medically probable" rather than "medically possible"; traveling employees; intoxicated employees.   |
| 10 | 29 | 5.) Uninsured Employers Fund: Put on cash basis; pay wage compensation before medical costs.  |
| 11 | 31 | 6.) Attorney Fees on denied claims later found compensable; insurer pays fees if found to be unreasonable, not bad faith.   |
| 15 | 35 | 7.) Hiring Preference: No firing for filing a workers' compensation claim; two-year preference with same employer.  |
| 17 | 37 | 8.) Cost of Living Adjustment: Adds a 3% maximum increment each year for ten (10) years after a two-year-waiting period.  |
| 18 | 38 | 9.) Schedule of Injuries deleted.   |
| 21 | 43 | 10.) Incarcerated Claimants: Not entitled to wage compensation benefits.  |
| 22 | 44 | 11.) Death Benefits: Change lifetime spouse benefits to ten (10) years; cease upon remarriage; unmarried children from 25 to 22, if in school, or apprenticeship program. |

- |    |    |      |  |
|----|----|------|--|
| 23 | 45 | 12.) | Waiting Period Temporary Total: Pay from seventh (7th) day rather than first when off five (5) days.   |
| 25 | 47 | 13.) | Lump Sum Payments permanent total: Discounted at current Treasury rate.  |
| 28 | 51 | 14.) | Rehabilitation Priorities: Establishes return to work and retraining priorities.   |
| 29 | 52 | 15.) | Rehabilitation Services: Can be requested by claimant, insurer, or DWC; Certified counselors provided for as well as SRS counselors; appeals provided for. |
| 32 | 63 | 16.) | Rehabilitation Information Exchanged.  |
| 33 | 66 | 17.) | Self-Insurer Solvency Proof: Requires \$250,000 or average of past 3-year-incurred liabilities.  |
| 46 | 73 | 18.) | Incorporate workers' compensation benefit fraud into criminal statutes.  |
| 8  | 24 | 19.) | Give financial incentives to employers who institute approved safety programs.   |
| 19 | 40 | 20.) | Establish maximum hospital rates.  |
| 18 | 38 | 21.) | Apportion Pre-existing Injuries: Reduce by prior payment, award for injury to same part of body for which an impairment award had been received.           |
| 2  | 1  | 22.) | Liberal Construction: Construe Act according to its terms rather than in favor of any party.   |
| 40 | 23 | 23.) | What constitutes a dispute.  |

B. Proposals exclusive to the Governor's Bill -- SB-315

Sec. No.s  
SB-315

- |                     |   |
|---------------------|---|
| 1                   | 1.) Declaration of Public Policy.   |
| 2-16, 67,<br>68, 74 | 2.) Board of Industrial Insurance to replace Workers' Compensation Court.   |
| 17                  | 3.) Definitions: Maximum healing, injury, and wages.  |
| 27                  | 4.) Subrogation, insurer entitled to full rights against any settlement.  |
| 36-38, 40           | 5.) Two-year freeze on: Benefit levels--wage compensation and medical services.   |
| 38                  | 6.) Permanent Partial Benefits: Give lump sum impairment awards at worker's choice, maximum benefits at 500 (weeks); eliminate future earning capacity criteria; pay wage supplement difference between pre- and post- injury earnings; introduce job pool concept. |
| 37                  | 7.) Permanent Total Benefits: Job pool concept to replace normal labor market; exhaust all rehabilitation possibilities before considered as total disability.  |
| 39                  | 8.) Establish medical impairment panels.  |
| 42                  | 9.) Clarify benefit eligibility upon qualification for Social Security retirement.  |
| 47                  | 10.) Limit lump sums to \$20,000 on permanent total for necessities of life; self-employment after rehab process completed; needs arising subsequent to accident; injured agrees to provide follow up information.  |
| 54                  | 11.) Establish rehabilitation panels to emphasize a return-to-work program rather than a vocational training concept.   |
| 59                  | 12.) Structure rehab benefits to encourage return to work.  |
| 61                  | 13.) Add auxiliary benefits for travel, relocation, job search, and on-the-job training.  |
| 17                  | 14.) Temporary total benefits cease at maximum healing.   |
| 60                  | 15.) Paid rehabilitation benefits during retraining at partial rate.  |
| 23                  | 16.) Mediation of disputes.   |

C. Proposals exclusive to the Advisory Council Bill -- SB-330  
SB-330

- 1 1.) Add additional judge to Workers' Compensation Court.
- 3 2.) Define normal labor market.
- 17 3.) Change term "Permanent Total" to "Continuing Total."
- 18 4.) Permanent Partial Benefits: Reduce duration to 350 weeks from current 500 weeks; make impairment one factor in determining incapacity; other considerations are physical condition, age, education, work history, continuing pain, actual wage loss, loss of potential future earnings, and any other relevant factors affecting workers' ability to engage in gainful employment.
- 25 5.) Lump Sum Payments: Use best interest criteria; DWC can only disapprove if detrimental to claimant.
- 36 6.) Expand powers of Workers' Compensation Court.
- 44 7.) Require a \$25 filing and \$25 appearance fee before the Court.
- 48, 49 8.) Give jurisdiction over Occupational Disease cases to Workers' Compensation Court rather than DWC.
- 34, 35 9.) Permit employer deductible plans.
- 31 10.) Continue temporary total benefits through rehabilitation process.

I am Maggie Bullock, the Administrator of the vocational rehabilitation programs in the Department of Social and Rehabilitation Services and am here today to testify in support of SB 315.

Since 1961 the vocational rehabilitation program has been a recipient of 1% of the benefits paid out to Workers Comp claimants the prior year. This assessment becomes for Montana's industrially injured worker a 20% state match dollar for the 80% federal dollars utilized to rehabilitate that industrially injured worker. Until 1984 that 1% assessment was never more than \$275,000 a year. In 1984, due to the burgeoning case law decisions, that amount climbed to \$586,000 and jumped to \$666,000 in 1986, an acceleration reflecting the increase in benefits paid to Montana's industrially injured workers.

This increase in compensation paid has been accompanied by an increase in the numbers of industrially injured workers served by vocational rehabilitation from 758 in 1981 to almost 1800 served in 1986.

In the following ways the rehabilitation sections of SB 315 will effect the cost containment, simplification and claimant/client needs of all parties interested in this legislation because they are interested in repairing and updating and maintaining a system that is critical to all workers in Montana.

- 1) The early intervention provided for in this bill will absolutely expedite the injured worker's chance of returning to work.
- 2) The coordinated service delivery system provided for in this bill will be far more comprehensible and accessible than the concurrent dual system (that is public and private rehab) currently in place. The current rehabilitation system is frankly and understandably incomprehensible to the injured worker.
- 3) Because SB 315 proposes a time structured system, the resolution of conflict, especially among the injured worker and his/her respective case manager begins necessarily at an early stage. The worker and legal representative will have a single source to approach for information and direction.
- 4) The injured worker will not be required to choose between two rehab case managers, each promising a superior service.

Industrially injured workers are confronted with an array of situations that they do not begin to understand. Montana's established system for them is laden with anxiety and stress that is magnified by the worker's own inability to cope with all the feelings that accompany onset of a disability....feelings of loss, feelings of grief, feelings of inadequacy. Any disability that leaves a worker incapable of returning to work is a tragedy.

SENATE LABOR & EMPLOYMENT  
EXHIBIT NO. 2  
DATE 2/14/87  
BILL NO. SB 315

is always accompanied by a host of psychological, sociological, financial and family problems. Unemployment for any of us typically causes a loss of status, a feeling of isolation, much anger.

Long periods of unemployment lead to dependency on government "giveaway" programs which can become a disincentive to return to work. It's not uncommon to see an injured worker's daytime hours totally devoted to doctor's appointments, therapy sessions, visits with the insurance adjuster, visits to the unemployment office, visits to other government service offices. That former worker can become so busy with this kind of activity that by the time he/she gets to thinking about vocational rehabilitation, they are almost out of the energy necessary to cope with what should be the most important part of their recovery process.

While the four points I made earlier are very critical to the operation of a workers comp rehab system that is clearly defined for all parties involved in the rehabilitation of the injured worker, numbers 2, 3 and 4 are essential to removing the duplication in costs and time that currently exist periodically when both private and public rehab are involved in serving one injured worker at the same time. SB 330 does not provide for any means to eliminate this duplication problem.

SENATE LABOR & EMPLOYMENT

EXHIBIT NO. 41

DATE 2/14/87

BILL NO. SB 315

BOARD OF COUNTY COMMISSIONERS

**LINCOLN COUNTY**  
STATE OF MONTANA

DISTRICT NO. 1, LIBBY  
JIM R. MOREY

DISTRICT NO. 2, TROY  
LAWRENCE A. (LARRY) DOLEZAL

DISTRICT NO. 3, EUREKA  
NOEL E. WILLIAMS

CLERK OF THE BOARD AND COUNTY RECORDER, JANET B. F. SIEGEL  
512 CALIFORNIA AVENUE  
LIBBY, MONTANA 59923

February 13, 1987

Bruce Vincent, Chairman  
WCAC  
512 Mineral Avenue  
Libby, MT 59923

Dear Mr. Vincent:

We would like to express to you our support of SB315, Governor Schwinden's bill to reform the Worker's Compensation Administration.

As we understand the situation, we are faced with three choices: 1) the current system, which is now heading for impending death by drowning in red ink, 2) the bill put together by Governor Schwinden's Advisory Council, which most likely would eventually end up with the same fate, or 3) SB315, which will at least give us something workable to deal with that has the best chance of gradually putting the system back into the black.

It appears that if this bill is amended, it could conceivably render it powerless to bring about the changes drastically needed to rescue our system. We support this bill in its unamended form, knowing that there are some areas that we would like to see amended in the future. We will be following these areas with the WCAC (Worker's Compensation Action Committee), as well as other local concerned citizens, to see that a substantial follow-up is made in the next legislative session to address these areas of concern.

The economy of Northwestern Montana is heavily dependent on the timber industry. A healthy Worker's Compensation Administration is vital to the survival of our timber industry. We appreciate your support of SB315 as the most realistic option at this time to help to alleviate our crisis situation.

Yours very truly,

BOARD OF LINCOLN COUNTY COMMISSIONERS

*Noel E. Williams Jr.*  
NOEL E. WILLIAMS, Chairman

*Jim R. Morey*  
JIM R. MOREY, Member

*L.A. Dolezal*  
LAWRENCE A. (LARRY) DOLEZAL, Member

SENATE LABOR & EMPLOYMENT  
E 5  
DATE 2/14/87  
BILL NO. SB 315

# LIBBY AREA CHAMBER OF COMMERCE

P.O. Box 704, Libby, MT 59923

Telephone 406-293-3832

CB Radio Channel 5

Workman's Comp Action Committee  
c/o Capitol Station  
Helena, MT. 59620


Workman's Comp Action Committee:

The Libby Area Chamber of Commerce membership has voted full support for the Governor's Bill, Senate Bill 315.

We believe this bill is necessary to the economic future of Libby and Montana.

The Libby Area Chamber of Commerce would like to thank you for your support on Senate Bill 315.

Sincerely,



Tom C. Allen  
President  
Libby Area Chamber of Commerce

cc Governor Ted Schwinden  
Rep. Paula Darko  
Senator Eleanor Vaughn  
Rep. Paul Rapp-Svrcek  
Rep. Mary Lou Peterson  
Chairman of Business and Labor House  
Chairman of Business and Industry-Senate

SENATE LABOR & EMPLOYMENT

5

DATE 2/14/87

FILE NO. SB 315

Northwest Energy Employment  
& Development Inc.  
P.O. Box 1158  
Libby MT. 59923

SENATE EMPLOYMENT  
EXH - 5  
DATE 2/14/87  
BILL NO. 30315

DEAR SIRs.

We of the N.E.E.D. org. wish  
to go on record at this time,  
in support of Senate Bill 315.

We of N.E.E.D. feel that the  
present WORKMAN'S Comp system  
in MONTANA, has gotten out of  
control and the injured workers  
of MONTANA ARE being neglected.  
We believe the injured worker  
needs to be taken care of  
properly, when injured on the job and  
given the fullest protection.

Yet the cost to maintain this  
program to the employer should  
NOT be so great, as to force  
them out of business.

We feel that Senate Bill 315  
marks a turning point for the  
system that was initiated to protect  
both the worker the worker and employer  
during times of injury and disability.

This bill will improve the administration  
and do away the need for third party  
interference.

possibility of being within the  
system, and protect the rights  
of the injured worker who is  
receiving no work - pay while  
the system is being fixed.

Now, when the time comes, we must  
also remember that the system is  
not a static one. It is a dynamic  
one. It is a system that is  
in constant flux. It is a system  
that is constantly changing.

There is a great deal of  
work to be done. We must  
not only fix the system, but  
we must also make sure that  
the system is working for the  
benefit of the worker.

WE, THE UNDERSIGNED CITIZENS OF THE STATE OF MONTANA, SUPPORT PASSAGE OF GOVERNOR SCHWINDEN'S WORKER'S COMPENSATION REFORM ACT. WE DO NOT NECESSARILY BELIEVE THAT IT IS A 'CURE ALL' BUT ARE FIRMLY IN FAVOR OF IT'S UNAMMENDED PASSAGE TO PROVIDE A FIRM FOUNDATION UPON WHICH TO BUILD A SYSTEM THAT IS PEOPLE SENSITIVE AND COST EFFECTIVE. PERFECT - NO, WORKABLE -YES, AND ABSOLUTELY NECESSARY.

NAME:

OCCUPATION:

CITY OF  
RESIDENCE:

|                    |                   |          |
|--------------------|-------------------|----------|
| Lila Erickson      | Axon Rep.         | Troy     |
| Arlene Peterson    | Food & Bar        | Troy     |
| Ralph Davis        | Logger            | Troy     |
| Viola B Davis      | Bar & food        | Troy     |
| May Inoulet        | BOILERMAKER       | NOXON    |
| Thomas O. Peterson | Logger            | Whitfish |
| Robert Inouet      | Logger            | Whitfish |
| Kathleen Knudsen   | Bentley's Cook    | Troy     |
| Rick Tallmadge     | Logger            | Troy     |
| Robert Beasley     | Vending           | Troy     |
| Donnie L. L. L.    | Fire Apparatus    | Troy     |
| William Spurline   | Logger            | NOXON    |
| Arthur Price       | Const. Oper.      | Troy     |
| Charles Spurling   | Domestic Engineer | Troy     |

WE, THE UNDERSIGNED CITIZENS OF THE STATE OF MONTANA, SUPPORT  
PASSAGE OF GOVERNOR SCHWINDEN'S WORKERS' COMPENSATION REFORM  
ACT. WE DO NOT NECESSARILY BELIEVE THAT IT IS A 'CURE ALL' BUT  
ARE FIRMLY IN FAVOR OF ITS UNHINDRED PASSAGE TO PROVIDE A FIRM  
FOUNDATION UPON WHICH TO BUILD A SYSTEM THAT IS PEOPLE SENSITIVE  
AND COST EFFECTIVE. PERFECT AND WORKABLE AND, AND ESSENTIALLY  
NECESSARY.

NAME:

OCCUPATION:

CITY OF  
RESIDENCE:

Stanley R. ...

W. D. ...

Raymond ...

Carl ...

...

...

Cliff ...

...

...

WE, THE UNDERSIGNED CITIZENS OF THE STATE OF MONTANA, SUPPORT PASSAGE OF GOVERNOR SCHWENDEN'S WORKERS' COMPENSATION REFORM ACT. WE DO NOT NECESSARILY BELIEVE THAT IT IS A 'CURE ALL' BUT ARE FIRMLY IN FAVOR OF IT'S UNAMENDED PASSAGE TO PROVIDE A FIRM FOUNDATION UPON WHICH TO BUILD A SYSTEM THAT IS PEOPLE SENSITIVE AND COST EFFECTIVE. PERFECT, YES, WORKABLE - YES, AND ABSOLUTELY NECESSARY.

NAME:

OCCUPATION:

CITY OF RESIDENCE:

|                   |                   |             |
|-------------------|-------------------|-------------|
| Rebecca McHenry   | House Owner       | Troy        |
| Richard McHenry   | " "               | "           |
| Gordon D. Herman  | Disabled<br>owner | Troy        |
| Barbara Herman    | housewife         | Troy        |
| Harold W. Lineman | Retired           | Troy        |
| Lucy W. Lineman   | Retired           | Troy        |
| Lee Conner        | home maker        | Troy        |
| Bill Conner       | Concrete Mason    | Troy, Mont. |
| Ira Beyer         | Forestry          | Troy        |
| Sue Jansson       | Home maker        | Troy        |
| Raymond E. Paul   | Retired           | T.H. Mt.    |
| Harold Schorch    | Disabled          | Troy, M.T.  |

WE, THE UNDERSIGNED CITIZENS OF THE STATE OF MONTANA, SUPPORT  
 PASSAGE OF GOVERNOR SCHWINDEN'S WORKER'S COMPENSATION REFORM  
 ACT. WE DO NOT NECESSARILY BELIEVE THAT IT IS A 'FOUR ALL' BUT  
 ARE FIRMLY IN FAVOR OF IT'S UNHINDERED PASSAGE TO PROVIDE A FIRM  
 FOUNDATION UPON WHICH TO BUILD A SYSTEM THAT IS PEOPLE SENSITIVE  
 AND COST EFFECTIVE. PERFECT - NO, WORKABLE - YES, AND ABSOLUTELY  
 NECESSARY.

NAME:

OCCUPATION:

CITY OF  
 RESIDENCE:

Max K. Lee

Bank

Boz.

Neal L. Lomori

Rest. Owner

Boz.

Janice Price

Accountant

Boz.

Mehin G. Diner

City Foreman

Boz.

Neil Brit

Chronic Pain Clinic

Boz.

Theresa Becker

Antique Dealer

Boz.

Robert L. Johnson

R.E. Approver

Boz.

WE, THE UNDERSIGNED CITIZENS OF THE STATE OF MICHIGAN, SUPPORT  
PASSAGE OF GOVERNOR SCHWINDLER'S WORKERS' COMPENSATION REFORM  
ACT. WE DO NOT NECESSARILY BELIEVE THAT IT IS A 'MORE BELL' LAW  
AND ARE FIRMLY IN FAVOR OF ITS UNAMENDED PASSAGE TO PROVIDE A FIRM  
FOUNDATION UPON WHICH TO BUILD A SYSTEM THAT IS PEOPLE SENSITIVE  
AND COST EFFECTIVE. PERFECT - NO, WORKABLE -YES, AND ABSOLUTELY  
NECESSARY.

400 1.4 1.5 1.6 1.7 1.8 1.9 2.0 2.1 2.2 2.3 2.4 2.5 2.6 2.7 2.8 2.9 3.0 3.1 3.2 3.3 3.4 3.5 3.6 3.7 3.8 3.9 4.0 4.1 4.2 4.3 4.4 4.5 4.6 4.7 4.8 4.9 5.0 5.1 5.2 5.3 5.4 5.5 5.6 5.7 5.8 5.9 6.0 6.1 6.2 6.3 6.4 6.5 6.6 6.7 6.8 6.9 7.0 7.1 7.2 7.3 7.4 7.5 7.6 7.7 7.8 7.9 8.0 8.1 8.2 8.3 8.4 8.5 8.6 8.7 8.8 8.9 9.0 9.1 9.2 9.3 9.4 9.5 9.6 9.7 9.8 9.9 10.0 10.1 10.2 10.3 10.4 10.5 10.6 10.7 10.8 10.9 11.0 11.1 11.2 11.3 11.4 11.5 11.6 11.7 11.8 11.9 12.0 12.1 12.2 12.3 12.4 12.5 12.6 12.7 12.8 12.9 13.0 13.1 13.2 13.3 13.4 13.5 13.6 13.7 13.8 13.9 14.0 14.1 14.2 14.3 14.4 14.5 14.6 14.7 14.8 14.9 15.0 15.1 15.2 15.3 15.4 15.5 15.6 15.7 15.8 15.9 16.0 16.1 16.2 16.3 16.4 16.5 16.6 16.7 16.8 16.9 17.0 17.1 17.2 17.3 17.4 17.5 17.6 17.7 17.8 17.9 18.0 18.1 18.2 18.3 18.4 18.5 18.6 18.7 18.8 18.9 19.0 19.1 19.2 19.3 19.4 19.5 19.6 19.7 19.8 19.9 20.0 20.1 20.2 20.3 20.4 20.5 20.6 20.7 20.8 20.9 21.0 21.1 21.2 21.3 21.4 21.5 21.6 21.7 21.8 21.9 22.0 22.1 22.2 22.3 22.4 22.5 22.6 22.7 22.8 22.9 23.0 23.1 23.2 23.3 23.4 23.5 23.6 23.7 23.8 23.9 24.0 24.1 24.2 24.3 24.4 24.5 24.6 24.7 24.8 24.9 25.0 25.1 25.2 25.3 25.4 25.5 25.6 25.7 25.8 25.9 26.0 26.1 26.2 26.3 26.4 26.5 26.6 26.7 26.8 26.9 27.0 27.1 27.2 27.3 27.4 27.5 27.6 27.7 27.8 27.9 28.0 28.1 28.2 28.3 28.4 28.5 28.6 28.7 28.8 28.9 29.0 29.1 29.2 29.3 29.4 29.5 29.6 29.7 29.8 29.9 30.0 30.1 30.2 30.3 30.4 30.5 30.6 30.7 30.8 30.9 31.0 31.1 31.2 31.3 31.4 31.5 31.6 31.7 31.8 31.9 32.0 32.1 32.2 32.3 32.4 32.5 32.6 32.7 32.8 32.9 33.0 33.1 33.2 33.3 33.4 33.5 33.6 33.7 33.8 33.9 34.0 34.1 34.2 34.3 34.4 34.5 34.6 34.7 34.8 34.9 35.0 35.1 35.2 35.3 35.4 35.5 35.6 35.7 35.8 35.9 36.0 36.1 36.2 36.3 36.4 36.5 36.6 36.7 36.8 36.9 37.0 37.1 37.2 37.3 37.4 37.5 37.6 37.7 37.8 37.9 38.0 38.1 38.2 38.3 38.4 38.5 38.6 38.7 38.8 38.9 39.0 39.1 39.2 39.3 39.4 39.5 39.6 39.7 39.8 39.9 40.0 40.1 40.2 40.3 40.4 40.5 40.6 40.7 40.8 40.9 41.0 41.1 41.2 41.3 41.4 41.5 41.6 41.7 41.8 41.9 42.0 42.1 42.2 42.3 42.4 42.5 42.6 42.7 42.8 42.9 43.0 43.1 43.2 43.3 43.4 43.5 43.6 43.7 43.8 43.9 44.0 44.1 44.2 44.3 44.4 44.5 44.6 44.7 44.8 44.9 45.0 45.1 45.2 45.3 45.4 45.5 45.6 45.7 45.8 45.9 46.0 46.1 46.2 46.3 46.4 46.5 46.6 46.7 46.8 46.9 47.0 47.1 47.2 47.3 47.4 47.5 47.6 47.7 47.8 47.9 48.0 48.1 48.2 48.3 48.4 48.5 48.6 48.7 48.8 48.9 49.0 49.1 49.2 49.3 49.4 49.5 49.6 49.7 49.8 49.9 50.0 50.1 50.2 50.3 50.4 50.5 50.6 50.7 50.8 50.9 51.0 51.1 51.2 51.3 51.4 51.5 51.6 51.7 51.8 51.9 52.0 52.1 52.2 52.3 52.4 52.5 52.6 52.7 52.8 52.9 53.0 53.1 53.2 53.3 53.4 53.5 53.6 53.7 53.8 53.9 54.0 54.1 54.2 54.3 54.4 54.5 54.6 54.7 54.8 54.9 55.0 55.1 55.2 55.3 55.4 55.5 55.6 55.7 55.8 55.9 56.0 56.1 56.2 56.3 56.4 56.5 56.6 56.7 56.8 56.9 57.0 57.1 57.2 57.3 57.4 57.5 57.6 57.7 57.8 57.9 58.0 58.1 58.2 58.3 58.4 58.5 58.6 58.7 58.8 58.9 59.0 59.1 59.2 59.3 59.4 59.5 59.6 59.7 59.8 59.9 60.0 60.1 60.2 60.3 60.4 60.5 60.6 60.7 60.8 60.9 61.0 61.1 61.2 61.3 61.4 61.5 61.6 61.7 61.8 61.9 62.0 62.1 62.2 62.3 62.4 62.5 62.6 62.7 62.8 62.9 63.0 63.1 63.2 63.3 63.4 63.5 63.6 63.7 63.8 63.9 64.0 64.1 64.2 64.3 64.4 64.5 64.6 64.7 64.8 64.9 65.0 65.1 65.2 65.3 65.4 65.5 65.6 65.7 65.8 65.9 66.0 66.1 66.2 66.3 66.4 66.5 66.6 66.7 66.8 66.9 67.0 67.1 67.2 67.3 67.4 67.5 67.6 67.7 67.8 67.9 68.0 68.1 68.2 68.3 68.4 68.5 68.6 68.7 68.8 68.9 69.0 69.1 69.2 69.3 69.4 69.5 69.6 69.7 69.8 69.9 70.0 70.1 70.2 70.3 70.4 70.5 70.6 70.7 70.8 70.9 71.0 71.1 71.2 71.3 71.4 71.5 71.6 71.7 71.8 71.9 72.0 72.1 72.2 72.3 72.4 72.5 72.6 72.7 72.8 72.9 73.0 73.1 73.2 73.3 73.4 73.5 73.6 73.7 73.8 73.9 74.0 74.1 74.2 74.3 74.4 74.5 74.6 74.7 74.8 74.9 75.0 75.1 75.2 75.3 75.4 75.5 75.6 75.7 75.8 75.9 76.0 76.1 76.2 76.3 76.4 76.5 76.6 76.7 76.8 76.9 77.0 77.1 77.2 77.3 77.4 77.5 77.6 77.7 77.8 77.9 78.0 78.1 78.2 78.3 78.4 78.5 78.6 78.7 78.8 78.9 79.0 79.1 79.2 79.3 79.4 79.5 79.6 79.7 79.8 79.9 80.0 80.1 80.2 80.3 80.4 80.5 80.6 80.7 80.8 80.9 81.0 81.1 81.2 81.3 81.4 81.5 81.6 81.7 81.8 81.9 82.0 82.1 82.2 82.3 82.4 82.5 82.6 82.7 82.8 82.9 83.0 83.1 83.2 83.3 83.4 83.5 83.6 83.7 83.8 83.9 84.0 84.1 84.2 84.3 84.4 84.5 84.6 84.7 84.8 8

