

MINUTES

MONTANA SENATE 51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON LABOR AND EMPLOYMENT RELATIONS

Call to Order: By Senator Gary C. Aklestad, Chairman, on February 10, 1989, at 5:20 P.M. in the state Capitol.

ROLL CALL

Members Present: All members were present: Senator Tom Keating, Vice-chairman, Senator Sam Hofman, Senator J.D. Lynch, Senator Gerry Devlin, Senator Bob Pipinich, Senator Dennis Nathe, Senator Richard Manning, Senator Chet Blaylock, and Senator Gary C. Aklestad, Chairman.

Members Excused: There were no members present.

Members Absent: There were no members absent.

Staff Present: Tom Gomez, Legislative Council Analyst.

Announcements/Discussion: There were no announcements or discussion.

EXECUTIVE ACTION

DISPOSITION OF SENATE BILL 128

Discussion:

Senator Nathe moved the Nathe Amendment to SB 128, and passed out a remedial information duplication fact sheet on Adult Basic Education. The legislature appropriates approximately \$450,000 for state wide Adult Basic Education, while SB 128 appropriates \$437,500 additional monies. Senator Nathe prefers SB 128 to be coordinated through OPI. The motion to amend SB 128 received a DO PASS consideration.

Amendments and Votes:

Senator Nathe moved to accept the Governor's amendments on SB 128. The motion to amend SB 128 with the Governor's amendment received a DO PASS consideration.

Senator Nathe asked if committee members must select options A or option B. One choice involves \$1,935,858 by choosing option B over option A. Senator Nathe asked if the Labor Committee makes the decision or does another committee.

Senator Aklestad stated the options are not stated as a bill amendment. Therefore, the appropriations determination will be made in the Finance and Claims Committee. The committee is considering \$340,000 under Option A.

Recommendation and Vote:

Senator Manning moved SB 128, recommending a DO PASS recommendation. A roll call vote was taken. Senators Keating, Hofman, Devlin, Nathe, and Aklestad voted NO. Senators Lynch, Pipinich, Manning, and Blaylock voted YES.

Senator Keating moved SB 128 DO NOT PASS, and the motion passed.

DISPOSITION OF SB 130

Discussion:

Senator Nathe stated the original fiscal note involved a large amount of money, while SB 130's true intentions did not. The department will minimize any potential impact. During the interim hearings, Peter Blouke from the Legislative Council made this statement: Intuitively, it would seem that any additional income earned during a month through the removal of the 100 hour limit would be considered when calculating the AFDC payment and thus reduce the amount of AFDC benefits paid. SRS estimates a potential savings of \$30,000 of General Fund per year. Given the minimal amount of information available, this estimate may be reasonable.

Senator Keating asked if SB 120 increases the AFDC recipient's eligibility. No, just the hours are extended. Senator Keating asked if the program is 100% federally financed or matched. The ratio is 70/30. Using old fiscal note calculations, Senator Aklestad stated the amounts are \$3 million from the General Fund and \$8 million from the Federal Funds. The year's total is \$6 and \$22, providing an approximate 30% match.

Senator Keating asked if there is a \$6 million match in General Fund money, since \$6 million is stated on the old fiscal note. The above figures are used to give a General Fund to Federal consensus figure only. Senator Manning stated the new fiscal note will probably not show an actual cost increase, but will show an approximate \$30,000 decrease per year. Senator Keating stated the situation is: Making a deal with the feds whereby Montana enters into a program allowing 100 hours of work for an AFDC recipient. How much does the new program cost.

Tom Gomez stated SB 130 allows for the modification or the elimination of the current federal regulation, prohibiting a person from working one hundred hours or more. To the extent an individual is able to find work on his own and wishes to work, the individual will be able to work as much as he likes, subject to income limitation models used for AFDC unemployed parents, but for use for all AFDC recipients in determining continued eligibility. The statement of intent explains the problem, and how SB 130 relates to the problem. The bill is not intended to extend eligibility for current AFDC Parent Programs, ordering all persons, who do not meet the current initial participation requirements, to participate in the AFDC program.

Senator Keating asked if the catch word is "disregard". Gomez stated the rule does not apply to other AFDC recipients, but only applies to those special program, unemployed parent recipients. For purposes of establishing a federal definition of a unemployed parent, the rule is: "No unemployed parent may work one hundred hours or more". Therefore, a person could not work as much as they wanted in order to improve their position. The federal government will allow each state to eliminate or modify the federal regulations, so people who want to work more, may. Any "certain level" earnings will be counted against benefits. Senator Keating asked if the administration cost falls below current administration levels, will there be new administrative money. The only difference is that people are allowed to work at their discretion.