CITY OF  
RESIDENCE:

|      |      |      |
|------|------|------|
| 1870 | 1871 | 1872 |
| 1873 | 1874 | 1875 |
| 1876 | 1877 | 1878 |
| 1879 | 1880 | 1881 |
| 1882 | 1883 | 1884 |
| 1885 | 1886 | 1887 |
| 1888 | 1889 | 1890 |
| 1891 | 1892 | 1893 |
| 1894 | 1895 | 1896 |
| 1897 | 1898 | 1899 |
| 1900 | 1901 | 1902 |
| 1903 | 1904 | 1905 |
| 1906 | 1907 | 1908 |
| 1909 | 1910 | 1911 |
| 1912 | 1913 | 1914 |
| 1915 | 1916 | 1917 |
| 1918 | 1919 | 1920 |
| 1921 | 1922 | 1923 |
| 1924 | 1925 | 1926 |
| 1927 | 1928 | 1929 |
| 1930 | 1931 | 1932 |
| 1933 | 1934 | 1935 |
| 1936 | 1937 | 1938 |
| 1939 | 1940 | 1941 |
| 1942 | 1943 | 1944 |
| 1945 | 1946 | 1947 |
| 1948 | 1949 | 1950 |
| 1951 | 1952 | 1953 |
| 1954 | 1955 | 1956 |
| 1957 | 1958 | 1959 |
| 1960 | 1961 | 1962 |
| 1963 | 1964 | 1965 |
| 1966 | 1967 | 1968 |
| 1969 | 1970 | 1971 |
| 1972 | 1973 | 1974 |
| 1975 | 1976 | 1977 |
| 1978 | 1979 | 1980 |
| 1981 | 1982 | 1983 |
| 1984 | 1985 | 1986 |
| 1987 | 1988 | 1989 |
| 1990 | 1991 | 1992 |
| 1993 | 1994 | 1995 |
| 1996 | 1997 | 1998 |
| 1999 | 2000 | 2001 |
| 2002 | 2003 | 2004 |
| 2005 | 2006 | 2007 |
| 2008 | 2009 | 2010 |
| 2011 | 2012 | 2013 |
| 2014 | 2015 | 2016 |
| 2017 | 2018 | 2019 |
| 2020 | 2021 | 2022 |
| 2023 | 2024 | 2025 |
| 2026 | 2027 | 2028 |
| 2029 | 2030 | 2031 |
| 2032 | 2033 | 2034 |
| 2035 | 2036 | 2037 |
| 2038 | 2039 | 2040 |
| 2041 | 2042 | 2043 |
| 2044 | 2045 | 2046 |
| 2047 | 2048 | 2049 |
| 2050 | 2051 | 2052 |
| 2053 | 2054 | 2055 |
| 2056 | 2057 | 2058 |
| 2059 | 2060 | 2061 |
| 2062 | 2063 | 2064 |
| 2065 | 2066 | 2067 |
| 2068 | 2069 | 2070 |
| 2071 | 2072 | 2073 |
| 2074 | 2075 | 2076 |
| 2077 | 2078 | 2079 |
| 2080 | 2081 | 2082 |
| 2083 | 2084 | 2085 |
| 2086 | 2087 | 2088 |
| 2089 | 2090 | 2091 |
| 2092 | 2093 | 2094 |
| 2095 | 2096 | 2097 |
| 2098 | 2099 | 2100 |

WE, THE UNDERSIGNED CITIZENS OF THE CITY OF BOSTON, DO HEREBY  
 RESOLVE TO SUBSCRIBE TO THE BOSTON FREE PRESS, AND TO  
 PAY THE SUBSCRIPTIONS OF THE SAME, IN THE SUM OF \$100.00, FOR THE  
 YEAR 1901, IN FAVOR OF THE BOSTON FREE PRESS, TO PROVIDE A FIRM  
 FOUNDATION UPON WHICH TO BUILD A NEW PAPER, CAPABLE OF  
 AND COST EFFECTIVE, PEOPLE, AND WORKING FOR THE BOSTON  
 NEEDS.

NAME

ADDRESS

CITY OR  
 STATE

Ray Tingen

Mass

City

Gene Tingen

Lawrence

City

W. B. T.

City

City

W. B. T.

City

Frank (T)

City

City

[illegible]

240 16734 :

[illegible]

WE, THE UNDERSIGNED CITIZENS OF THE STATE OF MICHIGAN, SUPPORT  
 PASSAGE OF GOVERNOR SCHWENGER'S MICHIGAN COMPENSATION REDUCTION  
 ACT. WE DO NOT NECESSARILY BELIEVE THAT THE MICHIGAN  
 ARE FIGHTING IN FAVOR OF THE MICHIGAN COMPENSATION REDUCTION ACT  
 FOUNDATION UPON WHICH TO BELIEVE THAT THE PEOPLE OF MICHIGAN  
 AND COST EFFECTIVE. PERFECT. THE MICHIGAN COMPENSATION REDUCTION  
 NECESSARY.

| NAME              | ADDRESS       | CITY          |
|-------------------|---------------|---------------|
| Richard A. Schuch | Clinton       | Clinton       |
| Caroline Reed     | Hammond       | Hammond       |
| Harold Morgan     | Clinton       | Clinton       |
| Mike Holten       | Skidder Creek | Skidder Creek |
| Kenneth Lindholm  | "             | Clinton       |
| Edg. J. Lyles     | Hammond       | Hammond       |
| Elaine R. Martell | "             | Clinton       |
| Beacon Reed       | "             | Clinton       |
| Gulley Bode       | "             | Clinton       |
| Allen L. Lyles    | "             | Clinton       |
| George Kidd       | Hammond       | Hammond       |
| Kelly MacDonald   | Hammond       | Clinton       |
| Bruce Brown       | Logan         | Clinton       |
| Ashley Carr       | Sugar         | Clinton       |

WE, THE UNDERSIGNED CITIZENS OF THE STATE OF MONTANA, SUPPORT  
 PASSAGE OF GOVERNOR SCHWINDEN'S WORKERS' COMPENSATION REFORM  
 ACT. WE DO NOT NECESSARILY BELIEVE THAT IT IS A 'CURE ALL' BUT  
 ARE FIRMLY IN FAVOR OF IT'S UNAMENDED PASSAGE TO PROVIDE A FIRM  
 FOUNDATION UPON WHICH TO BUILD A SYSTEM THAT IS PEOPLE SENSITIVE  
 AND COST EFFECTIVE. PERFECT - NO, WORKABLE - YES, AND ABSOLUTELY  
 NECESSARY.

NAME:

OCCUPATION:

CITY OF  
 RESIDENCE:

Wm. Sullivan

Logger

Butte

Ray Brigham

Logger

Butte

Charles Anderson

Trucker

Butte

Edward Brumhall

Logger

Butte

Paul Chambers

Trucker

Butte

Paul Carter

Trucker

Butte

Carl Smith

Trucker

Butte

John Smith

Trucker

Butte

John Thompson

Trucker

Butte



WE, THE UNDERSIGNED CITIZENS OF THE STATE OF MONTANA, SUPPORT PASSAGE OF GOVERNOR SCHWINDEN'S WORKER'S COMPENSATION REFORM ACT. WE DO NOT NECESSARILY BELIEVE THAT IT IS A 'CORE ALL' BUT ARE FIRMLY IN FAVOR OF IT'S UNDEMANDED PROGRESS TO PROVIDE A FIRM FOUNDATION UPON WHICH TO BUILD A SYSTEM THAT IS PEOPLE SENSITIVE AND COST EFFECTIVE. PERFECT NO, WORKABLE YES, AND ABSOLUTELY NECESSARY.

NAME: \_\_\_\_\_

*Journal of Interpersonal Violence*

CITY OF  
RESIDENCE:

... ..

1. *Species*: *...*  
 2. *Location*: *...*  
 3. *Date*: *...*  
 4. *Time*: *...*  
 5. *Observer*: *...*  
 6. *Notes*: *...*  
 7. *Remarks*: *...*  
 8. *Signature*: *...*  
 9. *Stamp*: *...*  
 10. *Page*: *...*

1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100. 101. 102. 103. 104. 105. 106. 107. 108. 109. 110. 111. 112. 113. 114. 115. 116. 117. 118. 119. 120. 121. 122. 123. 124. 125. 126. 127. 128. 129. 130. 131. 132. 133. 134. 135. 136. 137. 138. 139. 140. 141. 142. 143. 144. 145. 146. 147. 148. 149. 150. 151. 152. 153. 154. 155. 156. 157. 158. 159. 160. 161. 162. 163. 164. 165. 166. 167. 168. 169. 170. 171. 172. 173. 174. 175. 176. 177. 178. 179. 180. 181. 182. 183. 184. 185. 186. 187. 188. 189. 190. 191. 192. 193. 194. 195. 196. 197. 198. 199. 200. 201. 202. 203. 204. 205. 206. 207. 208. 209. 210. 211. 212. 213. 214. 215. 216. 217. 218. 219. 220. 221. 222. 223. 224. 225. 226. 227. 228. 229. 230. 231. 232. 233. 234. 235. 236. 237. 238. 239. 240. 241. 242. 243. 244. 245. 246. 247. 248. 249. 250. 251. 252. 253. 254. 255. 256. 257. 258. 259. 260. 261. 262. 263. 264. 265. 266. 267. 268. 269. 270. 271. 272. 273. 274. 275. 276. 277. 278. 279. 280. 281. 282. 283. 284. 285. 286. 287. 288. 289. 290. 291. 292. 293. 294. 295. 296. 297. 298. 299. 300. 301. 302. 303. 304. 305. 306. 307. 308. 309. 310. 311. 312. 313. 314. 315. 316. 317. 318. 319. 320. 321. 322. 323. 324. 325. 326. 327. 328. 329. 330. 331. 332. 333. 334. 335. 336. 337. 338. 339. 340. 341. 342. 343. 344. 345. 346. 347. 348. 349. 350. 351. 352. 353. 354. 355. 356. 357. 358. 359. 360. 361. 362. 363. 364. 365. 366. 367. 368. 369. 370. 371. 372. 373. 374. 375. 376. 377. 378. 379. 380. 381. 382. 383. 384. 385. 386. 387. 388. 389. 390. 391. 392. 393. 394. 395. 396. 397. 398. 399. 400. 401. 402. 403. 404. 405. 406. 407. 408. 409. 410. 411. 412. 413. 414. 415. 416. 417. 418. 419. 420. 421. 422. 423. 424. 425. 426. 427. 428. 429. 430. 431. 432. 433. 434. 435. 436. 437. 438. 439. 440. 441. 442. 443. 444. 445. 446. 447. 448. 449. 450. 451. 452. 453. 454. 455. 456. 457. 458. 459. 460. 461. 462. 463. 464. 465. 466. 467. 468. 469. 470. 471. 472. 473. 474. 475. 476. 477. 478. 479. 480. 481. 482. 483. 484. 485. 486. 487. 488. 489. 490. 491. 492. 493. 494. 495. 496. 497. 498. 499. 500. 501. 502. 503. 504. 505. 506. 507. 508. 509. 510. 511. 512. 513. 514. 515. 516. 517. 518. 519. 520. 521. 522. 523. 524. 525. 526. 527. 528. 529. 530. 531. 532. 533. 534. 535. 536. 537. 538. 539. 540. 541. 542. 543. 544. 545. 546. 547. 548. 549. 550. 551. 552. 553. 554. 555. 556. 557. 558. 559. 560. 561. 562. 563. 564. 565. 566. 567. 568. 569. 570. 571. 572. 573. 574. 575. 576. 577. 578. 579. 580. 581. 582. 583. 584. 585. 586. 587. 588. 589. 590. 591. 592. 593. 594. 595. 596. 597. 598. 599. 600. 601. 602. 603. 604. 605. 606. 607. 608. 609. 610. 611. 612. 613. 614. 615. 616. 617. 618. 619. 620. 621. 622. 623. 624. 625. 626. 627. 628. 629. 630. 631. 632. 633. 634. 635. 636. 637. 638. 639. 640. 641. 642. 643. 644. 645. 646. 647. 648. 649. 650. 651. 652. 653. 654. 655. 656. 657. 658. 659. 660. 661. 662. 663. 664. 665. 666. 667. 668. 669. 670. 671. 672. 673. 674. 675. 676. 677. 678. 679. 680. 681. 682. 683. 684. 685. 686. 687. 688. 689. 690. 691. 692. 693. 694. 695. 696. 697. 698. 699. 700. 701. 702. 703. 704. 705. 706. 707. 708. 709. 710. 711. 712. 713. 714. 715. 716. 717. 718. 719. 720. 721. 722. 723. 724. 725. 726. 727. 728. 729. 730. 731. 732. 733. 734. 735. 736. 737. 738. 739. 740. 741. 742. 743. 744. 745. 746. 747. 748. 749. 750. 751. 752. 753. 754. 755. 756. 757. 758. 759. 760. 761. 762. 763. 764. 765. 766. 767. 768. 769. 770. 771. 772. 773. 774. 775. 776. 777. 778. 779. 780. 781. 782. 783. 784. 785. 786. 787. 788. 789. 790. 791. 792. 793. 794. 795. 796. 797. 798. 799. 800. 801. 802. 803. 804. 805. 806. 807. 808. 809. 810. 811. 812. 813. 814. 815. 816. 817. 818. 819. 820. 821. 822. 823. 824. 825. 826. 827. 828. 829. 830. 831. 832. 833. 834. 835. 836. 837. 838. 839. 840.

Billings, June 1891

1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678, 26

*Handwritten:* Handwritten: Handwritten:

Figure 1. The effect of the concentration of the *Agrobacterium* suspension on the transformation efficiency of *Agrobacterium* strains.

Figure 1. The effect of the  $\alpha$  parameter on the  $\beta$  parameter. The  $\alpha$  parameter is the probability of a node being a hub, and the  $\beta$  parameter is the probability of a node being a superhub. The figure shows that as  $\alpha$  increases,  $\beta$  decreases, and vice versa.

[illegible]

1. *Chlorophyll a* and *Chlorophyll b* were determined by the method of Lichtenthaler and Whistler (1973). The total protein concentration was determined by the method of Lowry (1956).

1000 1000 1000

11/16/1994

Went to the ...

WE, THE UNDERSIGNED CITIZENS OF THE STATE OF MONTANA, SUPPORT  
 PASSAGE OF GOVERNOR SCHWINDEN'S WORKER'S COMPENSATION REFORM  
 ACT. WE DO NOT NECESSARILY BELIEVE THAT IT IS A 'CURE ALL' BUT  
 ARE FIRMLY IN FAVOR OF IT'S UNAMENDED PASSAGE TO PROVIDE A FIRM  
 FOUNDATION UPON WHICH TO BUILD A SYSTEM THAT IS PEOPLE SENSITIVE  
 AND COST EFFECTIVE. PERFECT - NO, WORKABLE -YES, AND ABSOLUTELY  
 NECESSARY.

NAME:

OCCUPATION:

CITY OF  
 RESIDENCE:

*Emeline*

*Self Emp*

*Tray*

*James McNulty*

*Self Emp*

*Tray*

*Donald McNulty*

*Self Emp*

*Tray*

*James Baker*

*Retired*

*Tray*

*Edith A. Baker*

*Retired*

*Tray*

*William J. Baker*

*Self Emp*

*Tray*

*L. J. Kelly*

*Retired*

*Tray*

WE, THE UNDERIGNED CITIZENS OF THE STATE OF MONTANA, SUPPORT  
 PASSAGE OF GOVERNOR SCHWINDEN'S WORKER'S COMPENSATION REFORM  
 ACT. WE DO NOT NECESSARILY BELIEVE THAT IT IS A 'CURE ALL' BUT  
 ARE FIRMLY IN FAVOR OF ITS ORIGINATED PASSAGE TO PROVIDE A FIRM  
 FOUNDATION UPON WHICH TO BUILD A SYSTEM THAT IS PEOPLE SENSITIVE  
 AND COST EFFECTIVE. PERFECTLY WORKABLE, FAIR, AND BENEFICIAL  
 NECESSARY.

NAME:

OCCUPATION:

CITY OF  
 RESIDENCE:

|                         |                |           |
|-------------------------|----------------|-----------|
| <u>Edward M. Houshe</u> | justice        | Boz.      |
| <u>Chayton K. Price</u> | loggers        | Boz., MT. |
| <u>Juanita Wood</u>     | loggers        | Boz., MT. |
| <u>Herold M. Wye</u>    | miner          | Boz., MT. |
| <u>Mr. J. J. Houshe</u> | loggers        | Boz., MT. |
| <u>Paul Winkler</u>     | mach. operator | Boz., MT. |
| <u>Jack Murphy</u>      | Teacher        | Boz., MT. |
| <u>H. J. Sparkman</u>   | actor          | Boz., MT. |
| <u>Susan Cummings</u>   | hostess        | Boz., MT. |
| <u>Arnold Sweet</u>     | business       | Boz., MT. |
| <u>Bill Cooper</u>      | miner          | Boz., MT. |
| <u>Don McMillan</u>     | loggers        | Boz., MT. |

WE, THE UNDERSIGNED CITIZENS OF THE STATE OF MICHIGAN, HEREBY  
 PASSAGE OF A GOVERNOR, GOVERNOR'S MESSAGE, COMMISSIONERS OF LAND  
 ACT. WE DO NOT RECOGNIZE THE ACT OF 1837 AS A "MICHIGAN ACT" AND  
 ARE THEREFORE THE FUNDING ACT. WE DO NOT RECOGNIZE THE ACT OF 1837 AS A  
 FOUNDATION OF THE STATE OF MICHIGAN. WE DO NOT RECOGNIZE THE ACT OF 1837 AS A  
 AND CREDITED FIVE PERCENT. THE ACT OF 1837 AS A "MICHIGAN ACT" AND  
 RECOGNIZED.

Name:

Address:

City:

James M.

Van Cleeve, Jr.

Chicago, Ill.

John A.

Chicago, Ill.

Chicago, Ill.

Robert A.

Chicago, Ill.

Chicago, Ill.

William A.

Chicago, Ill.

Chicago, Ill.

Samuel A.

Chicago, Ill.

Chicago, Ill.

William A.

Chicago, Ill.

Chicago, Ill.

Wm. A. T. T. T.

Chicago, Ill.

Chicago, Ill.

Wm. A. T. T. T.

Chicago, Ill.

Chicago, Ill.

Wm. A. T. T. T.

Chicago, Ill.

Chicago, Ill.

Wm. A. T. T. T.

Chicago, Ill.

Chicago, Ill.

Wm. A. T. T. T.

Chicago, Ill.

Chicago, Ill.

Wm. A. T. T. T.

Chicago, Ill.

Chicago, Ill.

Wm. A. T. T. T.

Chicago, Ill.

Chicago, Ill.

Wm. A. T. T. T.

Chicago, Ill.

Chicago, Ill.

Wm. A. T. T. T.

Chicago, Ill.

Chicago, Ill.

WE, THE UNDERSIGNED CITIZENS OF THE STATE OF MONTANA, SUPPORT PASSAGE OF GOVERNOR SCHWINDEN'S WORKER'S COMPENSATION REFORM ACT. WE DO NOT NECESSARILY BELIEVE THAT IT IS A 'CURE ALL' BUT ARE FIRMLY IN FAVOR OF IT'S UNAMENDED PASSAGE TO PROVIDE A FIRM FOUNDATION UPON WHICH TO BUILD A SYSTEM THAT IS PEOPLE SENSITIVE AND COST EFFECTIVE. PERFECT - NO, WORKABLE - YES, AND ABSOLUTELY NECESSARY.

NAME:

OCCUPATION:

CITY OF RESIDENCE:

Carol A. Kline

PT-EN

Libby, Mont.

Earl M. McLeod

Talyschman

Libby, Mont.

Larry H. Peller

Contractor

Libby, MT.

Langell H. Haines

Police Manager

Libby, MT

Joe Heck

Insurance agent

Libby, MT

George A. Jones

Self-employed

Libby, MT

Walter Hammett

Retired

Libby, Mont.

Walter Jones

Retired

Libby, Mont.

R. Chris Duggins

R.N.

Libby, MT

Julie Tarnish

Copier

Libby

Leonal McKnight

Bus Driver

Libby, MT.

Art Purdy

Log scaler

Libby, MT.

Scott KAIR

Logger

Libby, MT.

Shirley Dutton

Homemaker

Libby, MT.

WE, THE UNDERSIGNED CITIZENS OF THE STATE OF MONTANA, SUPPORT PASSAGE OF GOVERNOR SCHWINDEN'S WORKER'S COMPENSATION REFORM ACT. WE DO NOT NECESSARILY BELIEVE THAT IT IS A 'CURE ALL' BUT ARE FIRMLY IN FAVOR OF IT'S UNAMENDED PASSAGE TO PROVIDE A FIRM FOUNDATION UPON WHICH TO BUILD A SYSTEM THAT IS PEOPLE SENSITIVE AND COST EFFECTIVE. PERFECT - NO, WORKABLE - YES, AND ABSOLUTELY NECESSARY.

| NAME:           | OCCUPATION:  | CITY OF RESIDENCE: |
|-----------------|--------------|--------------------|
| Samuelson       | Iron Miner   | Libby              |
| Larry L. Lick   | Saw Mechanic | Libby              |
| James P. Lill   | Engineer     | Libby              |
| William Lill    | Lumbering    | Libby              |
| Oliver S. Lill  | Logger       | Libby              |
| Jack L. Lill    | Logger       | Libby              |
| Rudolph W. Lill | Accountant   | Libby              |
| John Lill       | Saw          | Libby              |
| Bob Lill        | Saw          | Libby              |
| Diana Clawson   | Bookkeeper   | Libby              |
| Wesley M. Lill  | Sawyer       | Libby              |
| Dave Back       | Logger       | Libby              |
| Henry Dwyer     | Logger       | Libby              |
| Jim Lill        | Logger       | Libby              |

WE, THE UNDERSIGNED CITIZENS OF THE STATE OF MONTANA, SUPPORT PASSAGE OF GOVERNOR SCHWINDEN'S WORKER'S COMPENSATION REFORM ACT. WE DO NOT NECESSARILY BELIEVE THAT IT IS A 'CURE ALL' BUT ARE FIRMLY IN FAVOR OF ITS UNAMENDED PASSAGE TO PROVIDE A FIRM FOUNDATION UPON WHICH TO BUILD A SYSTEM THAT IS PEOPLE SENSITIVE AND COST EFFECTIVE. PERFECT - NO, WORKABLE -YES, AND ABSOLUTELY NECESSARY.

NAML:

**THE UNIVERSITY OF CHICAGO**

CITY OF  
RESIDENCE:

|                       |                   |            |
|-----------------------|-------------------|------------|
| Sam'l. Baker          | Merchant          | Libby, Mt. |
| Long M. Saliday       | Housewife         | " "        |
| Langlois J. (Cousin)  | Merchant          | Libby, Mt. |
| Johnna. Dickson       | Housewife         | Libby, Mt. |
| Ben. Lusk             | Farmer            | Libby, Mt. |
| Wm. B. Lusk           | Merchant          | Libby, Mt. |
| Heather Hays          | Teacher           | Libby, Mt. |
| Josephine L. Fisher   | Apprentice        | Libby, Mt. |
| Wm. L. Bird           | Housewife         | Libby, Mt. |
| Reuben L. Fisher      | Clerk             | Libby, Mt. |
| Elaine. R. H. Martell | Receipt. Houseman | Libby, Mt. |
| Charlotte E. Orr      | School Clerk      | Libby, Mt. |
| Waggon L. Givens      | Housekeeper       | Libby      |
| Julie Sarnish         | Office            | Libby      |

WE, THE UNDERSIGNED CITIZENS OF THE STATE OF CALIFORNIA, HEREBY  
 PASSED OF GOVERNOR, WHEREFORE, WE HEREBY REQUEST THE GOVERNOR  
 ACT. WE DO NOT REQUEST THE GOVERNOR TO PASS THE BILL, BUT WE DO  
 AND FIGHT IN FAVOR OF THE GOVERNOR TO PASS THE BILL, AND WE DO  
 FOUNDATION, WHICH TO BE THE GOVERNOR TO PASS THE BILL, AND WE DO  
 AND COST TO THE GOVERNOR, WHICH TO BE THE GOVERNOR TO PASS THE BILL, AND WE DO  
 RELEASED.

Name :

Address :

City :

State :

David Wilson

Henry

1881

Alvord

John

1881

Rick Long

Robinson

1881

John Long

Robinson

1881

John Long

John

1881

Long & Sons

Robinson

1881

Long & Sons

Robinson

1881

Long & Sons

Robinson

1881

Long & Sons

Robinson

1881

Long & Sons

Robinson

1881

Long & Sons

Robinson

1881

Long & Sons

Robinson

1881

J. H. &

Robinson

1881

Long & Sons

Robinson

1881

WE, THE UNDERSIGNED OFFICERS OF THE OFFICE OF HONORARY, SECRETARY  
 PASSAGE OF GOVERNOR SCHWARTZ'S WOODSLOT CORPORATION ACT.  
 ACT. WE DO NOT NECESSARILY BELIEVE THAT IT IS NECESSARY THAT WE  
 ARE FIRMLY IN FAVOR OF THE GOVERNMENTED PROPOSED TO PROVIDE A FIRM  
 FOUNDATION UPON WHICH TO BUILD A SYSTEM THAT IS PEOPLE ORIENTED  
 AND COST EFFECTIVE. THEREFORE, WE WOULD ADVISE THE GOVERNMENT  
 NECESSARY.

NAME:

ADDRESS:

CITY:

STATE:

Donald A. Smith

Chas. W. Smith

Alvin L. Smith

Wm. L. Smith

Bert L. Smith

John L. Smith

Robert L. Smith

Robert L. Smith

Paul L. Smith

Paul L. Smith

John L. Smith

John L. Smith

Robert L. Smith

Robert L. Smith

Alvin L. Smith

Alvin L. Smith

Wm. L. Smith

Wm. L. Smith

John L. Smith

John L. Smith

Robert L. Smith

Robert L. Smith

Donald A. Smith

Donald A. Smith

John L. Smith

John L. Smith

Larry L. Smith

Larry L. Smith

WE, THE UNDERSIGNED CITIZENS OF THE STATE OF MONTANA, SUPPORT  
 PASSAGE OF GOVERNOR SCHWENDEN'S WORKING COMPENSATION REFORM  
 ACT. WE DO NOT NECESSARILY BELIEVE THAT IT IS A 'CORE BILL' BUT  
 ARE FIRMLY IN FAVOR OF ITS IMMEDIATE PASSAGE TO PROVIDE A FIRM  
 FOUNDATION UPON WHICH TO BUILD A SYSTEM THAT IS PEOPLE SENSITIVE  
 AND COST EFFECTIVE. PERFECT AND WORKABLE YES, AND IMMEDIATELY  
 NECESSARY.

NAME:

OCCUPATION:

CITY OF  
 RESIDENCE:

William Price

Champion

Libby, MT

Carol Straninger

Shirley, MT  
 in a day care center

Libby, MT

James Wood

Washington

Libby, MT

James Schlinger

Idaho

Libby, MT

Edgar Schlinger

Idaho

Libby, MT

Tom Wood

Self-employed

Libby, MT

James Ensign

Operator

Libby, MT

W. H. Beecham

Idaho

Libby, MT

Patricia L. Hest

Housewife

Libby, MT

James Hillman

Dr. Opt

Libby, MT

Harold Hillman

Dr. Opt

Libby, MT

WE, THE UNDERSIGNED CITIZENS OF THE STATE OF MONTANA, SUPPORT PASSAGE OF GOVERNOR SCHWINDEN'S WORKER'S COMPENSATION REFORM ACT. WE DO NOT NECESSARILY BELIEVE THAT IT IS A 'CURE ALL' BUT ARE FIRMLY IN FAVOR OF IT'S UNAMENDED PASSAGE TO PROVIDE A FIRM FOUNDATION UPON WHICH TO BUILD A SYSTEM THAT IS PEOPLE SENSITIVE AND COST EFFECTIVE. PERFECT - NO, WORKABLE - YES, AND ABSOLUTELY NECESSARY.

NAME

OCCUPATION

CITY OF RESIDENCE

|                 |              |       |
|-----------------|--------------|-------|
| Ed J. Cole      | Logger       | Libby |
| Reid Beebe      | Logger       | Libby |
| Doree Beebe     | Logger       | Libby |
| Frank Beebe     | Logger       | Libby |
| Carlus Surtz    | Logger       | Libby |
| James H. Telle  | Logger       | Libby |
| Mark V. Quinn   | Logger       | Libby |
| Marge L. Hutton |              | Libby |
| Linda Lind      | Engineer     | Libby |
| Steve Smece     | Sawyer       | Libby |
| Scott Davis     | Logger       | Libby |
| Joe Quinn       | Logger       | Libby |
| Jelly Barthman  | Logger       | Libby |
| Dan Bohman      | Truck Driver | Libby |

1. The first part of the paper is devoted to a general discussion of the problem of the existence of solutions of the system of equations (1) for arbitrary values of the parameters  $\alpha$  and  $\beta$ .

2. In the second part the author considers the case of the existence of solutions for arbitrary values of the parameters  $\alpha$  and  $\beta$ .

3. In the third part the author considers the case of the existence of solutions for arbitrary values of the parameters  $\alpha$  and  $\beta$ .

4. In the fourth part the author considers the case of the existence of solutions for arbitrary values of the parameters  $\alpha$  and  $\beta$ .

5. In the fifth part the author considers the case of the existence of solutions for arbitrary values of the parameters  $\alpha$  and  $\beta$ .

6. In the sixth part the author considers the case of the existence of solutions for arbitrary values of the parameters  $\alpha$  and  $\beta$ .

7. In the seventh part the author considers the case of the existence of solutions for arbitrary values of the parameters  $\alpha$  and  $\beta$ .

8. In the eighth part the author considers the case of the existence of solutions for arbitrary values of the parameters  $\alpha$  and  $\beta$ .

9. In the ninth part the author considers the case of the existence of solutions for arbitrary values of the parameters  $\alpha$  and  $\beta$ .

10. In the tenth part the author considers the case of the existence of solutions for arbitrary values of the parameters  $\alpha$  and  $\beta$ .

11. In the eleventh part the author considers the case of the existence of solutions for arbitrary values of the parameters  $\alpha$  and  $\beta$ .

12. In the twelfth part the author considers the case of the existence of solutions for arbitrary values of the parameters  $\alpha$  and  $\beta$ .

13. In the thirteenth part the author considers the case of the existence of solutions for arbitrary values of the parameters  $\alpha$  and  $\beta$ .

(over)

[illegible]

1. Chlorophyll is the green pigment in plants that captures light energy and converts it into chemical energy through photosynthesis.

1. General Information  
 a. Name of the person: John Doe  
 b. Date of birth: 12/15/1980  
 c. Address: 123 Main St, Anytown, USA  
 d. Phone number: 555-123-4567  
 e. Email address: john.doe@example.com  
 f. Occupation: Software Engineer  
 g. Marital status: Single  
 h. Education: Bachelor's Degree in Computer Science  
 i. Current employer: ABC Corporation  
 j. Date of application: 10/26/2023  
 k. Name of the employer: ABC Corporation  
 l. Position applied for: Software Engineer  
 m. Date of interview: 10/27/2023  
 n. Name of the interviewer: Mr. Smith  
 o. Date of offer: 10/28/2023  
 p. Name of the offeror: ABC Corporation  
 q. Date of acceptance: 10/29/2023  
 r. Name of the acceptor: John Doe  
 s. Date of signing: 10/30/2023  
 t. Name of the signer: John Doe  
 u. Date of completion: 10/31/2023  
 v. Name of the completer: John Doe  
 w. Date of filing: 11/01/2023  
 x. Name of the filer: John Doe  
 y. Date of recording: 11/02/2023  
 z. Name of the recorder: John Doe

1994

[illegible]

[illegible]

Figure 1. The effect of the concentration of the *Agrobacterium* suspension on the transformation efficiency of *Agrobacterium* strains. The concentration of the *Agrobacterium* suspension was 10<sup>6</sup> cells/ml (A), 10<sup>7</sup> cells/ml (B), 10<sup>8</sup> cells/ml (C), and 10<sup>9</sup> cells/ml (D). The concentration of the *Agrobacterium* suspension was 10<sup>6</sup> cells/ml (A), 10<sup>7</sup> cells/ml (B), 10<sup>8</sup> cells/ml (C), and 10<sup>9</sup> cells/ml (D). The concentration of the *Agrobacterium* suspension was 10<sup>6</sup> cells/ml (A), 10<sup>7</sup> cells/ml (B), 10<sup>8</sup> cells/ml (C), and 10<sup>9</sup> cells/ml (D). The concentration of the *Agrobacterium* suspension was 10<sup>6</sup> cells/ml (A), 10<sup>7</sup> cells/ml (B), 10<sup>8</sup> cells/ml (C), and 10<sup>9</sup> cells/ml (D).

1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678, 2679, 26

Charles Anderson, Little Rock, Ark.

Final report of the committee on the

Donald M. Johnson, President

John E. McFarlane      Dec. 1890      2105

Darius McKeown Clerk

Rec. H. H. Jones      Peter H. H. Jones      1885

1000

MR. THE GOVERNMENT OFFICERS OF THE STATE OF NEW YORK, DURING  
 PERIOD OF GOVERNOR SCHUYLER'S WORKING COMPENSATION REFUSE  
 ACT. WE DO NOT NECESSARILY BELIEVE THAT IT IS A GOOD ACT FOR  
 ANY PERSON TO BE IN THE GOVERNMENT OFFICE TO PROVIDE A FINE  
 FOR THE GOVERNMENT OFFICE TO BUILD A SYSTEM THAT IS PEOPLE BENEFITING  
 AND GOVERNMENTAL OFFICE. THE WORKING OFFICE, AND GOVERNMENT  
 OFFICE.

1891

1891

1891

James A. Sney

Conoco Dancer 212084, 117

James A. Sney

Conoco Dancer 212084, 117

James A. Sney

Conoco Dancer 212084, 117

James A. Sney

Conoco Dancer 212084, 117

James A. Sney

Conoco Dancer 212084, 117

James A. Sney

Conoco Dancer 212084, 117

James A. Sney

Conoco Dancer 212084, 117

James A. Sney

Conoco Dancer 212084, 117

James A. Sney

Conoco Dancer 212084, 117

James A. Sney

Conoco Dancer 212084, 117

James A. Sney

Conoco Dancer 212084, 117

James A. Sney

Conoco Dancer 212084, 117

James A. Sney

Conoco Dancer 212084, 117

[illegible][illegible]

100. The United States is a country of free men and women, and it is the duty of every citizen to support the government and to defend the country. The United States is a country of free men and women, and it is the duty of every citizen to support the government and to defend the country. The United States is a country of free men and women, and it is the duty of every citizen to support the government and to defend the country.

Page 1  
 Date: 10/10/1944  
 To: Mr. [Name]  
 From: Mr. [Name]

Dear Mr. [Name]:  
 I am very pleased to hear from you and to learn that you are well. I hope you are enjoying the weather in [Location]. I am well and hope you are the same. I am very busy at the moment, but I will try to get some time to write to you again soon. I am very busy at the moment, but I will try to get some time to write to you again soon. I am very busy at the moment, but I will try to get some time to write to you again soon.

Very truly,  
 [Signature]  
 [Name]

1. The first step in the process of identifying a problem is to define the problem. This involves identifying the symptoms of the problem and determining the scope of the problem. Once the problem has been defined, the next step is to identify the causes of the problem. This involves identifying the factors that are contributing to the problem and determining the underlying causes of the problem. Once the causes of the problem have been identified, the next step is to develop a plan to address the problem. This involves identifying the actions that need to be taken to address the problem and determining the resources that will be needed to implement the plan. Once a plan has been developed, the next step is to implement the plan. This involves carrying out the actions that have been identified in the plan and monitoring the progress of the plan. Finally, the last step in the process is to evaluate the results of the plan. This involves determining whether the plan has been successful in addressing the problem and identifying any lessons learned from the process.

As a result, the following is a list of the most common types of errors that can occur when using a computer:

1. 2. 3. 4. 5.

$\frac{1}{2} \times \frac{1}{2} = \frac{1}{4}$

[illegible]

*W. H. H. H.*

WE, THE UNDERSIGNED CITIZENS OF THE STATE OF CALIFORNIA, SUPPORT THE PASSAGE OF GOVERNOR SCHREIBER'S WORKMEN'S COMPENSATION BILL. ACT. WE DO NOT NECESSARILY BELIEVE THAT IT IS A "SURE BET" BUT ARE FIRMLY IN FAVOR OF IT'S UNDOUBTED TENDENCY TO PROVIDE A FIRM FOUNDATION UPON WHICH TO BUILD A SYSTEM THAT IS MORE SAFELY AND MOST EFFECTIVE. PERFECTLY SAFE, WORKABLE AND OF LONG ENDURING NECESSITY.

NAME:

OCCUPATION:

CITY OR RESIDENCE:

|                           |                  |                       |
|---------------------------|------------------|-----------------------|
| <i>Kawachi H. Hinkley</i> | <i>Housewife</i> | <i>Elk City, N.M.</i> |
| <i>Theresa Hinkley</i>    | <i>Housewife</i> | <i>Elk City, N.M.</i> |
| <i>John Hinkley</i>       | <i>Housewife</i> | <i>Elk City, N.M.</i> |
| <i>Kimberly Hinkley</i>   | <i>Housewife</i> | <i>Elk City, N.M.</i> |
| <i>Charles Hinkley</i>    | <i>Housewife</i> | <i>Elk City, N.M.</i> |
| <i>James Hinkley</i>      | <i>Housewife</i> | <i>Elk City, N.M.</i> |
| <i>Tom Hinkley</i>        | <i>Retired</i>   | <i>Elk City, N.M.</i> |
| <i>Shirley Hinkley</i>    | <i>Housewife</i> | <i>Elk City, N.M.</i> |
| <i>Dorothy Hinkley</i>    | <i>Housewife</i> | <i>Elk City, N.M.</i> |
| <i>James Hinkley</i>      | <i>Housewife</i> | <i>Elk City, N.M.</i> |
| <i>Miss Hinkley</i>       | <i>Housewife</i> | <i>Elk City, N.M.</i> |
| <i>John Hinkley</i>       | <i>Logger</i>    | <i>Elk City, N.M.</i> |
| <i>Vernice Hinkley</i>    | <i>Housewife</i> | <i>Elk City, N.M.</i> |
| <i>Walter Hinkley</i>     | <i>Housewife</i> | <i>Elk City, N.M.</i> |

WE, THE UNDERSIGNED CITIZENS OF THE STATE OF MICHIGAN, SUPPORT  
 PASSAGE OF GOVERNOR SCHWINDEN'S WORKERS' COMPENSATION REFORM  
 ACT. WE DO NOT NECESSARILY BELIEVE THAT IT IS A MORE PERFECT  
 ARE FIRMLY IN FAVOR OF IT'S UNAMENDED PASSAGE TO PROVIDE A FIRM  
 FOUNDATION UPON WHICH TO BUILD A SYSTEM THAT IS PEOPLE SATISFACTORY  
 AND COST EFFECTIVE. PERFECT, NO, WORKABLE, YES, AND IMMEDIATELY  
 NECESSARY.

NAME:

OCCUPATION:

CITY OF  
 RESIDENCE:

*James J. Smith* *Owner* *Ann Arbor*

*James J. Smith* *Owner* *Ann Arbor*

*James J. Smith* *Owner* *Ann Arbor*

*James J. Smith* *Owner* *Ann Arbor*

*James J. Smith* *Owner* *Ann Arbor*

*James J. Smith* *Owner* *Ann Arbor*

*James J. Smith* *Owner* *Ann Arbor*

*James J. Smith* *Owner* *Ann Arbor*

*James J. Smith* *Owner* *Ann Arbor*

*James J. Smith* *Owner* *Ann Arbor*

*James J. Smith* *Owner* *Ann Arbor*

*James J. Smith* *Owner* *Ann Arbor*

*James J. Smith* *Owner* *Ann Arbor*

*James J. Smith* *Owner* *Ann Arbor*





WE, THE UNDERSIGNED MEMBERS OF THE STAFF OF MONTANA, DEMAND PASSAGE OF GOVERNOR BELMONT'S WORKING CONSTRUCTION REFORM ACT. WE DO NOT NEED TO BE TOLD THAT IT IS A GOOD LAW. WE ARE FIRM IN FAVOR OF ITS IMMEDIATE PASSAGE TO PROVIDE THE FOUNDATION UPON WHICH TO BUILD A SYSTEM THAT IS PEOPLE-ORIENTED, AND COST-EFFECTIVE, SIMPLE, FLEXIBLE, WORKABLE, AND ADAPTIVE, WHEN NECESSARY.

Night: 1

1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100. 101. 102. 103. 104. 105. 106. 107. 108. 109. 110. 111. 112. 113. 114. 115. 116. 117. 118. 119. 120. 121. 122. 123. 124. 125. 126. 127. 128. 129. 130. 131. 132. 133. 134. 135. 136. 137. 138. 139. 140. 141. 142. 143. 144. 145. 146. 147. 148. 149. 150. 151. 152. 153. 154. 155. 156. 157. 158. 159. 160. 161. 162. 163. 164. 165. 166. 167. 168. 169. 170. 171. 172. 173. 174. 175. 176. 177. 178. 179. 180. 181. 182. 183. 184. 185. 186. 187. 188. 189. 190. 191. 192. 193. 194. 195. 196. 197. 198. 199. 200. 201. 202. 203. 204. 205. 206. 207. 208. 209. 210. 211. 212. 213. 214. 215. 216. 217. 218. 219. 220. 221. 222. 223. 224. 225. 226. 227. 228. 229. 230. 231. 232. 233. 234. 235. 236. 237. 238. 239. 240. 241. 242. 243. 244. 245. 246. 247. 248. 249. 250. 251. 252. 253. 254. 255. 256. 257. 258. 259. 260. 261. 262. 263. 264. 265. 266. 267. 268. 269. 270. 271. 272. 273. 274. 275. 276. 277. 278. 279. 280. 281. 282. 283. 284. 285. 286. 287. 288. 289. 290. 291. 292. 293. 294. 295. 296. 297. 298. 299. 300. 301. 302. 303. 304. 305. 306. 307. 308. 309. 310. 311. 312. 313. 314. 315. 316. 317. 318. 319. 320. 321. 322. 323. 324. 325. 326. 327. 328. 329. 330. 331. 332. 333. 334. 335. 336. 337. 338. 339. 340. 341. 342. 343. 344. 345. 346. 347. 348. 349. 350. 351. 352. 353. 354. 355. 356. 357. 358. 359. 360. 361. 362. 363. 364. 365. 366. 367. 368. 369. 370. 371. 372. 373. 374. 375. 376. 377. 378. 379. 380. 381. 382. 383. 384. 385. 386. 387. 388. 389. 390. 391. 392. 393. 394. 395. 396. 397. 398. 399. 400. 401. 402. 403. 404. 405. 406. 407. 408. 409. 410. 411. 412. 413. 414. 415. 416. 417. 418. 419. 420. 421. 422. 423. 424. 425. 426. 427. 428. 429. 430. 431. 432. 433. 434. 435. 436. 437. 438. 439. 440. 441. 442. 443. 444. 445. 446. 447. 448. 449. 450. 451. 452. 453. 454. 455. 456. 457. 458. 459. 460. 461. 462. 463. 464. 465. 466. 467. 468. 469. 470. 471. 472. 473. 474. 475. 476. 477. 478. 479. 480. 481. 482. 483. 484. 485. 486. 487. 488. 489. 490. 491. 492. 493. 494. 495. 496. 497. 498. 499. 500. 501. 502. 503. 504. 505. 506. 507. 508. 509. 510. 511. 512. 513. 514. 515. 516. 517. 518. 519. 520. 521. 522. 523. 524. 525. 526. 527. 528. 529. 530. 531. 532. 533. 534. 535. 536. 537. 538. 539. 540. 541. 542. 543. 544. 545. 546. 547. 548. 549. 550. 551. 552. 553. 554. 555. 556. 557. 558. 559. 560. 561. 562. 563. 564. 565. 566. 567. 568. 569. 570. 571. 572. 573. 574. 575. 576. 577. 578. 579. 580. 581. 582. 583. 584. 585. 586. 587. 588. 589. 590. 591. 592. 593. 594. 595. 596. 597. 598. 599. 600. 601. 602. 603. 604. 605. 606. 607. 608. 609. 610. 611. 612. 613. 614. 615. 616. 617. 618. 619. 620. 621. 622. 623. 624. 625. 626. 627. 628. 629. 630. 631. 632. 633. 634. 635. 636. 637. 638. 639. 640. 641. 642. 643. 644. 645. 646. 647. 648. 649. 650. 651. 652. 653. 654. 655. 656. 657. 658. 659. 660. 661. 662. 663. 664. 665. 666. 667. 668. 669. 670. 671. 672. 673. 674. 675. 676. 677. 678. 679. 680. 681. 682. 683. 684. 685. 686. 687. 688. 689. 690. 691. 692. 693. 694. 695. 696. 697. 698. 699. 700. 701. 702. 703. 704. 705. 706. 707. 708. 709. 710. 711. 712. 713. 714. 715. 716. 717. 718. 719. 720. 721. 722. 723. 724. 725. 726. 727. 728. 729. 730. 731. 732. 733. 734. 735. 736. 737. 738. 739. 740. 741. 742. 743. 744. 745. 746. 747. 748. 749. 750. 751. 752. 753. 754. 755. 756. 757. 758. 759. 760. 761. 762. 763. 764. 765. 766. 767. 768. 769. 770. 771. 772. 773. 774. 775. 776. 777. 778. 779. 780. 781. 782. 783. 784. 785. 786. 787. 788. 789. 790. 791. 792. 793. 794. 795. 796. 797. 798. 799. 800. 801. 802. 803. 804. 805. 806. 807. 808. 809. 810. 811. 812. 813. 814. 815. 816. 817. 818. 819. 820. 821. 822. 823. 824. 825. 826. 827. 828. 829. 830. 831. 832. 833. 834. 835. 836. 837. 838. 839. 840. 84

[illegible][illegible]



WE, THE UNDERSIGNED OFFICERS OF THE STATE OF MONTANA, DO hereby  
 PASSAGE OF GOVERNOR SCHWENDLER'S WORKING COMPENSATION ACT. WE DO NOT NEED FURTHER TO SAY THAT IT IS A GOOD ACT, BUT  
 ARE FIRMLY IN FAVOR OF IT, AND WILL BE PLEASANT TO PROVIDE A FIRM  
 FOUNDATION UPON WHICH TO BUILD A HOUSE THAT IS FIRM, DURABLE,  
 AND COST EFFECTIVE. PERFECTED AND WORKING, AND AS NECESSARY.

NAME:

ADDRESS:

CITY OR  
 COUNTY:

Walter C. Thibault Logging Libby MT

|                  |          |          |
|------------------|----------|----------|
| Tom Peterson     | Operator | Libby MT |
| George           | Logging  | Libby MT |
| W. L. Brown      | Logging  | Libby MT |
| Raymond          | Working  | Libby MT |
| Norman S. Sells  | Handling | Libby MT |
| Paul Williams    | Logging  | Libby MT |
| Richard C. Davis | Logging  | Libby MT |

WE, THE UNDERSIGNED CITIZENS OF THE STATE OF MONTANA, SUPPORT PASSAGE OF GOVERNOR SCHWINDEN'S WORKER'S COMPENSATION REFORM ACT. WE DO NOT NECESSARILY BELIEVE THAT IT IS A 'CURE ALL' BUT ARE FIRMLY IN FAVOR OF ITS UNAMENDED PASSAGE TO PROVIDE A FIRM FOUNDATION UPON WHICH TO BUILD A SYSTEM THAT IS PEOPLE SENSITIVE AND COST EFFECTIVE. PERFECT - NO, WORKABLE - YES, AND ABSOLUTELY NECESSARY.

| NAME               | OCCUPATION  | CITY OF RESIDENCE |
|--------------------|-------------|-------------------|
| Bonnie R. R.       | Smelter     | Libby             |
| Minda C.           | Logger      | Libby             |
|                    |             |                   |
|                    |             |                   |
| Russell L.         | Logger      | Libby             |
| Don Elliott        | Smelter     | Libby             |
| Chas. E. R.        | Smelter     | Libby             |
| Charles W. R.      | Smelter     | Libby             |
| Henry Conlyman     | Logger      | Libby             |
| Sida Jantzy        | Bookkeeper  | Libby             |
| John K. Beebe      | Logger      | Libby             |
| James W. Whitworth | Logger      | Libby             |
| Bill Wilson        | Logger      | Libby             |
| Bill Thompson      | Businessman | Libby             |

WE, THE UNDERSIGNED CITIZENS OF THE COUNTY OF POLK, IOWA, IN FAVOR OF THE PASSAGE OF GOVERNOR SCHWENDLER'S WORKINGMEN'S COMPENSATION BILL, ACT. WE DO NOT NECESSARILY BELIEVE THAT IT IS A GOOD BILL, BUT ARE FIRMLY IN FAVOR OF ITS DISAPPROVED REPEAL, TO PROVIDE A BETTER FOUNDATION UPON WHICH TO BUILD A COMPENSATION BILL, WHICH IS JUST, AND COST EFFECTIVE. PERFECT AND WORKABLE, AND OF PROPORTIONATE NECESSARY.

NAME

ADDRESS

CITY OR TOWNSHIP

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

John A. Brown

WE, THE UNDERSIGNED CITIZENS OF THE STATE OF MONTANA, SUPPORT  
 PASSAGE OF GOVERNOR SCHWINDEN'S WORKER'S COMPENSATION REFORM  
 ACT. WE DO NOT NECESSARILY BELIEVE THAT IT IS A 'CURE ALL' BUT  
 ARE FIRMLY IN FAVOR OF IT'S UNAMENDED PASSAGE TO PROVIDE A FIRM  
 FOUNDATION UPON WHICH TO BUILD A SYSTEM THAT IS PEOPLE SENSITIVE  
 AND COST EFFECTIVE. PERFECT - NO, WORKABLE -YES, AND ABSOLUTELY  
 NECESSARY.

NAME:

OCCUPATION:

CITY OF  
 RESIDENCE:

Jeff Williams

Logger

Libby

Bob Rodat

Truck Driver

Libby

Bo Egan

Self

Libby

John Carlson

Driver

Libby

Met Brilick

Libby

Ernest L. McHenry

Logger

Libby

Robert Hill

Dr. apt

Libby

Frank Williamson

Millman

Libby

# E. H. Oftedal & Sons, Inc.

CONTRACTORS

P.O. Box 400 • Phone (406) 232-5911

MILES CITY, MONTANA 59301

February 10, 1987

Senate Labor Committee  
Montana State Senate  
Helena, Mt. 59620

Dear Members of the Committee:

E. H. Oftedal & Sons, Inc. is a heavy and highway construction company with headquarters in Miles City, Montana. However, we are engaged in construction work throughout Montana and Wyoming.

During 1986 our company paid out \$ 1,303,038.00 in salaries to 220 employees working in the two state region. There was a noticable difference in the Workers' Compensation rates charged by the individual states for a similar type of work. The base premium rate charged by Montana State Compensation was 7.5%. In Wyoming the rate was only 1.75%.

Based on \$ 1,303,038.00 in annual salaries, the annual premium would have been \$ 97,727.85 in Montana, but only \$ 22,803.17 in Wyoming. In other words, Montana charges over four times as much as does the state of Wyoming for Workers' Compensation insurance coverage.

Based on the above facts, it is difficult to understand why Montana Workers' Compensation rates are so much higher than neighboring Wyoming. The insurance benefits to the employees in Montana could possibly be more, but it is doubtful that Montana employees would receive more than four times the benefits that they could receive in Wyoming if they were injured on the job.

Investigation into the program structure of Wyoming Workers' Compensation would certainly be in order at this time if Montana is to come up with more realistic rates.

Yours very truly,

*W. T. Oftedal*

W. T. Oftedal  
President

WTO/hk

SENATE LABOR & EMPLOYMENT

EXHIBIT NO. 6

DATE 2/14/87

BILL NO. SB 315

# FALLS CONSTRUCTION COMPANY

CONTRACTORS — ENGINEERS

10TH STREET AND RIVER DRIVE NORTH

PHONE 727-5300

GREAT FALLS, MONTANA 59401



Skill, Integrity  
and Responsibility

February 11, 1987

Senate Labor Committee  
Montana State Senate  
State Capitol  
Helena, Montana 59620

Re: Workers' Compensation Legislation

Dear Members of The Committee:

Our Firm has been in the heavy construction industry for forty years in the State of Montana, and we have had ringside seats to watch the administration of Workers Compensation. The trend has definitely shifted from reasonable compensation to abuse and even the absurd.

Although we do not provide names and dates, for obvious reasons, please consider the following abuses of which we have firsthand knowledge:

1. A worker turned in a claim for a strained back a week after he left our employment (due to lack of work). He said he had hurt his back on a Thursday, however, he worked all day Friday without any complaint to management or his fellow workers. Workers' Compensation Division investigated the claim but was unable to overturn it because they could not prove the claim was false. (Anymore than the claimant could prove the claim was true.)
2. In 1984 a worker turned in a claim three weeks after he left our employment (due to lack of work). He said he "thought" he had ruptured himself while he was in our employ. We questioned the incident on the report form and never heard any more about it until three months ago, when we were told he was still collecting disability payments. The first operation, which was charged to our experience account, had failed, according to the claims adjuster, due to a faulty medical procedure. Two years later, the claimant had the surgery again and has claimed disability virtually the entire time. 6  
The entire episode was charged to our account.

**RECEIVED**

FEB 12 1987

MONTANA CONTRACTORS  
ASSOCIATION, INC.

DATE

2/14/87

FILE NO.

58 315

3. I was informed of another case where a settlement was made on a dental claim related to a back injury. The claimant said that the back injury caused such a depression that he quit brushing his teeth and hence the dental problem. Absurd.

We request that your Committee adopt legislation that will give the claims adjusters some tools to work with that will allow them to reduce the number of abusive claims.

Yours truly,

GFH:djw

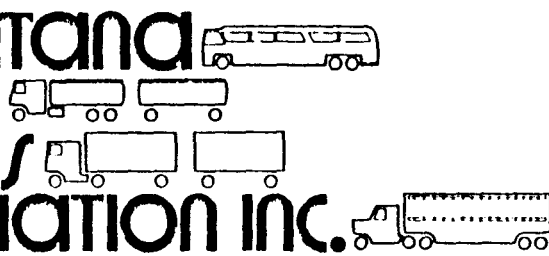
by \_\_\_\_\_  
Guy F. Huestis, Vice President  
FALLS CONSTRUCTION COMPANY

cc: Senator Gene Thayer

MT. Contractors' Association, Inc.

SENATE LABOR & EMPLOYMENT  
EXH. NO. 6  
DATE 21-11-87  
BILL NO. 213 3/5

# Montana Motor Carriers Association Inc.



B.G. HAVDAHL, EXECUTIVE VICE PRESIDENT  
501 NORTH SANDERS  
P.O. BOX 1714, HELENA, MONTANA 59624  
TELEPHONE: AREA CODE 406 442-6600

February 14, 1987

TO : Montana Senate Labor and Employment Relations Committee,  
Senator J.D. Lynch, Chairman.

From : Robert N. Holding, representing Montana Motor Carriers  
Association, Helena, Montana.

RE : SB 315

The Montana Motor Carriers Association has some 325 carrier members and 125 supplier members. All of whom are employers and the carriers range in size from a one-truck operation to medium size companies operating fleets of trucks up to 400 plus in numbers. 95% of our Montana based trucking companies operate in interstate commerce under ICC authority in several states, some in all 48 states. All are in severe competition with trucking companies in all 48 states and the costs of doing business is a prime problem.

Montana Workers' Compensation premiums for truckmen increased 50% two years ago and were just increased an additional 25% hike..... effective January 1, 1987. Prior to the rate increase, a truck driver earning \$30,000 a year costs \$3,400 a year for workers' compensation in Montana, but only \$832 in North Dakota, \$2,100 in Idaho, and \$1,800 in Utah, for example. The latest increase adds an additional \$850 per year for a total of \$4,440 in Montana. It's interesting to note that the recent increase is more than North Dakota's total rate.

The MMCA membership was polled on December 8, 1986, asking for reaction to the 25% Workers' Compensation rate increase for truckmen from \$11.86 to \$14.80 per \$100 of wages. Some 51% of carriers responding indicated that they were considering plans to move operations out of Montana. (The survey is attached herewith)

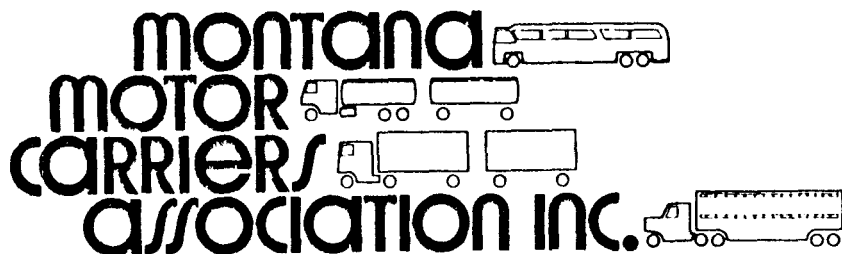
In summary, we believe that SB 315 will help to bring costs of doing business down in Montana by reducing costs of Workers' Compensation coverage and streamlining the whole process to make it more efficient and workable. Accordingly, MMCA supports the passage of SB 315.

SENATE LABOR & EMPLOYMENT  
ENR 7  
DATE 2/14/87  
BILL NO. SB 315

MEMBER



REPRESENTING THE TRUCKING INDUSTRY IN MONTANA



B.G. HAVDAHL, EXECUTIVE VICE PRESIDENT  
501 NORTH SANDERS  
P.O. BOX 1714, HELENA, MONTANA 59624  
TELEPHONE: AREA CODE 406 442-6600

January 5, 1987

TO : MMCA Executive Committee

FROM: B. G. HAVDAHL, Executive Vice President

RE : Responses to Workers' Compensation Rate Increase Survey

The MMCA membership was polled on December 8, 1986, asking for reaction to the 25% Workers' Compensation rate increase for truckmen from \$11.86 to \$14.80 per \$100 of wages.

The following is a recap of the poll and an estimation of power units involved by the respective carriers:

- 1) Number of carriers responding.....55
- 2) Total estimated power units involved.....2379
- 3) Number of carriers indicating plans to move out of Montana or move drivers under the employ of an out-of-state corporation.....29 (52%)
  - A) Number of power units involved (3).....1338 (56%)
- 4) Number of carriers indicating no plans to move.....24 (43%)
  - A) Number of power units involved (4).....347 (14%)
- 5) One carrier with 325 power units does not pay or require independent contractors to be insured and another carrier with 369 power units implied the possible consideration of moving for a total of 694 power units.
- 6) Number of suppliers responding.....6
- 7) Number of suppliers indicating their plans to relocate outside of Montana.....3

BGH:ap

SENT 1 86 12  
1  
2/14/87  
5/6 3/5



REPRESENTING THE TRUCKING INDUSTRY IN MONTANA

7219 Truckmen Rate  
Workers' Compensation Costs State Fund Rates

|              | Max Base | Old Rates<br>Per \$100 | Rates Per \$100<br>Effective 1/1/87 | \$20,000                   | \$25,000                   | \$30,000                   |
|--------------|----------|------------------------|-------------------------------------|----------------------------|----------------------------|----------------------------|
| Montana      | 0        | 11.86                  | 14.80                               | Old \$2,372<br>New \$2,960 | Old \$2,965<br>New \$3,700 | Old \$3,558<br>New \$4,440 |
| North Dakota | \$3600   | 10.80                  | 10.80                               | \$389                      | \$389                      | \$389                      |
| Utah         | 0        | 6.24                   | 6.92                                | Old 1248<br>New 1384       | Old 1560<br>New 1730       | Old 1,872<br>New 2,056     |
| Idaho        | 0        | 10.40                  | 15.50                               | Old 2,080<br>New 3,100     | Old 2,600<br>New 3,875     | Old 3,120<br>New 4,600     |
| Wyoming      | 0        | 5.00                   | 5.00                                | \$1,000                    | \$1,250                    | \$1,500                    |

Montana Workers' Compensation Costs for  
7219 Truckmen as compared to surrounding states:

Montana's costs  
as a percentage

| <u>Wages</u> | <u>North Dakota</u>     | <u>Utah</u>   | <u>Wyoming</u> | <u>Idaho</u>  |
|--------------|-------------------------|---------------|----------------|---------------|
| 20,000       | Old +510%<br>New +660%  | +90%<br>+114% | +137%<br>+196% | +14%<br>-4.7% |
| 25,000       | Old +662%<br>New +851%  | +90%<br>+114% | +137%<br>+196% | +14%<br>-4.7% |
| 30,000       | Old +815%<br>New +1041% | +90%<br>+114% | +137%<br>+196% | +14%<br>-4.7% |

SENATE LABOR & EMPLOYMENT

EXHIBIT NO. 7

DATE 2/14/87

BY JB 3/5

1/2/87



**GREAT  
FALLS AREA  
CHAMBER OF COMMERCE**

P.O. BOX 2127  
926 CENTRAL AVENUE  
GREAT FALLS, MONTANA 59403  
(406) 761-4434

TO: Cascade County Delegation

FROM: Roger W. Young, President

**SUBJECT: Workers Compensation Reform**

The Great Falls Area Chamber of Commerce is very concerned about the need for comprehensive reform of Montana's Worker's Compensation Program. Soaring rates and liberal benefits are a serious negative in the state's overall business climate, preventing the attraction of new business and industry and, in fact, chasing some already here out of the state.

The Great Falls Area Chamber of Commerce supports reform which has an overall goal of reducing Montana's Worker's Compensation rates, which in some categories are now among the highest in the nation. This must be done while still maintaining a system that is fair to injured workers.

We generally support changes in the Worker's Compensation program which have been recommended by the Montana Chamber of Commerce and embodied in SB 315

We recommend that the legislature:

A) Limit the fees allowable on legal fees for claimants.

The amount of litigation and attorney involvement over benefits in the worker's compensation system is a major concern to employers. Attorneys are involved in over 30% of the worker's compensation cases in Montana, the highest percentage of attorney involvement of any state in the nation.

The current attorney compensation rules provide incentives for more litigation; they reward controversy. For example, attorneys receive 25% of the claimants entitlements if there is no litigation, 33% if the case is appealed and ordered by the Worker's Compensation Courts and 40% if the case is heard and awarded by the Supreme Court.

B) Reform the Worker's Compensation Act which currently allows bi-weekly payments to be converted into lump-sum payments.

SENATE LABOR & EMPLOYMENT  
EXHIBIT NO. 8  
DATE 2/14/87  
FILE NO. SB 315

The amount and frequency of compromise settlements have dramatically increased in recent years and are one of the biggest factors responsible for the projected \$81 million deficit of the worker's compensation program. Serious amendments need to be offered to reduce and limit the amount of worker's compensation lump-sum payments.

C) Support the recommendation to eliminate the Worker's Compensation Court as first step in the resolution of claims.

Montana is only one of two states that has a Worker's Compensation Court as a first step to resolve controversy. To replace the Court it is suggested that an administrative review panel be created. This panel would attempt to resolve and negotiate disputed cases before they reach litigation.

D) Amend the "liberal construction" clause in the present Worker's Compensation Act.

The present law is written to mean that whenever there is a settlement in question between a claimant and defendant, the Act shall be "liberally construed" in favor of the claimant.

It is suggested the "liberal construction" clause be amended so disputed cases are not awarded in favor of any party.

E) Seek a stricter definition of what constitutes a compensable act claim.

Under the present law there is uncertainty as to under what circumstances employees are working within the course and scope of their employment. It is recommended the current statute needs to be more clearly defined when employers are not liable for employees who suffer a compensable injury or death while traveling on non-business related activities. Furthermore, the statute needs to explain that an employee who suffers injury as a result of being under the influence of intoxicating beverages or drugs is not entitled to benefits.

The Great Falls Area Chamber of Commerce also encourages that Worker's Compensation reform also incorporate provisions which will provide incentives and thereby reward safe employers and those with effective accident prevention programs. Unsafe business operations may rightfully deserve to be penalized through an experience rated classification system.

SENATE LABOR & EMPLOYMENT

EXHIBIT NO. 8

DATE 2/14/87

BILL NO. SB 315

TESTIMONY OF LLOYD DONEY IN FAVOR OF SB 315

Mr. Chariman - Members of the Committee

My name is Lloyd Doney and I am the personnel agent for ASARCO Troy Unit. I am in charge of administrating the Worker's Compensation program. I have been at Troy for one (1) year.

Before my move to Troy I held the same job for ASARCO in the State of Idaho

I am here to tell you today that last year - 1986 - I daho REFUNDED \$4.2 million to its workers compensation policyholders.

It did that through a program that can actually provide weekly benefits GREATER than those paid in Montana.

The Idaho system is simple, clean and effective. It supports the worker's needs - it does not support the legal system. Attorney involvement in Idaho is minimized. Benefits and expectation of benefits are defined.

It is very apparent to me the Montana system is in need of major reform. SB 315 is a major step in the right direction.

I support the creation of a board because I have seen it work.

I think the Board will cut litigation and foster employer/employee relations. Once attorneys are involved the system is

SENATE LABOR & EMPLOYMENT  
EXHIBIT NO. 214127

adversarial and this diminishes the chances of re-integrating the worker back into the workplace.

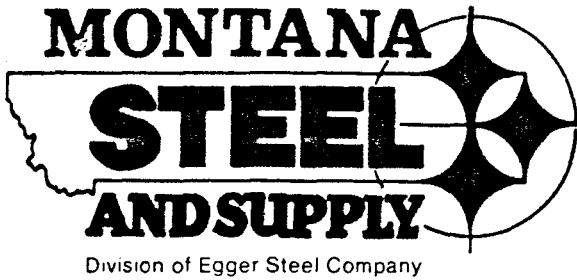
It is apparent that SB 330 is a bandaid approach to reform and does not provide the real reform that is necessary.

I am not opposed to compensating an injured worker. But the system must be fair to both the worker and the employer. Under the present law in Montana it is not.

The system must provide impetus to return the injured worker to the workplace and not serve as a retirement system to those who are able - but not motivated to return to the job market.

For these reasons I support SB 315 and request its passage without amendment.

SENATE LABOR & EMPLOYMENT  
EXHIBIT NO. 9  
DATE 2/14/87  
BILL NO. SB 315



415 Albert St. • P.O. Box 20598  
Billings, Montana 59104  
Phone (406) 252-2161

Feb. 14, 1987

Senate Labor Committee

Re: Workers' Compensation

I support Senate Bill 315 for change in the Workers' Compensation law. Not that it's that good, but it is the best I've seen to date. It does start to address the problems; BENEFITS and the fact that 80% of the claims are litigated.

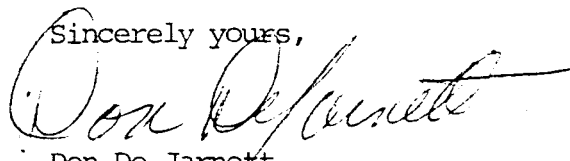
The simple solution is to completely throw out the current law and adopt South Dakota's law. It is a good law at a reasonable cost. We have a plant in Sioux Falls and one in Billings. Billings' shop rate is \$18 per \$100 wages while Sioux Falls pays \$4.34 for the same job.

The rate for steel erection over two stories is up to \$71.82 per \$100. I have talked to several Montana steel erectors and all are in the process of leaving the state as are loggers and truckers. This is fact!

If Workers' Compensation rates increase we may be forced to leave Montana. We are not a big deal with only thirty-seven employees, but add twenty or more small firms like mine to the list and gentlemen you have a BIG problem!

Senate Bill 315 is a step in the right direction. At least it offers some relief. To do nothing is to sign the death warrant for hundreds of Montana companies like mine and thousands of jobs.

Sincerely yours,

  
Don De Jarnett  
General Manager  
Montana Steel

SENATE LABOR & EMPLOYMENT  
EXHIBIT NO. 10  
DATE 2/14/87  
BILL NO. SB 315

deceit, or  
4) some other equally good reason prevented a written notice.

No compensation will be paid unless written notice is given within thirty (30) days unless reasonable excuse is made to the Department of Labor.

#### V. Employer's Record Of Injury

Every employer coming under the provisions of this title shall keep a record of all injuries, fatal or otherwise, sustained by his employees in the course of their employment. The record shall be completed within ten days, not counting Sundays and legal holidays, after any employer has knowledge of the occurrence of an injury. The record shall be on a form approved by the Department of Labor. The employer shall preserve the record for a period of at least four years from the date of injury. The record shall be signed by the employer and a copy given to the injured employee.

#### VI. Employer Reporting Requirements

Within ten days, not counting Sundays and legal holidays, after any employer coming under the provisions of this title has knowledge of the occurrence of an injury which requires medical treatment other than minor first aid or which incapacitates the employee for a period of at least seven calendar days, a report shall be made, in writing, by the employer to:

- 1) the Department of Labor, if the employer is self-insured under § 62-5-2 or § 62-5-3; or
- 2) the employer's insurer, when the employer has insured his liability under § 62-5-2 or § 62-5-3.

The insurer or, if the employer is self-insured, the employer shall make an investigation of the claim and notify the injured employee and the Department of Labor in writing within (30) days if denying liability for the reported injury in whole or in part. This period may be extended up to sixty (60) additional days if approved by the Department of Labor. The insurer or self-insurer who denies liability in whole or in part, must state the reasons and notify the claimant of the right to a hearing.

If the claim is denied, the injured employee has two (2) years from the date of notification from the insurer or self-insurer to file a Petition for Hearing with the Department of Labor.

#### VII. What If There Is No Insurance Or Self-Insurance?

If an employer fails to provide worker's compensation coverage under the provisions of the South Dakota Worker's Compensation Act, an injured employee or the dependents of a deceased employee may proceed against the employer in an action at law to recover

damages for the personal injury or death or may elect to proceed against the employer in circuit court under the provisions of the Worker's Compensation Act as if the employer elected to operate thereunder. The measure of benefits for the employee shall be all medical expenses plus twice the amount of disability or death compensation allowed under the Worker's Compensation Act.

#### VIII. Administration

The Worker's Compensation Act is administered by the Division of Labor and Management of the Department of Labor. All work-related injuries and occupational diseases which require medical treatment other than minor first aid or which incapacitate the employee for a period of more than seven (7) calendar days must be reported to the division. In addition the insurer or self-insurer must file the following:

1. An agreement as to compensation for temporary total or temporary partial disability (Form DOL-LM-110-1/80);
2. A doctor's preliminary report (Form DOL-LM-104-1/80);
3. A doctor's final report (Form DOL-LM-105-1/80);
4. Quarterly reports of compensation paid (Form DOL-LM-107-1/80);
5. An agreement as to compensation for permanent partial or permanent total disability (Form DOL-LM-111-1/80).

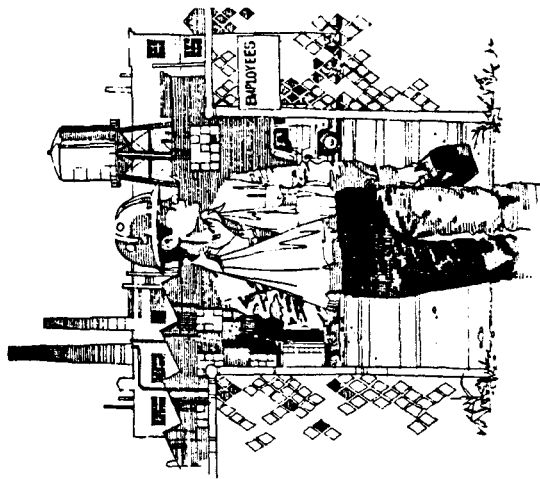
For more information, write the Division of Labor and Management, Knapp Building, 700 Illinois N., Pierre, S.D., 57501-2277, or telephone 1-605-773-3681. The office is open between 8:00 a.m. and 5:00 p.m., Monday through Friday. This pamphlet may be reproduced for further distribution.



Department of Labor  
DIVISION OF LABOR & MANAGEMENT  
700 Illinois North, Knapp Building  
Pierre, South Dakota 57501-2277

HOWALT-MCDOWELL  
INSURANCE, INC.  
225 So. Minnesota  
P.O. Box 986  
SIOUX FALLS, S.D. 57101-0986

TO TENATE LABOR & EMPLOYMENT  
EACH NO. 11  
DATE 2/14/87  
BILL NO. 24215



# SOUTH DAKOTA Worker's Compensation Act

July 1, 1986-June 30, 1987

South Dakota Department of Labor  
Division of Labor & Management

# SOUTH DAKOTA Worker's Compensation Act

The following summary of the basic provisions of the South Dakota Worker's Compensation Act has been prepared by the Division of Labor and Management of the South Dakota Department of Labor. The information contained in this brochure is general in nature and is not intended as a substitute for legal advice. Changes in the law or specific facts of a case may result in legal interpretations which are different from those presented here. Anyone having further questions may contact the Division at the address or phone number listed at the end of this brochure.

## I. What Is Worker's Compensation?

It is an insurance program that pays medical and disability benefits for work-related injuries and diseases. Most employees obtain coverage by purchasing an insurance policy; however, some employers pay benefits from their own funds. These employers, called "self-insurers," must prove that they are financially secure enough to pay full benefits for any injuries to their employees. Self-insurers are certified and regulated by the Department of Labor and the Division of Insurance, Department of Commerce.

Worker's compensation protects both employees and employers. Each covered employee has a right to benefits if injured on the job. In return, he or she forfeits the right to sue the employer for job-related injuries.

## II. Who Is Covered?

The South Dakota Worker's Compensation Act requires all employers to provide coverage for their employees. The following employees are exempt from the Act:

1. Domestic servants, unless working for an employer for more than 20 hours in any calendar week and for more than six weeks in any 13 week period;
2. Farm or agricultural laborers;
3. One whose employment is not in the usual course of the trade, business, occupation, or profession of the employer (independent contractor); and
4. Certain elected officials of the state or any subdivision of state government.

## III. Benefits

**A. Medical.** The employer or insurance carrier must furnish necessary first aid, medical, surgical and hospital services, including artificial members and body aids, repair or replacement of prosthetic devices, hearing aids, eye glasses, contact lenses, and dentures must also be furnished if damaged or destroyed in an accident which caused bodily injury compensable under the Act. There is no dollar or time limit on medical benefits.

The employer or insurance carrier has the right to make the initial selection of a physician. If the employer does not make the selection, or in case of an emergency, the employee may select the physician. When the employer has made the initial selection of a physician, employees may elect to secure their own physician at their own expense. The employer should always contact the employer or insurer before changing physicians.

Travel, lodging and meal costs incurred as a result of securing necessary medical treatment are also compensable in certain instances. Generally such expenses will only be allowed if an employee is required to travel outside the location of the employer's business to obtain medical treatment. The Division of Labor and Management should be contacted in regard to current rates.

**B. Disability Benefits.** The Worker's Compensation Act provides a series of benefits during the period of disability, as follows:

1. **Temporary total disability** - An employee who cannot work because of a work-related injury or disease is eligible for temporary total disability benefits. Generally this inability to work must be confirmed by a physician. Payment is not made for lost work time unless an employee is incapacitated for at least seven (7) consecutive days. If the incapacity extends beyond seven (7) consecutive days, compensation is then computed from the date of injury. Payments continue until a physician releases the employee for return to work or determines that the employee's condition has reached a point of maximum improvement. The weekly rate for temporary disability payments is set forth in Paragraph D of this section.

2. **Temporary partial disability** - If a physician allows an employee who is still recovering from an injury or disease to return to part-time or modified work, and the employee is receiving less than his or her usual earnings, the employee may be entitled to temporary partial disability benefits. These benefits are computed on the basis of one-half the difference between the average amount earned before the injury and the average amount the employee is earning.

ing or able to earn in some suitable employment after the injury. The amount of compensation allowed for temporary partial disability cannot exceed the maximum in Paragraph D.

3. **Permanent partial disability** - If an injury or illness results in loss of or loss of use of certain members of the body, an employee may be entitled to permanent partial disability benefits. Benefits are computed by applying a doctor's rating of the employee's percentage disability to the number of weeks designated in the schedule listed below for full disability of that part of the body. This number of weeks is then multiplied by the compensation rate established in Paragraph D of this section. Payments are made on a weekly or bi-weekly basis unless a lump sum payment is allowed by the Division.

|   | Number of Weeks |
|---|-----------------|
| Loss of a thumb .....   | 50              |
| Loss of first finger or index finger .....  | 35              |
| Loss of second finger .....   | 30              |
| Loss of third finger .....  | 20              |
| Loss of fourth or little finger .....   | 15              |
| Loss of great toe .....   | 30              |
| Loss of any other toe .....   | 10              |
| Loss of hand .....  | 150             |
| Loss of arm .....   | 200             |
| Loss of foot .....  | 125             |
| Loss of leg .....   | 160             |
| Loss of sight of eye .....  | 150             |
| Loss of hearing one ear .....   | 50              |
| Loss of hearing both ears .....   | 150             |
| Permanent disability from back injury (compensation for that proportion of 312 weeks which is represented by the percentage that such permanent partial disability bears to the body as a whole). |                 |

4. **Permanent total disability** - An employee who is totally and permanently disabled in terms of occupational capacity, or can no longer perform services of any kind, extent and quality for which a reasonably stable labor market exists, may be entitled to compensation at the weekly rate established in Paragraph D during the entire period of disability. There is no total dollar maximum or time limitation on these benefits.

5. **Rehabilitation** - An employee suffering disability from an occupational disease or an injury, and unable to return to his/her usual and customary line of employment, is entitled to receive disability compensation at the rate provided by Paragraph D during the period he/she is engaged in a program of rehabilitation which is reasonably necessary for restoration to suitable, substantial and gainful employment.

An injured employee desiring rehabilitation services should contact the Division Of Labor and Management for further information.

**C. Death Benefits.** If an injury causes death, compensation is payable to the employee's spouse at the rate of compensation shown in Paragraph D for life until remarriage. In the case of remarriage, a sum equal to two (2) years of compensation will be paid to the spouse. If there are surviving children of the deceased employee, the benefits revert to the child or children two (2) years after the lump sum payment. If the only survivors are children, the child or children shall receive the same weekly rate of compensation until the age of eighteen, or until age twenty-two if a full time student, or for life if incapable of self-support.

In addition to the above-mentioned weekly benefit, an additional fifty (\$50.00) dollars per month must be paid to each legally dependent child of the deceased employee from the date of employee's death until that child reaches age eighteen (18). The employer or insurer also has an obligation to pay up to three thousand (\$3,000) dollars in burial expenses plus the cost of transporting the body if death occurs outside the community where the employee is to be buried.

**D. Rate Of Compensation.** As of July 1, 1986, weekly compensation is two thirds (2/3) of the employee's average weekly wage up to a maximum of \$262 per week. The minimum compensation is \$131 unless the employee's average weekly wage is less than \$131. In that instance, the amount of the employee's average weekly wage is paid as compensation. This rate is effective through June 30, 1987.

The foregoing amounts are used to calculate temporary total disability, temporary partial disability, permanent partial disability, permanent total disability, rehabilitation, and death benefits.

## IV. How To Obtain Benefits

Immediately upon occurrence of an injury, or as soon as practicable, an injured employee (or a representative) shall give or cause to be given a written notice of injury to the employer. The employee shall not be entitled to physician's fee or any compensation which may have accrued prior to the time of giving notice, unless it can be shown that:

- 1) the employer, the employer's agent, or representative had knowledge of the injury or death, or
- 2) the person required to give such notice had been prevented from doing so because of physical or mental incapacity, or
- 3) a third person prevented knowledge by fraud or

STATEMENT REGARDING SENATE BILLS 315 AND 330

Mr. Chairman and members of the Committee, I am Fred Van Valkenburg, State Senator from District 30 in Missoula; and I am here today in support of Senate Bill 330.

As you know, Governor Ted Schwinden appointed a twenty-member Advisory Council in January of 1985 to review and evaluate the workers' compensation system in Montana and to submit its recommendations to the 1987 Legislature regarding proposed improvements in the system. The charge by the Governor was to provide a system that would be "people-sensitive as well as cost-conscious". The Advisory Council diligently worked for a period of two years to review all aspects of the Montana workers' compensation system. The Council was made up of representatives from all interest groups who have vital concerns about a viable, fair, and cost effective system to compensate workers for on-the-job injuries.

The Council, with near unanimity, submitted its report to the Governor, and it suggested several proposed changes for legislative consideration. I believe the proposed changes would provide for the needed reduction in costs to employers and yet maintain a system to fairly and justly provide protection to those injured while at work.

The concessions made by those representing workers injured on the job, and that would provide for a reduction in benefits and streamlining the system, and thus premium costs, are as follows:

1. Reducing permanent partial benefits for whole-body injuries from a maximum of 500 weeks to 350 weeks; and deleting the schedule of injuries so that all workers could be treated equally in relation to permanent disabilities.
2. Reducing death benefit payments from lifetime to payments for a maximum of either 500 weeks or until the youngest child reaches age 18, or age 22 if in an accredited school.
3. Strengthening the proof needed to establish injuries that involve the aggravation of a preexisting condition so as to preclude injuries wherein only medical possibilities are given as evidence for such injuries. This would reduce substantially the potential compensability of injuries, especially in the area of heart attacks, stroke, and minor back strains.
4. Limiting the assessment of attorney fees against insurers to only those in situations wherein it is determined that an insurer was unreasonable in its adjustment of a case.
5. Reducing temporary total disability benefits so that such benefits will not begin until the seventh day of wage loss after an injury. Currently, benefit payments are made from the first date of wage loss.

SENATE LABOR & EMPLOYMENT  
EXHIBIT NO. 11

DATE 2/14/87  
PAGE 338

6. Strengthening the powers of the Workers' Compensation Court, and restricting access to the Court to cases in which a good faith effort has been made to resolve the dispute between a claimant and an insurer.

7. Clarifying and simplifying the language in the law in the different benefit payment categories.

8. Streamlining the system whereby lump sum payments and agreements between a claimant and an insurer are processed.

9. Clarifying the current rehabilitation law and recognizing the role of private rehabilitation vendors.

In addition, the Council bill would provide for a small cost-of-living adjustment for continuing total disability cases, and would provide for job protection to workers who suffer on-the-job injuries.

It is my opinion that the major proposed changes would result in benefit reductions in those areas in which such reductions can take place without substantially prejudicing the rights of injured workers, and will provide the needed streamlining for the workers' compensation system.

It should be noted that the Advisory Council recommended the addition of one workers' compensation judge. I believe that such a provision could be deleted and that the one judge, along with the judge's support staff, could adequately handle the workload, especially in light of the other recommendations set forth in the Council bill regarding the requirements that must be met before a petition can be filed with the Court.

I understand that the Division of Workers' Compensation disagrees substantially with a number of the major recommendations of the Advisory Council. It has drafted and submitted its own bill to the Legislature for consideration. I have reviewed the Division's bill, and although it does adopt some of the recommendations of the Council in the area of benefit reductions, it also goes far beyond what the Council felt was needed to adjust the workers' compensation system to make it cost effective. My major concerns with the Division's proposals are as follows:

1. The Division's bill would abolish the Workers' Compensation Court and substitute the Court with Department hearing examiners, with an appeal to a three-member board, an appeal then to a District Court, and then to the Supreme Court. This would greatly increase the complexity of the review process and would not provide for an impartial review of disputes, especially between a claimant and the State Compensation Insurance Fund. In effect, a claimant would have to appeal back to the same department involved in the dispute, and this simply does not provide for a fair and adequate dispute resolution system for injured workers.

SENATE LABOR & EMPLOYMENT  
EXHIBIT NO. 1

9-21-77

2. The Division would completely change the current definition of 'injury', and substantially restrict compensation for injuries suffered on the job. The proposed law would be contrary to the major trend in recent years in all jurisdictions regarding coverage for on-the-job injuries, in that it would prevent benefit payments for injuries suffered through repetitive trauma or by unusual strain (those conditions involving a worker who is doing his usual work in his usual manner, and suffers internal or external physical harm). It should be pointed out that such a restrictive definition of injury may very well result in an elimination of the exclusive remedy provisions of the workers' compensation law. This would allow injured workers to file civil actions in District Court against employers who suffer on-the-job injuries when such injuries are not covered by workers' compensation insurance. This would substantially increase the exposure for employers with resulting increase in liability insurance premiums.

3. Contrary to the Advisory Council recommendations that the subrogation laws be left intact, the Division's bill would provide for subrogation against any third party recovery, even though an injured worker was not fully compensated for his injuries.

4. The Division, contrary to the recommendations of the Advisory Council, would not allow a recovery of costs to injured workers who are successful in the hearing process.

5. The Division's proposal would completely rewrite the permanent partial benefit area, substantially revising the system for the payment of benefits to injured workers. It is submitted that the proposal suggested by the Division would provide a protracted and complex system whereby cases could never be resolved, and it would provide little or no cost savings in the area of permanent partial benefits.

6. The Division would restrict the settlement of cases to a very limited set of circumstances, contrary to proper claims management systems whereby cases are adjusted and resolved. The Division's proposal would leave cases open almost indefinitely, and such a system is not only detrimental to injured workers, but also to insurers as well as the operations of the Division.

7. The Division's bill would provide an extremely complex system for rehabilitation; and in many ways would result in unfairness in the evaluation of potential viable rehabilitation programs for injured workers.

I strongly urge the Committee to carefully evaluate both bills and the ramifications of the varying proposals in the two bills. It is my belief that the Advisory Council's bill is certainly the better proposal and should be the format from which needed change can take place. Possibly some adjustments can be made between the two proposals with amendments to change the Advisory Council's bill in limited areas. I would be happy to work with the Committee in an effort to resolve the areas of dispute.

SENATE LABOR & EMPLOYMENT

EXHIBIT NO. \_\_\_\_\_

DW 100-107

100-26333



**UNIVERSITY  
OF MONTANA**

School of Law, University of Montana, Missoula, Montana 59812

(406) 243-4311

February 13, 1987

Senator J.D. Lynch  
Senate Labor & Employment Relations Committee  
State Capitol, Room 325  
Helena, MT 59101

Dear Senator Lynch:

Thank you for this opportunity to appear before the Senate Labor Committee. I will be most happy to answer any questions regarding my views on the various proposals in the legislature regarding workers' compensation.

I have prepared some general written comments for the committee which will be given to the Committee Secretary.

Sincerely,

DAVID J. PATTERSON  
Professor of Law

DJP:cw

cc: Senator Haffey  
Senator Blaylock  
Senator Manning  
Senator Thayer  
Senator Gage  
Senator Keating  
Senator Galt

SENATE LABOR & EMPLOYMENT  
EXHIBIT NO. 12  
DATE 2/14/87  
BILL NO. SB 232

TO: Senator John Lynch  
FROM: David J. Patterson  
Professor of Law

COMMENTS ON DISPUTE RESOLUTION:  
THE WORKERS' COMPENSATION COURT

Introduction:

My name is David J. Patterson; I am Professor of Law at the University of Montana Law School. I have worked in Workers' Compensation Law for 21 years. The past 19 years I have taught Workers' Compensation at the Law School in Missoula. Periodically I have served as a Hearing Examiner, a function that involves deciding disputed claims for compensation. Presently, and for many years, I have served as Chairman of the State Bar Ethics Committee. I have prepared a casebook on Workers' Compensation and have read and studied almost every significant case decided since the Act's inception in 1915. I have been involved with the system when disputes were theoretically decided by the old Industrial Accident Board, but in reality decided by the Administration. I have witnessed and consulted about the inherent conflict of interest problems and scandal that resulted from the previous system. Conflict of interest because decision making must be separate and distinct from any interest in outcome; scandal because bias leads to abuse.

Scope:

My testimony is intended to be limited to the dispute

SENATE LABOR & EMPLOYMENT

1  
SUBJECT NO. 12

2/4/87

FILE NO. SB 330

resolution process, the Workers' Compensation Court approach. I do not question the well-meaning intentions of all involved and share in the goal of legal and fiscal reform. But regardless of well-meaning intentions and the recognized immediate concern for reducing cost, one central fact remains: There has to be a mechanism for resolving disputes about compensability of claims and amounts of benefits if we are going to have any system at all for helping injured workers. This is not to say just workers in heavy industry, but virtually every worker in the state -- office worker, school teacher or grocery store checker. My interest is in having the most fair, efficient and cost effective system possible.

Court v. Industrial Appeals Board:

Without reservation, I unequivocally favor that disputes be resolved by the Workers' Compensation Court.

- (1) This Court was established as a direct result of the Legislature's dissatisfaction with the previous method of deciding disputes. This dissatisfaction was evidenced by the Legislature's refusal to follow the recommendations of the Montana Commission on Executive Reorganization (Report, 1970) to place decision-making in the hands of the Division. The Legislature created the Court out of concerns for independence in decision-making. This Legislature should be

concerned with that same impartiality. In my judgment the Department bill does not adequately address that concern. It is essentially the old system. In no area of the law is there more concern for the appearance of impartiality and fairness. When disputes are decided, the decision-maker must be viewed by the worker as absolutely independent. Claims of conflict of interest are very strictly construed when the judging process is involved. This Legislature progressively, and wisely, addressed that concern when it created the Court. I have grave concern about the conflict issue raised by the Department proposal and urge that the Court be preserved.

- (2) The Advisory Council has studied the compensation system for months. Its membership is composed of the most knowledgeable and experienced workers' compensation functionaries in the state. It has recommended legislation that directly addresses the need to cut costs. The Department bill does not. The Advisory Council bill was composed after public hearing and reflection and like the Legislature before, recommended an independent judiciary.
- (3) There have been observations that the Court is the reason for the State Fund deficit. This is like saying the umpire is responsible for making the rules. The Legislature makes the law, the courts interpret that law. If, as it appears

the law needs changed, now is the time to address Supreme Court decisions and Compensation Court decisions that the Legislature decides are wrong or too costly. It certainly is not the time to change the one bright spot in the whole system for a system that failed once before and must be more costly. In that regard I will close by making this observation: I sincerely fail to understand how a system that would replace an excellent, efficient court (one Court) with an added layer of bureaucracy, with appeal to every District Court in the state, and then with appeal to the Supreme Court can possibly save money. I urge you to save the Court and change the law that, by definition, it must follow. The Advisory Council proposal fine-tunes a good system.

AMERICAN INSURANCE ASSOCIATION  
WESTERN REGIONAL OFFICE

217 Market Street Suite 500  
San Francisco, CA 94103  
(415) 257-0711

February 13, 1987

Mr. Glen Drake  
KELLER, REYNOLDS & DRAKE  
38 South East Chance Gulch  
Helena, MT 59601

Dear Glen:

MONTANA WORKERS' COMPENSATION

I have a number of comments on the bill, though many of the comments are quite preliminary. I will be turning around time. Many of the issues I will be discussing are policy decisions which can only be made by the Montana legislature. I am sending how they want the Montana workers' compensation system to meet the needs of Montana employers and workers.

First, it cannot be stressed enough that Montana has serious workers' compensation problems compared to states in the region and nationally. I am enclosing a chart I prepared for a presentation to the Governor's Workers' Compensation Task Force in December, 1985. These statistics show that Montana had the highest frequency of workers' receiving permanent partial disability benefits, permanent total disability benefits and fatal benefits in the region. In other words, based on a comparison of the percentage of all workers receiving benefits, Montana workers received those benefits more often than surrounding states. Montana is high not only in numbers but also in costs. Montana ranked the highest in the region in the average cost per case for permanent partial disability benefits and for fatal benefits and was number two in the average temporary total disability benefit received. Not surprisingly, an independent premium comparison done by noted workers' compensation academicians John Burton, showed that Montana's costs for workers' compensation per \$100 of payroll was easily the highest in the region. Based on a quick look at recent statistics, Montana benefit structure has continued to deteriorate since 1985.

SENATE LABOR & HUMAN RESOURCES

EDWARD H. RUDD  
CHAIRMAN

DEROY C. THOMAS  
CHIEF CLERK

ROBERT J. HAUGH  
VICE CHAIRMAN

WILSON H. TAYLOR  
VICE CHAIRMAN

ROBERT J. MAGLEY  
CLERK

Senate Bill 315 has a number of good ideas including an attempt to relate permanent partial disability benefits to the actual job market ability of the worker, while at the same time guaranteeing compensation for a worker's impairment. There is an attempt to coordinate vocational rehabilitation benefits with entitlement to permanent partial and permanent total disability benefits. Attempts have been made to improve equity in the system for employers and workers by providing for continuing jurisdiction of the Board over closed claims. I am concerned that each of these laudable goals may be seriously flawed in the execution of S.B. 315. These flaws must be considered and corrected prior to enactment of this sweeping workers' compensation reform.

I will go through the bill in an attempt to isolate the issues as they appear.

The administrative structure suggested may be too cumbersome for a state the size of Montana. This proposal would create a new appellate board grafted on to the existing department/division structure without a showing that the current system cannot be made to work. On the other hand, the bill does nothing to change one of the most archaic provisions of Montana law which includes the state fund within the administrative arm of the workers' compensation system.

There are a number of other possible administrative structures which would serve the Montana system better, given its size. One suggestion would be to form a three to five member board, the chairman of which would not only be responsible for the appeals level but would also run the administration of the workers' compensation system. This proposal was developed by Jack Urling in an independent study conducted for the American Insurance Association. Mr. Urling goes into great detail concerning potential variants on the administration of workers' compensation. I will be pleased to provide a copy of this study if there is any interest.

I am concerned that three different sets of rules will govern the operations of the Division, the hearing officers and the new Board. (Sections 2, 4 & 20) I see the potential for massive procedural chaos from the lack of coordination between the various elements administering the workers' compensation system. This has been the case in California where there is no coordination between the rules of the Workers' Compensation Appeals Board and the Division of Industrial Accidents. Ever worse, this dichotomy of rule making authority has created an intolerable situation in Oregon where permanent partial disability is determined according to different rules depending on the level of adjudication. Not surprisingly, varying rules at the appeals level have encouraged appeals. Ninety percent of the PPD cases that are appealed are increased an average of 107%.

SENATE LABOR & EMPLOYMENT  
EXHIBIT 13  
DATE 2/14/87  
BY 313 315

On page 7, the Board is given continuing jurisdiction over all prior orders of the hearing examiners. Apparently this ties in to changes on page 32, section 21, which eliminate the maximum four year jurisdictional authority which currently assures that there will be an end to a claim after a reasonable period of time. This is tied to changes on page 71, section 47 which eliminate compromise and release settlements except for compensability issues. It is apparent that any accepted claim has the potential to stay open forever under the proposed Montana system. We do not oppose this result, per se, but you should be aware that this makes it very difficult for insurers to close their books on a case and knock down reserves they have put up against potential future claims. This also enormously lengthens the "long tail" exposure in workers' compensation. Simply put, insurers will have to guess what the potential liability will be, absent the four year jurisdictional limit. Because of this unpredictability, insurers will have to charge more to cover their potential liability. In the event a claim is reopened seven or years after the policy year has been closed, insurers will have no way of reflecting any additional cost in the experience rating modification or in the rate base. This will make the Montana workers' compensation system even more unattractive to insurers who are attempting to instill predictability and rate adequacy into the system.

In Section 10 on page 12, there is a new 20% penalty for unreasonable delay of payment. This couples with provisions on page 47, section 31 of the bill which provide for attorneys fees if the insurer's actions are found to be "unreasonable". I am concerned that this combination of penalties, utilizing the extremely vague trigger of unreasonableness will potentially result in an automatic 20% penalty and add-on attorneys fees any time that the insurer is found to have denied a claim when that denial is subsequently reversed in the hearings procedure. There are a number of ways to structure penalties which are fair both to the worker and to the insurer. Penalties for unreasonable delay may be appropriate if the claim has not been denied or contested. Automatic penalties based on any delay in paying an accepted claim can be appropriate. Attorneys fees are not inappropriate when it is found that the denial or contention on the part of the insurer was frivolous or clearly without arguable grounds. The proposals in SB 315 go much further and may result in an unanticipated or desired result.

I have a suggestion for amendment to the definition of "maximum healing" on page 25. The language comes from a proposal in California, AB 1000, and is based on definitions developed by the American Medical Association. The language seems tighter than that being suggested for Montana.

I assume the definitions of injury on pages 28 through 30 are an attempt to force occupational disease into the occupational disease act. An injury would be limited to "physical harm", must be the result of a "specific event" and may not be a physical response to an emotional, mental or non-physical stimulus. Putting aside the issue of the fairness of excluding many cases under this definition, there are a number of questions which spring to mind. Will these cases, excluded from the workers' compensation system, find their way in to the fertile ground of Montana tort actions? Will these cases simply be changed to causes of action for wrongful discharge, emotional

13  
2/14/87  
BILL NO. SB 315

✓distress and failure to provide safe working procedures, training and  
✓ergonomic analysis of the work place? Will the courts simple construe their way around such issues as "specific event" or "primary cause"?

On page 31 section 19, line 17 the word "may" destroys the intent of the subsection. I am enclosing language from a California proposal which codifies a court decision in California, the Montana decision, which provides for special treatment of seasonal employment. If it is the intent of subsection (b) to deal with this issue, my proposed language will do a better job, with more certainty. The definition of wages never makes reference to "weekly," but only to pay periods. It would be preferable to discuss the definition of "wages" in same context as benefit payments i.e. weekly wages.

On page 34, section 23, line 14, in making a demand, the party should be required to document the existence of a dispute. This section should be coordinated with the notice provisions so that the worker has an affirmative duty to report the injury and is given a tear-off sheet as a receipt of notice which also includes a brief recitation of the worker's rights. If the worker is aggrieved by action's of the insurer, a mechanism should be put in place for informal resolution of any misunderstanding or disagreement. The mediation provisions in the bill must be substantially expanded. If the mediation system does not work, the party must then document the existence of the dispute. The provisions set out in section 23 are vague and do little to expedite understanding.

Section 24, page 35 conflicts with existing uniform safety incentives built into the rating system, including experience rating and retrospective rating provisions. There is no attempt to coordinate these programs with the new language. A better approach might be to surcharge employers who are found to be lacking appropriate safety programs.

On section 26, page 40, line 15, the terminology "more probable than not" is used. Elsewhere the more common test "preponderance of the evidence" is used. A single standard favoring the familiar preponderance test would be more acceptable.

On page 24, section 26, employers are given a new burden of stopping the employee's use of alcohol or drugs without appropriate standards or guidelines. It is very difficult to stop substance abuse on the part of others. Mere knowledge that the employee uses alcohol could trigger an impossible burden for the employer.

On page 51, section 35, line 16 this standard should read "the worker is qualified for the job." The worker should be given preference if the qualifications are there regardless of the qualifications of other applicants. The purpose of the workers' compensation system is to return a worker to work.

SENATE LABOR & EMPLOYMENT  
EXHIBIT NO. 13  
DATE 2/14/87  
BILL NO. SB 315

On pages 52 et seq., the maximum benefit is never tied to the state's average weekly wage at the date of injury. I assume there is a catch-all provision so stating elsewhere. Otherwise, a worker whose benefits are capped by the maximum, below the actual two-thirds level will receive increases in subsequent years up to the full two-thirds level. Is this the intent? This is further complicated by the fact that a worker may be entitled on page 54 to double increases based on increases in the state average weekly wage as well as the cost of living increase.

On page 53, section 37, what is contemplated by "return to work"? Must this be full time, regular employment? The intent should be laid out here to avoid future litigation.

Page 56, section 38, while I agree with the intent of coordinating impairment, wage earning capacity and voc rehab., I am concerned that the standards on page 56 lines 21 et seq. are going to create a litigation nightmare. The concept of "worker's job pool" is replete with terms which can only be determined on a case by case basis, such as "typically available", "wages the worker is qualified to earn", "consistent" and "immediate job openings". These very loose terms will create a potential for as much litigation as currently exists in determining the extent of disability.

On page 59, section 39, it would be preferable to require a third evaluator only if the second evaluation produces an impairment difference of greater than 5% or some other low figure. In addition, the rating should be protected further than merely giving it a rebuttable presumption. The rating should stand, absent "clear and convincing" evidence that the American Medical Association guidelines were incorrectly applied.

On page 62, section 42, the elimination of permanent total disability may be inappropriate if the injury caused a worker who would otherwise be entitled to maximum social security disability benefits to receive less than that amount. I suggest that the insurer make up the difference between maximum and lower amount if the injury caused a change in social security entitlement status.

On page 66, section 45, to keep Montana benefits in line with an equitable approach, there should be some point at which the worker is entitled to retroactive payment of the first six days of lost wages. For example, if the worker is hospitalized or if disability extends for fourteen days post injury, the first six days should be paid to the worker.

My analysis of the vocational rehabilitation proposal is severely marred by a lack of time. Clear and concise vocational rehabilitation provisions are essential both to determination of permanent total disability entitlement as well as permanent partial disability benefits. Several things do pop out however.

SENATE LABOR & EMPLOYMENT  
ENR  
DATE 2/14/87  
BILL NO. 223 310

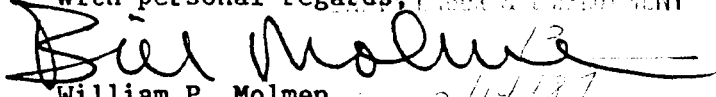
On pages 78, 79 and 80, there is an elaborate, bureaucratic procedure established for determination of vocational rehabilitation training provisions. Prior to a need for such a bureaucracy, there should be at least a requirement of a dispute. I have continuing concern that vocational rehabilitation responsibilities are shared with the Department of Social and Rehabilitation Services. I assume that this agency contains the federally funded vocational rehabilitation program which has been uniformly rejected as a tie-in to workers' compensation. There is a dichotomy of policy and direction between the two systems. This agency uses workers' compensation dollars to collect federal matching funds. Workers' compensation goals are then held hostage to the needs of the federal priorities.

We are also greatly concerned about the institutionalization of mandatory vocational rehabilitation. To some extent or another, mandatory vocational rehabilitation has proven itself to be a costly failure. The Washington system recently underwent an extensive renovation of its vocational rehabilitation program and eliminated statutory entitlement to vocational rehabilitation. The California system is absorbing 15% of incurred loss in its vocational rehabilitation program, despite an absence of clear abuse in the system. The Oregon system is undergoing a major review of its expensive vocational rehabilitation entitlement program. The Florida system which should work well in that it is directly tied to a wage loss program, has also been criticized as being wasteful and expensive. Montana is courting disaster if it ties its benefit structure to a vocational rehabilitation program which has not been thoroughly studied, evaluated and planned to eliminate the many problems found in the programs of other states.

Pending thorough review, I have two additional comments to make on vocational rehabilitation. On page 79, section 54, critical vocational rehabilitation information may be disclosed to the worker. Rehabilitation professionals will tell you that frank evaluations of a worker's job potential can be damaging to the worker. We have no objection to giving any of this information to a worker's attorney, if represented, but the worker should be protected from evaluations which could actually damage the incentive to return to work. I am also concerned that rehabilitation panel report specified in section 55 must identify the first appropriate option for rehabilitation and then describe findings of why a priority of higher ranking was not appropriate. This could be interpreted to require the vocational rehabilitation consultant to do a specific job analysis of each higher priority, thereby wasting huge sums of money in inappropriate rehabilitation analysis.

In conclusion, many of the principles embodied in the omnibus bill are sound and worthy of further examination. I am concerned that the specific language included in the bill will create many problems at the same time that it solves some of the many problems inherent in the current Montana workers' compensation system. I will be pleased to work with anyone in Montana who wants to follow up on my comments. If my presence would be useful as this bill is discussed in the legislative process, I will be pleased to attend.

With personal regards, LABOR & EMPLOYMENT

  
William P. Molmen  
Vice President

2/14/87  
SB 315

1 rehabilitation bureau, which shall include appropriate  
2 professional staff, and which shall have all of the following  
3 duties:

4 (1) To foster, review, and approve rehabilitation plans  
5 developed by a qualified rehabilitation representative of  
6 the employer, insurer, state agency, or employee.

7 (2) To adopt rules and regulations which expedite and  
8 facilitate the identification, notification, and referral of  
9 industrially injured employees to rehabilitation services.

10 (3) To coordinate and enforce the implementation of  
11 rehabilitation plans.

12 (b) No provision of this section nor of any rule,  
13 regulation, or rehabilitation plan developed or  
14 promulgated under this section nor any benefit provided  
15 pursuant to this section shall apply to any injured  
16 employee whose injury occurred prior to January 1, 1975.  
17 Nothing in this section shall affect any plan, benefit, or  
18 program authorized by this section as added by Chapter  
19 1513 of the Statutes of 1965 or as amended by Chapter 83  
20 of the Statutes of 1972.

21 (c) The time within which an employee may request  
22 vocational rehabilitation benefits is set forth in Sections  
23 5405.5, 5410, and 5803.

24 SEC. 19. Section 3205 of the Labor Code is amended  
25 to read:

26 3205. "Division" means the Division of Workers'  
27 Compensation.

28 SEC. 20. Section 3205.5 of the Labor Code is amended  
29 to read:

30 3205.5. "Appeals board" means the Workers'  
31 Compensation Appeals Board of the Division of Workers'  
32 Compensation.

33 SEC. 21. Section 3206 of the Labor Code is amended  
34 to read:

35 3206. "Administrative director" means the Director  
36 of the Division of Workers' Compensation.

37 SEC. 22. Section 3208.3 is added to the Labor Code, to  
38 read:

39 3208.3. "Date of maximum medical improvement"  
40 means the date after which further recovery from, or

1 lasting improvement to, an injury can no longer  
2 reasonably be anticipated, based upon reasonable  
3 medical probability.

4 ~~SEC. 23. Section 3208.4 is added to the Labor Code, to~~  
5 ~~read:~~

6 3208.4. "Permanent impairment" means any  
7 anatomic or functional abnormality or loss, existing after  
8 the date of maximum medical improvement, which  
9 results from an injury.

10 SEC. 24. Section 3600 of the Labor Code is amended  
11 to read:

12 3600. (a) Liability for the compensation provided by  
13 this division, in lieu of any other liability whatsoever to  
14 any person except as otherwise specifically provided in  
15 Sections 3602 and 3706, shall, without regard to  
16 negligence, exist against an employer for any injury  
17 sustained by his or her employees arising out of and in the  
18 course of the employment and for the death of any  
19 employee if the injury proximately causes death, in those  
20 cases where the following conditions of compensation  
21 concur:

22 (1) Where, at the time of the injury, both the  
23 employer and the employee are subject to the  
24 compensation provisions of this division.

25 (2) Where, at the time of the injury, the employee is  
26 performing service growing out of and incidental to his  
27 or her employment and is acting within the course of his  
28 or her employment.

29 (3) Where the injury is proximately caused by the  
30 employment, either with or without negligence.

31 (4) Where the injury is not caused by the intoxication  
32 of the injured employee.

33 (5) Where the injury is not intentionally self-inflicted.

34 (6) Where the employee has not willfully and  
35 deliberately caused his or her own death.

36 (7) Where the injury does not arise out of an  
37 altercation in which the injured employee is the initial  
38 physical aggressor.

39 (8) Where the injury does not arise out of voluntary  
40 participation in any off-duty recreational, social, or

Average Cost per case

Frequency per 100,000  
worker years

\* Cost per \$100 payroll  
Max TTD per week single worker  
Lost time Benefit costs per 100,000 worker-years  
Fatal PTD PPD TTD

\* PPD Benefit Cost = 100,000w/y

Arizona

\$1.36 \$203.86 \$10,187,000 8 5 451 \$68,769 \$166,353 \$11,029 \$1,933

\* \$9974,000

Colorado

\$1.43 \$315.98 \$23,521,000 10 11 590 \$132,345 \$283,384 \$29,704 \$675

\* \$17,525,000

Idaho

\$1.39 \$261.10 \$14,553,000 16 4 592 \$70,943 \$651,185 \$14,236 \$1,243

\* \$8,428,000

Montana

\$1.71 \$286.00 \$31,268,000 19 11 659 \$235,033 \$159,986 \$33,328 \$1,563

\* \$21,963,000

\$1.80

\$310.00 \$6,546,000 16 0 394 \$61,185 0 \$11,045 \$605

\* \$9,352,000

\* 1983 costs per John Burton

1 (1) Where the employee's injury or death is  
2 proximately caused by a willful physical assault by the  
3 employer, or his or her managing representative.

4 (2) Where the employee's injury is aggravated by the  
5 employer's fraudulent concealment of the existence of  
6 the injury and its connection with the employment, in  
7 which case the employer's liability shall be limited to  
8 those damages proximately caused by the aggravation.  
9 The burden of proof respecting apportionment of  
10 damages between the injury and any subsequent  
11 aggravation thereof is upon the employer.

12 (3) Where the employee's injury or death is  
13 proximately caused by a defective product manufactured  
14 by the employer and sold, leased, or otherwise  
15 transferred for valuable consideration to an independent  
16 third person, and that product is thereafter provided for  
17 the employee's use by a third person.

18 (c) In all cases where the conditions of compensation  
19 set forth in Section 3600 do not concur, the liability of the  
20 employer shall be the same as if this division had not been  
21 enacted.

22 SEC. 26. Section 4451 of the Labor Code is repealed.

23 SEC. 27. Section 4452 of the Labor Code is repealed.

24 SEC. 28. Section 4452.5 of the Labor Code is amended  
25 to read:

26 4452.5. As used in this division, "permanent total  
27 disability" means a permanent impairment which is  
28 deemed to permanently and totally incapacitate an  
29 employee from earning wages.

30 SEC. 29. Section 4453 of the Labor Code is amended  
31 to read:

32 4453. Except as otherwise provided in Sections 4456,  
33 4457, 4458.2, and 4458.5, the average weekly earnings shall  
34 be determined as follows:

35 (a) Except as provided in subdivisions (b), (c), and  
36 (d), the average weekly earnings shall be the daily  
37 earnings at the time of the injury times 100 percent of the  
38 number of working days a week.

39 (b) If the employment is seasonal or intermittent, as  
40 defined by the administrative director, the average

SENATE LABOR & EMPLOYMENT

EXHIBIT NO. 13 96 290

DATE 2/2/18

FILE NO. AB 315

1 weekly earnings shall be as follows:

2 (1) For temporary disability indemnity, during that  
3 period immediately following the injury during which  
4 full employment was reasonably anticipated, the weekly  
5 earnings customarily earned by the employee in the  
6 employment at the time of injury times 100 percent of the  
7 number of working days a week.

8 (2) For temporary disability indemnity, during any  
9 period of temporary disability other than that for the  
10 period specified in paragraph (1), 100 percent of the  
11 earnings for the calendar year immediately preceding  
12 the date of the injury divided by 50.

13 (3) For wage replacement benefits, 100 percent of the  
14 earnings for the calendar year immediately preceding  
15 the date of the injury divided by 50.

16 (4) For permanent total disability indemnity, 100  
17 percent of the earnings for the calendar year  
18 immediately preceding the date of the injury divided by  
19 50.

20 (c) Where the employee is working for two or more  
21 employers at or about the time of the injury, the average  
22 weekly earnings shall be taken as 100 percent of the  
23 aggregate of the earnings from all employments  
24 computed in terms of one week; but the earnings from  
25 employments other than the employment in which the  
26 injury occurred shall not be taken at a higher rate than  
27 the hourly rate paid at the time of the injury.

28 (d) If the earnings are at an irregular rate, such as  
29 piecework, or on a commission basis, the average weekly  
30 earnings shall be taken as 100 percent of the earnings for  
31 the calendar year immediately preceding the date of the  
32 injury divided by 50.

33 SEC. 30. Section 4453.1 of the Labor Code is repealed.

34 SEC. 31. Section 4453.5 of the Labor Code is repealed.

35 SEC. 32. Section 4454 of the Labor Code is amended  
36 to read:

37 4454. In determining average weekly earnings, there  
38 shall be included money payments for services rendered,  
39 overtime, the market value of board, lodging, and fuel,  
40 and other advantages received by the injured employee

SENATE LABOR & EMPLOYMENT

FILE NO. 13

DATE 2/11/27

FILE NO. 213-315



JAMES W. MURRY  
EXECUTIVE SECRETARY

Box 1176, Helena, Montana

ZIP CODE 59624  
406/442-1708

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE, FOR THE RECORD MY NAME IS JIM MURRY AND I AM THE EXECUTIVE SECRETARY OF THE MONTANA AFL-CIO. WE ARE HERE TODAY SUPPORTING SENATE BILL 330 WITH CONSIDERABLE RELUCTANCE.

OUR RELUCTANCE IN SUPPORTING SB 330 COMES BECAUSE THERE APPEARS TO BE A 20 TO 25 PERCENT TOTAL BENEFIT LOSS TO THE INJURED WORKERS OF MONTANA UNDER THIS LEGISLATION.

THAT BENEFIT LOSS IS A RESULT OF SEVERAL SUBSTANTIAL REDUCTIONS: IN PERMANENT PARTIAL DISABILITY BENEFITS, BECAUSE OF DRASTIC REDUCTIONS IN BENEFITS FOR WIDOWS, BECAUSE OF THE FAILURE TO PAY WORKERS FOR THE FIRST 6 DAYS OF WAGES LOST AFTER AN INJURY OCCURS AND BECAUSE PRE-EXISTING CONDITIONS WOULD NO LONGER BE COMPENSATED.

THESE ARE JUST A FEW OF THE AREAS WHERE INJURED WORKERS ARE ASKED TO MAKE A SUBSTANTIAL SACRIFICE.

I MIGHT ADD THAT WE ARE ALSO DISTURBED THAT AN INJURED WORKER UNDER THIS LEGISLATION WILL NOT HAVE ATTORNEY'S FEES PAID BY THE INSURANCE COMPANY, EVEN IF THE WORKER IS SUCCESSFUL IN MAKING HIS OR HER CASE IN COURT. AND, THAT TO US, IS GROSSLY UNFAIR.

SENATE BILL NO. 330  
DATE 2/14/87  
BILL NO. SB 330

BUT WHILE WE DON'T LIKE THESE CUTS IN BENEFITS TO INJURED WORKERS. . . WE REALIZE THAT SENATE BILL 330 IS BY FAR THE MOST RESPONSIBLE LEGISLATION BEFORE THIS COMMITTEE. AND, WE ALSO REALIZE THAT SOME SACRIFICES WILL HAVE

MR. CHAIRMAN, BACK IN 1969, WE BEGAN TO SEE SOME DRAMATIC IMPROVEMENTS IN MONTANA'S WORKERS COMPENSATION ACT. THE MONTANA STATE AFL-CIO PARTICIPATED WITH THE GOVERNOR'S ADVISORY COUNCILS TO MAKE RECOMMENDATIONS FOR CHANGES IN MONTANA'S WORKERS COMPENSATION SYSTEM.

THESE COUNCILS WERE COMPRISED OF REPRESENTATIVES OF THE BUSINESS COMMUNITY, THE INSURANCE INDUSTRY, SELF-INSURERS, BOTH CLAIMANT'S AND DEFENSE ATTORNEYS, AGRICULTURE AND ORGANIZED LABOR. THOSE ADVISORY COUNCIL'S RECOMMENDATIONS WERE BASED UPON OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION GUIDELINES THAT DIRECTED THAT THE STATES MUST UPGRADE AND IMPROVE THEIR WORKERS COMPENSATION LAW WITH THE THREAT OF FEDERAL GOVERNMENT INTERVENTION.

THE MONTANA LEGISLATURE RESPONDED TO THE ADVISORY COUNCIL'S RECOMMENDATIONS BY RESPONSIBLY CREATING ONE OF THE BEST WORKERS COMPENSATION LAWS IN THE NATION.

BUT MONTANA WORKERS WERE ALSO RESPONSIBLE AS THEY CONTINUED TO BE ONE OF THE MOST PRODUCTIVE WORK FORCES IN THE NATION. ACCORDING TO AN INC. MAGAZINE SURVEY IN OCTOBER, 1985, MONTANA WORKERS ACHIEVED THE FOURTH HIGHEST RANK IN THE NATION IN VALUE ADDED PER WORKER PER YEAR.

TODAY, WITH BURGEONING DEFICITS IN THE SYSTEM, WE ARE TOLD THAT THE SYSTEM HAS GONE AWRY. CONTENTIONS HAVE BEEN MADE THAT COURT DECISIONS AND LAWYER INVOLVEMENT WITH THE SYSTEM HAVE CAUSED EXCESSIVE JUDGEMENTS. BESIDES ALLEGED PROBLEMS WITHIN THE SYSTEM, THERE HAVE ALSO BEEN RUMORS OF ABUSE AND POSSIBLE FRAUD.

SENATE LABOR & EMPLOYMENT

FILE NO. 14  
2/14/87  
BILL NO. 23 315

THESE RUMORS ARE NOT FROM UNIDENTIFIED SOURCES, BUT RATHER FROM KNOWLEDGEABLE PEOPLE IN RESPONSIBLE POSITIONS. IN FACT, ONE OF THE MOST OUTSPOKEN LEADERS EXPRESSING CONCERN OVER POSSIBLE ABUSES IS REPRESENTATIVE BOB MARKS, SPEAKER OF THE MONTANA HOUSE OF REPRESENTATIVES.

IN A FEBRUARY 1, 1987 ASSOCIATED PRESS STORY, REPRESENTATIVE MARKS EXPRESSED CONCERNS OVER 'INDICATIONS OF QUESTIONABLE PAYMENTS FROM THE WORKERS COMPENSATION FUND.' REPRESENTATIVE MARKS SAID IN THAT SAME AP STORY, AND I QUOTE "IF THESE CONCERNS ARE GENUINE, THERE IS A HIGH INDICATION TO ME, THAT THERE IS FRAUD."

ON THE FOLLOWING MONDAY, DURING A MEETING OF THE LEGISLATIVE AUDIT COMMITTEE, LEGISLATIVE AUDITOR SCOTT SEACAT STATED THAT LEGISLATORS NEED "ASSURANCE THAT THERE ARE NO MAJOR ADMINISTRATIVE PROBLEMS IN THE WORKERS COMPENSATION SYSTEM BEFORE THEY UNDERTAKE MAJOR REFORMS OF THE SYSTEM."

MR. CHAIRMAN, THIS COMMITTEE IS CONSIDERING THE MOST DRAMATIC CHANGES CONTEMPLATED IN THE ACT'S HISTORY. THE CHANGES THAT YOU ARE CONSIDERING IS NOT ONLY DRAMATIC AS COMPARED TO PAST CHANGES, BUT IT IS TRAUMATIC TO THE INJURED WORKERS THAT ARE BEING ASKED TO MAKE SUCH SIGNIFICANT SACRIFICES. WE AGREE WITH MR. SEACAT THAT ALL THE CARDS MUST BE ON THE TABLE BEFORE WE UNDERTAKE SUCH MAJOR REFORMS OF THE SYSTEM.

WE HOPE YOU WILL CONSIDER CALLING REPRESENTATIVE MARKS BEFORE YOUR COMMITTEE TO DISCUSS AT LENGTH HIS ALLEGATIONS. BECAUSE IT IS IMPERATIVE THAT YOU HAVE ALL INFORMATION AVAILABLE REGARDING POSSIBLE FRAUD AND ABUSE BEFORE YOU PROCEED WITH DISMANTLING THE LAW.

SENATE LABOR & EMPLOYMENT

EXHIBIT 14

D

BILL NO.

2/14/87

SB 315

WE BELIEVE THAT MANY PROBLEMS WITHIN THE SYSTEM EXIST BECAUSE OF MISMANAGEMENT AND ADMINISTRATIVE ERRORS. WE ARE DISTURBED THAT THESE ADMINISTRATIVE PROBLEMS AND THE COST TO THE SYSTEM HAVE BEEN LARGELY IGNORED.

WE HAVE RECEIVED NUMEROUS COMPLAINTS FROM WORKERS THAT THE SYSTEM DOES NOT RESPOND TO THEIR NEEDS. FOR EXAMPLE, WORKERS CALLING THE DIVISION OFFICE LONG-DISTANCE, AT THEIR OWN EXPENSE, HAVE COMPLAINED THAT THEY HAVE BEEN PUT ON HOLD INDEFINITELY AND THEN CUT-OFF.

WORKERS REPEATEDLY STATE THAT THEY DO NOT RECEIVE THE BENEFITS THEY ARE ENTITLED TO AND THAT THE DIVISION DOES NOT RESPOND TO THEIR COMPLAINTS-- NECESSITATING THE HIRING OF AN ATTORNEY.

FOR EXAMPLE, A FEBRUARY 8, MISSOULIAN LETTER TO THE EDITOR, WHICH IS ATTACHED TO THIS TESTIMONY, POIGNANTLY DESCRIBES THE FRUSTRATIONS THAT AN INJURED WORKER HAD IN DEALING WITH THE SYSTEM.

ALSO, REPRESENTATIVE JERRY DRISCOLL, PRESIDENT OF THE MONTANA STATE AFL-CIO HAS REPEATEDLY ASKED FOR DATA ON THE NUMBER OF EMPLOYERS WHO ARE ILLEGALLY NOT PAYING THEIR WORKERS COMPENSATION PREMIUMS. THE WORKERS COMPENSATION DIVISION SAID THEY COULD NOT PROVIDE THIS INFORMATION TO REPRESENTATIVE DRISCOLL CONTENDING THAT THE DATA IS UNAVAILABLE. YET, IN MANY COMMITTEE HEARINGS WHICH HAVE BEEN HELD, THE WORKERS COMPENSATION DIVISION HAS STATED THAT AS MANY AS 1,000 EMPLOYERS ARE ILLEGALLY NOT PAYING WORKERS COMPENSATION PREMIUMS.

STATE OF MONTANA  
EXHIBIT 14  
DATE 2/14/89  
BILL NO. 213 315

IT'S CLEAR THAT THERE HAS NOT BEEN A CONCERTED EFFORT MADE BY THE WORKERS COMPENSATION DIVISION TO INVESTIGATE AND DETERMINE THE COSTS OF THESE PROBLEMS. AND UNTIL THESE COSTS AND THE IMPACT ON THE FUND'S DEFICIT ARE DETERMINED, LEGITIMATE BENEFITS TO WORKERS SHOULD NOT BE CURTAILED.

WE ARE ALSO CONCERNED THAT PREMIUM LEVELS HAVE NOT BEEN SET HIGH ENOUGH TO ADEQUATELY FUND THE STATE SYSTEM. IT HAS BEEN TESTIFIED TO IN AN EARLIER HEARING THAT THE DIVISION PURPOSELY REFUSED TO ASSESS PREMIUMS AT LEVELS THAT WOULD ADEQUATELY FUND THE STATE WORKER'S COMPENSATION PROGRAM, AND SUCH ACTIONS WERE TAKEN CONTRARY TO THE STATE FUND'S OWN INDEPENDENT ACTUARIAL ADVICE. THAT IMPACT ON THE STATE FUND SEEMS TO HAVE BEEN IGNORED ALSO.

OUR ORGANIZATION HAS RECEIVED MANY COMPLAINTS FROM WORKERS WHO HAVE BEEN INJURED AND WHO ARE FORCED INTO REHABILITATION REVIEWS AND PROGRAMS THAT SEEM TO BE OF LITTLE ASSISTANCE IN RETURNING WORKERS TO PRODUCTIVE EMPLOYMENT. IT APPEARS THAT MUCH OF THE REHABILITATION EFFORTS HAVE RESULTED IN UNNEEDED ADDITIONAL COST TO THE WORKERS COMPENSATION SYSTEM.

IF THAT COST IS UNNECESSARY, THEN WE WOULD SUGGEST THAT PREMIUM COST CUTS BE MADE THERE.

FINALLY, THE ADJUDICATION OF CLAIMS SHOULD NOT BE BIASED. WE BELIEVE THAT IF THE WORKERS COMPENSATION COURT IS ABOLISHED IT WILL ONLY LEAD TO MORE STEPS IN THE ADJUDICATION PROCESS WHICH WILL INCREASE COSTS, BENEFIT LAWYERS, DELAY DECISIONS, AND CONCEIVABLY LEAD TO UNFAIR AND BIASED DECISIONS.

SENATE LABOR & EMPLOYMENT  
EXHIBIT NO. 14  
DATE 2/14/87  
BILL NO. SB 315

MR. CHAIRMAN, WE FEEL STRONGLY THAT SENATE BILL 330 IS THE BILL FROM WHICH YOUR COMMITTEE MUST WORK. IT IS CLEARLY THE LEAST PUNITIVE OF THE TWO MEASURES BEFORE YOU, WHILE REFLECTING A MORE RESPONSIBLE APPROACH TO DEALING WITH MONTANA'S WORKERS COMPENSATION PROBLEMS.

SENATE LABOR & EMPLOYMENT  
EXHIBIT 14  
DATE 2/11/87  
BILL NO. SB 315

## An injured system

As an injured worker, I would like to offer this concerning our present problem concerning the Workers' Compensation system.

Like any "business" when it has failed to perform as required, the blame for its success or failure is inevitably and justifiably placed firmly on the shoulders of its management!

As a manager myself for some 14 years in the automotive profession, I have never seen the customers blamed or punished because the business lost money or was strangled by its procedures.

For 20 years I have worked and supported myself and later my family with never a problem with injury or inability to do so until through a job-related back injury, I was forced out of work to have surgery.

Suddenly I was forced to deal with the system I had quietly ignored for all of these years.

It is like a nightmare that you hope to awake from at any moment. There is a maze of procedures, paperwork, and delay that is incomprehensible until experienced.

The "voices" over the phone at the Workers' Compensation Division won't give you any information until your human identity has been wrenched from you and replaced by some computer claim number, which takes what seems to be an eternity when the rent and bills are not being paid.

My first payment took approximately eight long weeks, and was far short of what it should have been. After much time and paperwork proving my entitlement to a larger weekly rate, I was granted and later denied a small increase. More appeals, documents and proof later, I was still told they were unable to get someone to make the proper decision.

Out of desperation, I was forced to hire an attorney by the very system that makes so much noise about lawyers and their fees.

Shortly, I was paid the back amount

owed and my weekly rate was raised to its correct amount. Without my lawyer, I quite literally would have been thrown out of my house, sued by bill collectors, and simply up the proverbial creek.

Rather than punish the "customers" and lay blame on the lawyers that are helping them, let's fix the mess in Helena and run the Workers' Compensation Division as it was intended, for those unfortunate people who are forced to utilize its intended purpose, to help the injured worker! — Len Anderson, 103 Peterson Place, Stevensville.

Missoulian, Sunday, February 8, 1987.

SEARCHED  
INDEXED  
SERIALS  
DATE 2/14/87  
FILE NO. 80 315



**MONTANA STATE BUILDING & CONSTRUCTION TRADES COUNCIL**

**IN AFFILIATION WITH**

**THE NATIONAL BUILDING & CONSTRUCTION TRADES DEPARTMENT**

**AMERICAN FEDERATION OF LABOR — CONGRESS OF INDUSTRIAL ORGANIZATIONS**

President

Don Gimbel

Secretary-Treasurer

Dan Jones

February 16, 1987

Hon. J.D. Lynch, Chairman  
Senate Labor and Employment  
Relations Committee  
Capitol Station  
Helena MT 59620

Dear Senator Lynch:

On Saturday, February 14, 1987 I presented testimony before you and your committee on SB 315 and SB 330.

My comments centered around the abuses of employers who do not pay premiums to Workers' Compensation as required by state law, especially in the construction and logging industries.

There seem to be a number of methods by which an employer can do this, but one of the most blatant is for an employer to tell their workers that they are independent contractors. When employees complain that they need and want workers' compensation coverage, they are told not to worry; that if they get hurt on the job that the employer does not have to turn in coverage reports to Workers' Compensation for up to three months, and that they will be put down as an employee if they are injured on the job.

I believe that this practice is used a great deal by non-union contractors in order to achieve a competitive edge over union contractors who the union can check for benefit coverage.

I also believe that this practice is used much more widely than is believed and that it is costing the Workers' Compensation Fund millions of dollars and forcing fair contractors to pay higher premiums as a result.

I am formally requesting that you, as Chairman of the Senate Labor and Employment Relations Committee, have the State Department of Labor investigate this practice.

SENATE LABOR & EMPLOYMENT

FILE NO. 15

DATE 2/14/87


BILL NO. SB 315

page two

I am enclosing copies of the materials which I used in my testimony, and which you have requested.

If I can provide you with further information, please let me know.

Sincerely,

  
Eugene Fenderson  
Lobbyist

EF/bcs

Enclosures

cc: Senate Labor and  
Employment Relations Committee

SENATE LABOR & EMPLOYMENT  
15  
2/11/77  
883 315

## COMMISSION ON CALIFORNIA STATE GOVERNMENT ORGANIZATION AND ECONOMY

1127 - 11th Street, Suite 550, (916) 445-2125

Sacramento 95814

Chairman  
NATHAN SHAPELLVice-Chairman  
JAMES M. BOUSKOSALFRED E. ALQUIST  
Senator

MARY ANNE CHALKER

ALBERT GERSTEN, JR.

BROOKE KNAPP

HAIG G. MARDIKIAN

MILTON MARKS  
SenatorGWEN MOORE  
Assemblywoman

MARK NATHANSON

M. LESTER OSHEA

JEAN KINDY WALKER

PHILLIP D. WYMAN  
AssemblymanRICHARD C. MAHAN  
Executive DirectorNEWS RELEASE: 10:15 a.m.  
August 14, 1985

## UNDERGROUND ECONOMY STUDY REPORT RELEASED:

STATE LOSING BILLIONS; CALL FOR ACTION

ON COMMISSION'S TWENTY RECOMMENDATIONS

SB=315

In a Los Angeles news conference, the State's "Little Hoover Commission" released the results of its broad-based study of State programs to control the underground economy.

Each year the State is losing billions of dollars in taxes due to the underground economy in which employers, employees, and self-employed persons pay or receive cash for work performed or goods sold without paying a single dime in income, payroll, or sales taxes. The most common industries where cash-pay occurs is the construction and garment industries; the evasion of sales tax can be found in almost every part of the retail sector.

The Commission's final report, entitled "A Review of Selected Taxing and Enforcing Agencies' Programs to Control the Underground Economy," sets forth twenty specific recommendations for improvements including reorganizing some or all taxation responsibilities into a central agency; forming a special multi-agency strike force to conduct investigations and prosecutions of blatant tax and cash-pay violations; specific steps to improve information used to identify violators;

expanded and improved enforcement techniques and sanctions; and increased fines for repeat violators.

"This year California will lose more than \$2 billion in revenues to the underground economy--that's nearly 20 percent of the total income taxes collected in 1984. The State, quite simply, must do more to combat this ever growing problem," stated Nathan Shapell, Chairman of the Commission.

The development of effective, practical recommendations, said Shapell, began with the appointment of a Blue Ribbon Advisory Committee represented by virtually all interested parties including the Chairmen of the Assembly Committee on Labor and Employment and Senate Committee on Industrial Relations, the Administration, both labor and employer organizations, and various other experts. The Committee was chaired by Mr. Michael Kassan, a former member of the Commission and a practicing tax attorney.

Urging action on the recommendations proposed in the report, Shapell stated, "The benefits to the State from implementing our recommendations and reducing the size of the underground economy are immense--literally billions are being lost. If we can eliminate only five percent of the problem, the State could realize a \$100 million increase in its income tax revenues alone."

Assemblyman Richard Floyd (D-Hawthorne), Chairman of the Assembly Committee on Labor and Employment, commended the report's recommendations and pledged to pursue the reforms with hearings and legislative proposals for 1986.

###

SENATE LABOR & EMPLOYMENT  
EX-115  
2/11/87  
2/11/87

## COMMISSION ON CALIFORNIA STATE GOVERNMENT ORGANIZATION AND ECONOMY

1127 - 11th Street, Suite 550, (916) 445-2125  
Sacramento 95814



CHAIRMAN NATHAN SHAPELL'S

STATEMENT AT PRESS CONFERENCE

ON THE STATE'S PROGRAMS

TO CONTROL THE UNDERGROUND ECONOMY

August 14, 1985

Chairman  
NATHAN SHAPELL  
  
Vice-Chairman  
JAMES M. BOUSKOS  
  
ALFRED E. ALOQUIST  
Senator  
  
MARY ANNE CHALKER  
  
ALBERT GERSTEN, JR.  
  
BROOKE KNAPP  
  
HAIG G. MARDIKIAN  
  
MILTON MARKS  
Senator  
  
GWEN MOORE  
Assemblywoman  
  
MARK NATHANSON  
  
M. LESTER O'SHEA  
  
JEAN KINDY WALKER  
  
PHILLIP D. WYMAN  
Assemblyman  
  
RICHARD C. MAHAN  
Executive Director

Good morning ladies and gentlemen. Thank you for coming. We are here today to announce the release of the Little Hoover Commission's report on California's Underground Economy.

At this very minute, millions of dollars in business transactions are taking place across this State for which there will never be a single dime of income, sales, or payroll taxes paid to the State government. I'm not referring to criminal business such as prostitution or gambling. Rather, I am talking about the largest segment of California's Underground Economy -- the literally hundreds of thousands of daily transactions involving self-employed persons and employers and employees who pay or receive cash for work performed or for goods sold without withholding or reporting the proper income, payroll, or sales taxes.

What may seem to be a small or perhaps trivial problem to those participating, accounts for approximately \$40 billion a year in California in otherwise legal business transactions -- and it's growing.

Experts testifying at our public hearings estimated that California loses more than \$2 billion each year in income taxes alone because our taxation and enforcement system has to date been unable to catch these tax cheaters. That's almost 20 percent of the total income tax the State collected last year.

However, the effect on State government is not limited to the billions of dollars in lost income, sales, and payroll taxes. The participants in the underground economy also fraudulently file for welfare payments and use the Medi-Cal program to pay for their health care. Additionally, there are no contributions to unemployment insurance, disability, or social security although claims against these funds continue, frequently by the worker receiving his or her wages in cash. As a result, the overall price to the honest taxpayer is monumental.

SENATE LABOR &amp; EMPLOYMENT

15  
2/14/87  
50315

The underground economy can be found in virtually any profession. But the worst cases involve the construction and garment industries where some employees are paid in cash without income or payroll taxes ever being reported.

The continuing growth of the underground economy prompted Governor Deukmejian to ask our Commission to investigate the overall problem and develop recommendations for improving the State's taxing and enforcement mechanisms. Because of the unique problems associated with this issue, our Commission appointed a Blue Ribbon Study Advisory Committee to provide valuable insights and guidance on this study. Virtually all knowledgeable parties were represented including the Chairmen of the Senate Committee on Industrial Relations and Assembly Committee on Labor and Employment, the directors of the various State taxing and regulatory agencies, the U.S. Internal Revenue Service, management and employer organizations, employee and union organizations, attorneys specializing in labor and taxation, and a partner of a Big-Eight accounting firm. These individuals worked with our Commissioners and expert consultant to develop an extensive list of findings and recommendations for substantial improvements.

Simply put, the system to control the underground economy consists of three fundamental elements. First, government must have good information to detect the tax cheaters. Second, government must have adequate enforcement tools to take swift and strong action against participants in the underground economy and to create a major deterrent. Finally, government must have well organized and coordinated resources to maximize its attack on the underground economy, and thereby improve voluntary compliance with the tax laws.

Our study concluded that major improvements are needed in each of these areas. Although our report presents numerous detailed findings, we believe a significant number of the problems exist because of the State's fragmented organization of responsibilities in which three taxing agencies and at least two other enforcement agencies are involved at some level in combating the underground economy.

As a result, each agency operates with (1) objectives that, at times, conflict with one another; (2) information systems which are not sufficiently coordinated; and (3) resources that are not maximized towards the enforcement of our tax and labor laws. The end result -- the State loses billions of dollars in revenues.

Because the question of organization cuts across the major elements of an effective taxation and enforcement system, our Commission presents two major recommendations for long-term and short-term resolution:

SENATE LABOR & EMPLOYMENT

15  
2/14/77  
8/3 315

First, we recommend that the Governor and Legislature reorganize some or all State taxation responsibilities into a central agency; the level of reorganization should be based upon a detailed study by a team of experts.

Second, at least until reorganization occurs, we believe the Governor and Legislature should establish a Multi-Agency Strike Force to conduct broad investigations and audits of blatant tax and labor violations leading to the levying of the maximum civil and criminal penalties available. The results of these cases must be extensively publicized so that the word will get out -- you can no longer get away with violating tax and labor laws in California.

Before asking Mr. Michael Kassan, the Chairman of our Advisory Committee to summarize other findings and recommendations outlined in the report, let me just emphasize that the benefits to the State from implementing our recommendations and reducing the size of the underground economy are monumental -- literally billions are being lost. If only a 5 percent improvement is made, it would generate \$100 million in additional income tax alone.

Now I'd like to introduce Mr. Michael Kassan.

SENATE LABOR & EMPLOYMENT  
EXHIBIT NO. 15  
DATE 2/7/87  
FILE NO. SB 315

(This sheet to be used by those testifying on a bill.)

NAME: Maggie Allen DATE: 2/14/87

ADDRESS: Box 125 Huntley, mt.

PHONE: 259-3924

REPRESENTING WHOM? Self

APPEARING ON WHICH PROPOSAL: S.B. 330

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENT: I was injured on a ranch where

I work and sent in a form (37) they  
put me on a lower pay scale then

I am entitled to - I tried on my  
own to explain what amount I make

and how - by the day not week - and

they ignored me and my second form I

sent in. That's when I went to a lawyer

He informed me of my rights to other things

I could put on the wage scale (which

I wouldn't have known).

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

SENATE LABOR & EMPLOYMENT

EXHIBIT NO.

DATE

FILE NO.

16

2/14/87

35 315

Governor SB 315  
Council SB 330

February 4, 1987

Lincoln County Legislators  
Capitol Station  
Helena, Mt. 59620

Dear Legislator:

We have been led to believe that the Workman's Compensation system is in dire straits because of, 1) fraud within the system, as well as workers being able to benefit from the system while not being truly injured, 2) attorneys and their high fees and costs to the system, 3) past liberal court decisions in regards to claims filed by injured workers, and, last but not least, bad employers, themselves.

To help offset the problems, the Governor, under pressure from various groups, has come up with what is now to be called the "saviour of the system".

I am not going to disagree that there isn't problems with the system that need to be addressed, because there is. My concern is, if all the above mentioned "culprits" are equal in causing the problems, then the fair and simple way to ease the problem is to attack the "culprits", equally. All the Governor's proposal does is take the easy way out and cut where it is the easiest, injured workers' pockets.

I see in the Governor's reform where injured workers will pay over 50% of the 30% savings the Division will experience, as a result of this "reform". Just guessing, but I would bet that restricted attorney fees would cover the bulk of the rest of the savings. So the rest of the "reform" bill is nothing but window dressing.

Injured workers already experience reduced earning capacity by just being injured. They do not need nor can they afford additional moneys taken out of their pockets.

Injured workers pay for things like, reduced benefits, limitations on how long they can receive full benefits, and restrictions on lump sum settlements.

I would encourage every worker to write a letter to their legislators urging them to oppose this bad "reform". There is no guarantee that today, tomorrow, or some time in the near future, you may need the help of the Compensation system. Are you willing to take that chance?

Thank you.

Don Wilkins  
Business Agent  
LPIW Local #2581  
Libby, Mt. 59923

SENATE LABOR & EMPLOYMENT  
17  
2/4/87  
23 315

(This sheet to be used by those testifying on a bill.)

NAME: Don Jenkins DATE: 2-14-87

ADDRESS: ~~453~~ 200 N. Brooke, Whitehall, NY

PHONE: 287-3046 or 287-3257

REPRESENTING WHOM? Golden Sunlight Mines, Inc

APPEARING ON WHICH PROPOSAL: SB 330

DO YOU: SUPPORT? \_\_\_\_\_ AMEND? \_\_\_\_\_ OPPOSE? X

COMMENT: \_\_\_\_\_

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

SENATE LABOR & EMPLOYMENT

EXHIBIT NO. 18

DATE 2/14/87

BILL NO. SB 315

330  
TESTIMONY ON SB 315

Mr. Chairman, Members of the Committee:

For the record my name is Don Jenkins. I am employed as Administrative Superintendent of the Golden Sunlight Mine near Whitehall. ~~As some of you may know the Golden Sunlight is the largest producing gold mine in Montana today and employees approximately 160 people.~~ I am also Chairman of the Environmental, Health and Safety Committee of the Montana Mining Association, which represents every major hard rock mining company in Montana and ~~approximately 500~~ <sup>several hundred</sup> small miners and prospectors.

In addition, for the past two years, I have been a member of the Governor's Advisory Council on Worker's Compensation as a representative of the business community of Montana.

Two years ago today, February 14, 1985, Governor Schwinden spoke to the Advisory Council and gave us charge of the job at hand. He stressed to us the need for a "people sensitive, cost-conscious" Workers' Compensation program. He wanted us to balance the concerns of employers and workers. I agree with that philosophy.

At one of the first Council meetings I stated that employers are concerned with the high cost of doing business in Montana. Workers' Compensation rates are high, very high. I suggested that we find ways of reducing those costs by encouraging the injured worker to get back into the mainstream of the workforce once he reaches maximum healing and, if necessary, a rehabilitation program. After all, Workers' Compensation is an insurance program and not an early retirement or social welfare

SENATE LABOR & EMPLOYMENT

EXH

DA1

2/14/87  
SB 315

program as in some instances it is used for. ~~SB 315 addressee~~  
~~that concern.~~

Montana's present system is very liberal and the financial condition of the State fund bears that out. As an example of that liberalism - we had an employee at our operation <sup>who</sup> ~~that~~ said he was injured while driving truck. He claimed the loader operator dumped a load of ore too roughly into the truck in which he was sitting causing injury to his back. The Federal Mine Safety and Health Administration (MSHA) investigated the so called accident and denied the claim on their reports. They suspected that he had a pre-existing condition. However, our out of State Insurance carrier at that time paid the claim. When I asked them why they didn't contest the claim they said with Montana's liberal interpretation of the law they had no chance of prevailing so the position they took was to settle with the claimant and get rid of the case. High cost of doing business in Montana! You Bet!

I think we all agree that a major overhaul of the system is needed if the fund is to become solvent again. The question is which is the best way to accomplish that goal? I am not going into the comparison of the SB 315 and 330 because you have heard that and will hear that the rest of the afternoon and, for that matter, the rest of the session, however, I would like to make a couple of comments. There is a need to reduce the legal involvement in Workers' Comp cases. I have a great deal of respect for our present Workers' Compensation Court, but I personally feel that it encourages litigation and increases the

SENATE LABOR & EMPLOYMENT

EXHIBIT NO. 18

DATE 2/14/87

BILL NO. SB 315

cost of the system. I have to agree with the Governor's proposal to abolish the Court and replace it with hearing officers and a review board as long as qualified people are appointed, ~~to them~~. Although, the Advisory Council voted to retain the present court system, the vote was 6 to 5 with 9 not voting. I don't think this is an overwhelming endorsement of the court. I feel had the entire council been there to vote, the outcome may have been much different.

In closing, I would just like to say that at the end of the two year term on the Advisory Council I ~~found it difficult to~~ <sup>found it difficult to</sup> support its recommendation~~s~~, ~~and I will~~ ~~however,~~ I feel SB 315 will give us better control on the Workers' Compensation program and, hopefully, solve the financial problems of the State fund and eventually lower the Workers' Compensation premium rates~~s~~. Then maybe Montana can <sup>again</sup> become competitive with the rest of the country. Therefore, the Montana Mining Association, Golden Sunlight Mines, Inc. and I, as a member of the Governor's Advisory Council on Workers' Compensation, <sup>✓</sup> prefer SB 315, ~~and recommending its passage~~ Thank you. ~~and~~ <sup>oppose</sup> SB 330 and

SENATE LABOR & EMPLOYMENT

EXHIBIT NO. 18

DATE 2/14/87

BILL NO. SB 315

KEITH OLSON  
MT. LOGGING ASSN  
EXECUTIVE DIRECTOR

## SUPPORT FOR SB 315

I don't need to appear here today to convince anyone that Montana's Work Comp Act is failing... indeed it is on the very edge of collapse.

It would be great if we could identify a single solution to the problem. Unfortunately, it's not that easy... because we're all to blame:

We need to enhance our commitment to safety...

We need to enhance our commitment to claims management.

We need to enhance medical/rehabilitation procedures...

And we need to minimize litigation.

In short, we need to REFORM MT's Work Comp Act.

Throughout the 20th century we have amended the Act to the extent it no longer is effective or affordable.

You will hear a great deal of rhetoric today... from proponents and opponents alike.

Throughout today's hearing I would like to hear you all agree on a few things:

Every time a Work Comp claim is litigated...

It costs too much!

It fails the injured workers...

It fails the employers & insurers...

It fails the taxpayers who must pay it.

SENATE LABOR & EMPLOYMENT

EXHIBIT 19

DATE 2/14/99

BILL NO. SB 315

NEITH Olson  
Executive Director  
MT. Logging Assn.

OPPOSITION TO SB 330.

1A

Now that we have heard both legislative proposals...

SB 315 and SB 330... we know that they are largely similar. Which legislative proposal, then, best reforms a work comp system which is literally on the verge of collapse?

1. Despite the similarities in the two bills, we submit that SB 315 represents <sup>TRUE</sup> work comp REFORM... while SB 330 represents a continuation of the "band aid" approach to reform which ~~throughout the years~~ has resulted in a work comp system <sup>IN MT</sup> which is no longer effective for injured employees or affordable for their employers.

THIS, I C. LARSEN, the MLA rises in opposition to SB 330.

SENATE LABOR & EMPLOYMENT  
EXHIBIT NO. 19  
DATE 2/1/19  
BILL NO. SB 315

III. EVERY TIME A WORK COMP CLAIM IS LITIGATED...  
The Work Comp Act has failed:  
It has failed the injured worker...  
It has failed the injured workers employer...  
And it has frustrated legislative intent.

If enacted, SB 330 will continue that frustration!

at the rate we are  
going, def. of inj.  
will include everything  
ANXIETY  
ZITS

IT MAKES NO ATTEMPT TO define such basic terms  
as: injury, wages or maximum healing.  
Rather, it purports such definitions <sup>must</sup> be litigated.

SB 330 <sup>narrow</sup> does define "normal labor market"... but in such  
a way as to discourage going back to work...  
one of work comp's basic tenets.

THE ISSUE OF RETAINING THE WORK COMP COURT IS  
BEING OVERLOOKED. THE PARADIGM IN WORK COMP  
MUST BE TO "... receive lost wages for injured workers  
and provide medical treatment, rehabilitation and  
retraining... all through a self-administering system  
that minimizes the necessity for litigation."

Finally, the time has come when we must  
ask ourselves if we are not set for a more  
effective system... but we will court reform when  
it is as long as the judiciary remains [so  
accustomed to those who know how to manipulate  
it as to] a conduit to litigation!

To reduce the cost of work comp coverage SB 330 proposes to reduce permanent partial benefits from 500 weeks to 350 weeks. Such a reduction is <sup>an example of</sup> a ~~small~~ a calculable savings.

II.

Page 29  
ins 3-8

However, SB 330 also proposes the following language: "Factors to be considered in determining an indemnity award include the workers' medical impairment rating, physical condition, age, education, work history, continuing pain, actual wage loss, loss of <sup>potential</sup> future earnings, AND any other relevant factor affecting the workers ability to engage in gainful employment."

CASE SHOULD  
BE MADE

Mr. Chairman, that language guarantees that every indemnity claim can be (if not will be) litigated...

That language writes an attorney retirement program into Montana's work comp statute...

That language prevents the calculation of an accurate financial exposure...

That language will not cut off any savings SB 330 might otherwise afford...

That language will mean - if the scope were not so broad - that some workers will not get to 300% in compensation and the funding capacity will be reduced.

SENATE LABOR & EMPLOYMENT

EXHIBIT NO. 19

DATE 2/14/87

FILE NO. SB 330

Mr. Chairman, just as objectionable is the lump sum payment provisions of SB 330.

Lump Sum Payments provide 3 questionable benefits:

- (1) They provide to an injured worker the value of his future benefits discounted to present value.
- (2) They provide to his attorney the opportunity to deduct his contingency fee.
- (3) They allow an insurer the opportunity to "buy out" of any further responsibility to the injured worker.

Members of the committee, I implore you to ask yourself who truly benefits from lump sum awards. I submit that in far too many instances we literally abandon the injured worker once a lump sum award is granted.

SENATE LABOR & EMPLOYMENT

EXHIBIT

DATE

BILL NO.

19

3/14/67

SB 330

Mr. Chairman, members of the committee:

In conclusion, I ask ~~you~~ ~~to~~ to not pass  
Recommendation for SB 330...

Because SB 330 does not simplify ME's work  
comp system...

Because SB 330 does not propose to minimize  
litigation...

Because SB 330 will not result in savings  
or premium reductions for ME employers.

And because SB 330 proposes additional benefits to  
insurers and attorneys than it does for injured  
workers.

BECAUSE SB 330 does not emphasize an expedient and effective  
rehabilitation program!

Jobs, wage concessions, young people, tax base:

Present system does not work...

SENATE LABOR & EMPLOYMENT

COMMITTEE 19

2/17/87

CL NO SB 315

AMENDMENTS, SENATE BILL 315  
SUBMITTED BY: THE MONTANA CHIROPRACTIC ASSOCIATION  
FEBRUARY 14, 1987

Amend SB 315, first reading bill, as follows:

Page 31, line 18

Following: line 17

Insert: "NEW SECTION. Section 20. Medical evidence defined. "Medical evidence" means the testimony of a physician or other licensed practitioner of one of healing arts.

Page 57, line 25

Following: "be a"

Strike: "physician"

Insert: "primary health care provider"

Page 58, line 1

Following "37"

Strike: "chapter 3"

Insert: "of the same discipline or specialty as the claimant's treating physician"

Page 58, line 2

Following: "examiners"

Insert: "or other licensing board"

INFORMATIONAL CONTACTS

Dr. Howard Hultgren  
944 Avenue B, Billings, MT 59102

Bonnie Tippy  
Lobbyist, Montana Chiropractic Association  
442-2052

SENATE LABOR & EMPLOYMENT

20  
DATE 2/1/87

BILL NO. SB 315

My name is Tom Sinkov, I am  
 manager of Sinkov's Halls Lumber Co.  
 in Bozeman. I have come here to  
 testify in favor of Worker Comp  
 Bill

We have been in business for over  
 41 years. Until the early 1980's we  
 really had no problem with the workers  
 Compensation. However paralleling the expense of the  
 state fund at this point in time we have  
 seen a dramatic change in workers compensation.  
 We have a runaway - an almost uncontrollable  
 expense. I don't know what to do. The  
 real problem I have with the system is that  
 safety and safety programs can not fully deal  
 with the problem. Workers Compensation has  
 become an attitude problem - it is viewed as  
 a retirement program - a way for people to  
 obtain wealth. It rewards the malingerers and  
 penalizes the good honest Montana worker.  
 The majority of my employees feel the system  
 is unfair.

In these economic times it is imperative  
 that a businessman be able to control costs.  
 The present situation is that it is impossible  
 for any one to get a handle on workers  
 compensation.

The ~~above~~ Worker Comp program proposed  
 by Governor Swisher has been studied by  
 a great many people. It is a good attempt  
 to get this huge Montana problem under  
 control. Workers Compensation is getting too  
 expensive for most Montana employers. I  
 ask for your approval of this bill. Failure  
 to address this workers compensation problem  
 in Montana has grave implications for the  
 people and industry of Montana.

[Signature]

M.B.M.P.D.

M.N.B.

N.F.B.

SENATE LABOR & EMPLOYMENT

EXHIBIT NO. 21

DATE 2/14/87

BILL NO. 233/5

## MONTANA SELF-INSURERS ASSOCIATION

GEORGE WOOD, Executive Secretary

My name is George Wood and I am Executive Secretary of the Montana Self-Insurers' Association.

I arise in support of the concepts provided in both Senate Bill 315 and Senate Bill 330.

We believe that it is absolutely necessary that Montana's employer be granted substantial relief from the uncertainties and the extremely high cost of Workers' Compensation. This Committee heard in previous testimony by both labor and employers, the extra-territorial bill, indicating that Montana Workers' Compensation costs are substantially greater than those in surrounding states. This places a burden on Montana employers and workmen and has led to the export of Montana jobs as well as reducing the number of jobs available in Montana.

A combination of the provisions of Senate Bills 315 and 330 could make meaningful reform of the Montana Workers' Compensation Act. A review of the 2 bills indicate approximately 25 identical provisions. I will speak only to those provisions that are not identical.

The first of these is the abolition of Workers' Compensation Court. This causes me concern.

After having managed claims and the litigation involved for 25 years under the Administrative proceedings - District Court - Supreme Court system, and under the Workers' Compensation Court - Supreme Court system for 10 years, I have found the Workers' Compensation - Supreme Court system vastly superior. The Workers' Compensation Division should not have management of the State Fund (Plan 3) and also be involved in the adjudication of disputes.

The apparent and actual conflict is readily noticeable. The Workers' Compensation Court should be retained. It should be reformed, however, by enacting the provisions of Senate Bill 330 pertaining to the Court. The way to reduce litigation is not to abolish the Court, but to write clear, concise statutes which are not open to interpretation.

I have grave reservations about the provisions of Senate Bill 315 which provide for the intrusion of the Department of Labor into the Workers' Compensation system. Further, Senate Bill 315, without amendment grants awesome power to the Workers' Compensation Division, the management of an insurance company, the adjudication of disputes together with supervision of the Workers' Compensation system. It will be a power unto itself.

The amended bill should have definitions of "accident" and "injury". They need to be less restrictive than those contained in Senate Bill 315. During the past 70 years, we have had an Industrial Accident Board and statements about and statistics gathered on industrial accidents. We don't have now and never have had a definition of "accident".

The employers' problems surrounding the definition of accident are those involving:

1. repetitive trauma;
2. conditions resulting from the aging process;
3. discomfort felt while on the employer's premises;  
and
4. the relationship of Trauma to an ongoing disease process.

Physiological and psychological distress while doing your "usual work in the usual manner" should not be an accident. Neither should the "unexpected result". Our real concerns can be addressed without the definitions being as restrictive as contained in Senate Bill 315.

Senate Bill 315 does provide a clear concise definition of wages and this should be adopted. Senate bill 315 does address the need for reform in eligibility for payment of benefits. Payment of temporary total benefits until maximum healing is certainly an improvement. A trial, at least,

should be given to revisions in payment of permanent partial disability. However, this section should be amended to allow claim closure. Lump sum compromise settlements should be allowed on a voluntary basis between the injured worker and the insurer. The Courts should not have the power to order the payment of lump sums.

The provision for payments of impairments benefits should be deleted from Senate Bill 315 and the provisions of Senate Bill 330 adapted.

The provisions of Senate Bill 315 regarding permanent total disability are good. Standards for determining permanent total disability need to be adopted. They should be extremely restrictive and compensation should be paid on a biweekly basis only.

The liberal construction statute should not only have been repealed, as in Senate Bill 315, but the legislature should make an affirmative statement on interpretation, as is done in Senate Bill 330.

A rehabilitation statute is certainly needed. The section is Senate Bill 315 is almost beyond comprehension. Simplification is required.

The section of Senate Bill 315 providing for impairment evaluation panels should be deleted. It is unnecessary and cumbersome.

I respectfully suggest that this committee has the unique opportunity to provide meaningful workers' compensation reform using Senate Bills 315 and 330 as a basis. You indeed have the opportunity to provide Montana with a Workers' Compensation system that is "people sensitive and cost conscious".

I certainly would be available to the Committee to help with this endeavor in any way possible.

(This sheet to be used by those testifying on a bill.)

NAME: JERRY P. OKONSKI DATE: FEB 14, 1987

ADDRESS: PO Box 742 LIBBY, MT 59923

PHONE: 406-293-7823

REPRESENTING WHOM? TIMBER TECH, INC + LOGGING CONTRACTORS IN LINCOLN CTY

APPEARING ON WHICH PROPOSAL: SB 315

DO YOU: SUPPORT? X AMEND?        OPPOSE?       

COMMENT: BROAD BASED SUPPORT

SB 315 NOT BREAKING ANY NEW GROUND - MEDICAL  
PANEL IN 43 OTHER STATES, SHOULD ALSO WORK  
IN MONTANA

NEED IMMEDIATE SOLN TO REMAIN COMPETITIVE  
+ PRESERVE WAGES

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

(This sheet to be used by those testifying on a bill.)

NAME: Willis Petch DATE: 2-14-87

ADDRESS: 4124 N Rouse Bozeman MT

PHONE: 587-1728

REPRESENTING WHOM? ~~My~~ Myself & the workers

APPEARING ON WHICH PROPOSAL: 315

DO YOU: SUPPORT?        AMEND?        OPPOSE? X

COMMENT: This Bill will take all  
rights away from the workers  
and justify the abuse and  
harassment by Workers' Comp  
of the workers that is now  
going on. This Bill will make  
law, the right to not be  
harass and abuse injured

Thank you for your  
Time

Willis Petch

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

330

NAME: HULT GREEN, HOWARD F DATE: 2-14-87

ADDRESS: 944 Ave B - Billings, MT 59102

PHONE: 259-1250 Work 259-0133 Home

REPRESENTING WHOM? Advisory Council

APPEARING ON WHICH PROPOSAL: Proposed # 330

DO YOU: SUPPORT? ☒ AMEND? ☒ OPPOSE? ☐

COMMENT: Not point. Committee accept recommendation  
to divide administration of the division and  
the fund.

No 2 Do not narrow recommendation of  
definition of injury. Could cause litigation  
of other factors and result in additional  
exposure of employers

No 3. If counts as established 315 substitute  
will be poor and result is problems  
of great magnitude.

No 4. Choosing evaluator panel in # 315 is not fair  
to injured workers. We offer the attached  
amendment to give worker and carrier more

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

complete information regarding the injury.  
(note) Bonnie Topsy will present this  
amendment during her appearance

NAME: Moss Teigen DATE: 2/14/87

ADDRESS: Helena

PHONE: 442-3420

REPRESENTING WHOM? Mt. Stockgrowers + Cattle women

APPEARING ON WHICH PROPOSAL: SB 315

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENTS: Our organizations strongly endorse SB 315. At its convention last  
spring, the Stockgrowers voted to support legislation that will bring premium  
more in line with adjoining states, further that benefits be  
re-evaluated so that premiums collected will pay the benefits  
Although the bill may not be perfect, it is the best  
alternative presently available to us.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

(This sheet to be used by those testifying on a bill.)

NAME: Ed Larrell Jr. DATE: 2-14-87

ADDRESS: P.O. Box 1156 Livingston, Mont. 59047

PHONE: 552-1290

REPRESENTING WHOM? PARK County Lumber Co.

APPEARING ON WHICH PROPOSAL: 315

DO YOU: SUPPORT? X AMEND? \_\_\_\_\_ OPPOSE? \_\_\_\_\_

COMMENT: \_\_\_\_\_

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

(This sheet to be used by those testifying on a bill.)

NAME: James Smith DATE: 2-14-87

ADDRESS: 1500 Walnut

PHONE: 443-0606

REPRESENTING WHOM? Mt. Assoc. For Rehab.

APPEARING ON WHICH PROPOSAL: SB 315

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENT:

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

(This sheet to be used by those testifying on a bill.)

NAME: Don DeTarnett DATE: 2-14-87

ADDRESS: Box 20598 Billings, MT

PHONE: 252-2161

REPRESENTING WHOM? Montana Steel & Billings Chamber

APPEARING ON WHICH PROPOSAL: SB 315

DO YOU: SUPPORT? X AMEND? \_\_\_\_\_ OPPOSE? \_\_\_\_\_

COMMENT: Attached

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

(This sheet to be used by those testifying on a bill.)

NAME: DAVID W. HARMAN DATE: 2-14-87

ADDRESS: 519 CALIF AVE Libby MT. 59923

PHONE: 293-3788

REPRESENTING WHOM? ASARCO, INC.

APPEARING ON WHICH PROPOSAL: SB 315

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENT:

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

(This sheet to be used by those testifying on a bill.)

NAME: Lloyd Doney DATE: 2-13-87

ADDRESS: Box 8102 - Troy, MT.

PHONE: 295-5882

REPRESENTING WHOM? ASARCO Inc.

APPEARING ON WHICH PROPOSAL: S/B 315

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENT:

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

(This sheet to be used by those testifying on a bill.)

NAME: DAVE Patterson DATE: 2-14-87

ADDRESS: University Montana Law School

PHONE: 243-4352

REPRESENTING WHOM? Self

APPEARING ON WHICH PROPOSAL: 330

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENT:

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

(This sheet to be used by those testifying on a bill.)

NAME: Bradley Luck DATE: 2-14-87

ADDRESS: 199 W. Pine Missoula

PHONE: W: 728-1200 H: 728-6317

REPRESENTING WHOM? Self, Mt Assoc of Def Council

APPEARING ON WHICH PROPOSAL: 315, 330

DO YOU: SUPPORT? 330 AMEND?            OPPOSE? 315

COMMENT: \_\_\_\_\_

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

(This sheet to be used by those testifying on a bill.)

NAME: Pong Crandall DATE: 2-14-87

ADDRESS: Box 1119 Livingston mt 59047

PHONE: 222-3360

REPRESENTING WHOM? Brand-S, Montana Wood Products

APPEARING ON WHICH PROPOSAL: 315 or 330

DO YOU: SUPPORT? 315 AMEND? \_\_\_\_\_ OPPOSE? \_\_\_\_\_

COMMENT:

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

(This sheet to be used by those testifying on a bill.)

NAME: Peg Hartman DATE: 2/14/87

ADDRESS: PO Box 1728

PHONE: 444-2749

REPRESENTING WHOM? Dept of Labor & Industry

APPEARING ON WHICH PROPOSAL: SB 330

DO YOU: SUPPORT?            AMEND?            OPPOSE? ✓

COMMENT: Does not include Industrial Insurance  
Board

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

(This sheet to be used by those testifying on a bill.)

NAME: Mike Malone DATE: 2/1/87

ADDRESS: 1714 9th - Kalamazoo

PHONE: 443 5541

REPRESENTING WHOM? WETA

APPEARING ON WHICH PROPOSAL: SB 315 / SB 330

DO YOU: SUPPORT? 315 AMEND?        OPPOSE? 330

COMMENT: We support those provisions in SB 315  
that protect benefits for the injured worker.  
We believe the rehabilitation section encourages  
a return to work ethic which we strongly  
support.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.



(This sheet to be used by those testifying on a bill.)

NAME: BRUCE VINCENT DATE: 2.14.87

ADDRESS: 5957 CHAMPION RD.

PHONE: 293-8458

REPRESENTING WHOM? WCA C

APPEARING ON WHICH PROPOSAL: SB 315

DO YOU: SUPPORT? X AMEND? \_\_\_\_\_ OPPOSE? \_\_\_\_\_

COMMENT: \_\_\_\_\_

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

COMMITTEE ON

DATE

Sept 14, 1987

## VISITORS' REGISTER

| NAME            | REPRESENTING                        | BILL #           | Check One |        |
|-----------------|-------------------------------------|------------------|-----------|--------|
|                 |                                     |                  | Support   | Oppose |
| Bob Kelleher    | injured workers                     | SB 330           | L         |        |
| Gene Huntington | Governor                            | SB 315           | ✓         |        |
| KEITH CLARK     | MT. Logging Assn.                   | SB 315           | ✓         |        |
| T. M. Rollins   | ASARCO INC                          | SB 315           | ✓         |        |
| BUD CLINCH      | MONT. LOGGING ASSOC                 | SB 315           | ✓         |        |
| Don Jenkins     | Golden Sun Light Mtns               | SB 315           | ✓         |        |
| Tim BERGSTROM   | MT. State Council PRO FIRE FIGHTERS | SB 315           |           | ✓      |
| VERN ERICKSON   | " " " " "                           | "                |           | ✓      |
| Don DeSavnet    | Montana Steel                       | SB 315           | ✓         |        |
| John Whiston    | AMU                                 | SB 315           | ✓         |        |
| Steve Skopina   | Workers Comp Act                    |                  |           |        |
| NAN GLENNY      | ORION GROUP INC                     | SB 315           | ✓         |        |
| BEN EVERETT     | injured workers                     | SB 330           | ✓         |        |
| DAVE PATTERSON  | Self                                | SB 330           | ✓         |        |
| Don Allen       | MT. Wood Products Assn              | SB 315<br>SB 330 | ✓         |        |
| Jim Cassin      | Chm Adv Council                     | 330<br>315       | ✓         |        |
| JIM ROSCOE      | ROSCOE STEEL                        | 315              |           |        |
| Mike Hecox      | WETA                                | 315              | ✓         |        |
| D. R. THURMANT  | WETA                                | 315              | ✓         |        |
| Maxine Bullock  | SRS - VR                            | 315              | ✓         |        |
| Bob Drake       | Chm Ind Assn                        | 330<br>315       | ✓         |        |
| STEVE SEIFERT   | CFAC                                | 315              | X         |        |
| WADE J. DAHOLD  | INJURED WORKERS                     | 315<br>330       | ✓         |        |
| HOPE ROSEHILL   | MT Wood Products Assn               | 315              | X         |        |
| Tom Sinkins     | Sinkins Hall                        | 315              | ✓         |        |
| James McVick    | USWA Local 72                       | 315              |           | ✓      |

(Please leave prepared statement with Secretary)

CC  
L. 1154

(C) SEP 14 1987

## VISITORS' REGISTER

[illegible]

(Please leave prepared statement with Secretary)

## VISITORS' REGISTER

| NAME                | REPRESENTING               | BILL #         | Check One    |        |
|---------------------|----------------------------|----------------|--------------|--------|
|                     |                            |                | Support      | Oppose |
| Bob Campbell        | SLA                        | 330            | X            |        |
| William R. Bell     | self - for Labor           | <del>315</del> |              | X      |
| Arnold Krumm        | Self                       | <del>330</del> | X            |        |
| David L. ...        | MT State Forum Association | 315            |              | X      |
| Carl B. Warfield JR | Fireman Assn               | 315            |              | X      |
| Ronald R. Rayone    | N.E.E.D                    | 315            | X            |        |
| Steve ...           | -                          | 315            |              | X      |
| Lin ...             |                            | 315            | X            |        |
| Kate ...            | Knicker ...                | 315            | X            |        |
| Jack ...            | C.F.A.C.                   | 330            | <del>X</del> | X      |
| Ray ...             | Montana Resources          | 315            | X            |        |
| Clara ...           |                            |                |              |        |
| Don ...             | MBNDA- MNEA- NFIB          | 315            | X            |        |
| Arva ...            | WPL                        |                |              |        |
| Cand ...            |                            |                |              |        |
| Mary ...            | ORBP                       | 315            |              |        |
| Mary ...            | Clerk Auditor              | 315/330        |              |        |
| John ...            | United Steelworkers        | 315            |              | X      |
| Mon ...             | Mt. St. ...                | 315            | X            |        |
| Jerry ...           | Mt. St. ...                | 315            | X            |        |
| Ray ...             | ...                        |                |              |        |
| George ...          | Int'l ...                  | 315            | X            |        |
| George ...          | ...                        | 330            |              | X      |
| ...                 | Self                       | 330            | X            |        |
| ...                 | Self                       | 315            |              | X      |

(Please leave prepared statement with Secretary)

DATE:

## VISITORS' REGISTER.

[illegible]

(Please leave prepared statement with Secretary)