Senator Hofman asked, if the AFDC individual works a certain number of hours, will the Medicaid Benefits continue. Tom Gomez explained an individual, working 120 hours, disqualified under current rules. The earnings are put through a formula, disregarding \$75 for work allowance and \$160 for child care. Thirty dollars plus 1/3 of whatever is left is the amount the individual keeps. The amount left is subtracted from the individual's AFDC payment. The individual gets a partial benefit, plus earnings, and work.

Amendments and Votes:

Senator Manning moved SB 130's Statement of Intent, asking for a DO PASS AS AMENDED recommendation. The Statement of Intent passed unanimously.

Senator Aklestad stated concern about the fiscal note. The difference in General Funds is between \$6.3 and \$.00.

Gomez stated the budget analysis people did not know about the new welfare reform act provision. The codes have not been published. The department did not realize, under the

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new Demonstration Program, that the change policy and work policy would apply to those persons who, in the preceding month were eligible for AFDC, who wanted to work, and still retain edibility. The budget analysis people did not see the phrase "in the preceding month", and thought it would expand AFDC for all poor working individuals. The result is the incorrect \$11 million fiscal note. The governor's budget office expressed an apology concerning the error caused by new law misunderstanding.

Senator Aklestad asked for a roll call vote. Senators Keating, Hofman, Lynch, Pipinich, Nathe Manning Blaylock voted YES, and Senator ~~Pipinich~~ and Aklestad voted NO.

~~Pipinich~~
Devlin

DISPOSITION OF SENATE BILL 129

Discussion:

Senator Blaylock asked what was the reason why the committee made a DO NOT PASS RECOMMENDATION on SB 129.

Senator Keating stated he voted against SB 129 after evaluating testimony and subsequent investigation. The bill deals with more education. The state would pay GA for an individual to go back to school, plus school costs. I am opposed to the concept. The state would be paying for the individual to go back to school, an opportunity the individual did not take advantage of when the individual was in school before, and at the same time paying GA benefits.

DISPOSITION OF SENATE BILL 285

Discussion:

Senator Aklestad asked if the sponsor agreed with the amendment taking out the effective date language. Yes. Tom Gomez stated he had pointed out the technical and mechanical defect. The bill could be corrected with new language, but Senator Halligan has not be notified. The amendment reads as follows: On line ten, following the word "number one" insert "other than a corporation issuing bonds or notes pursuant to section 3-C, so the whole sentence beginning on line nine reads: "a public corporation electing compensation plan number 1, other than a corporation issuing bonds or notes pursuant to sub section 3-B is subject to the same provisions as a private employer electing compensation plan number 1." This is necessary because the fiscal note indicates the defect. The bill's purpose is to bar public corporations and to do something else under plan number 1, other than employers electing compensation Plan number 1. The bill is without a clear indication of an exception. The last sentence would say: the public corporation election

competition plan number 1 is subject to the same provisions as a private employer electing compensation plan number 1. This is not the purpose of the bill.

Amendments and Votes:

Senator Lynch moved to amend SB 285. The motion carried.

Recommendation and Vote:

Senator Lynch moved a DO PASS AS AMENDED recommendation for SB 285. The vote was unanimous.

DISPOSITION OF SENATE BILL 309

Discussion:

Senator Hofman stated the amendment, submitted by Mr. Fitzpatrick, addresses collective bargaining concerns.

Tom Gomez explained, beginning on page one, line 20, the strike out after the word except: the ":", and strike out all new language of subsection A. A new sections is created that says: "A workday is eight hours, except as provided in the instance of an emergency or the employer or employee may agree to a work day of more than eight hours if such work day is established pursuant to a collective bargaining agreement with the consent of a majority of the employees by secret ballot elections supervised by the Department of Labor and Industries. On page four, concerning maximum work hours for a cement plant and quarries, strike out the materials following on line six, everything down to line seven, and put in new language to read: That the employer and the employee may agree to a work day of more than eight hours if the work day is established pursuant to a collective bargaining agreement, with the consent of the employer by secret ballot election supervised by the Department of Labor and Industry. Now, the collective bargaining agreement is addressed.

Senator Pipinich asked why the businesses did not get together and change the hours. Other plants are doing this. Example: A 125 people-plant in Kalispell is working a 4-10 day. Senator Hofman stated the current law clearly states the businesses may not work over eight hours a day. The law does not allow any time over the eight hours per day. Senator Pipinich asked why Montana has two business working more than the eight hours per day. Senator Hofman stated the business are either not involved in mining, or they are

scheduling work hours illegally. Mr. Fitzpatrick stated the purpose of the bill is to let employees add an option of having a longer work day. This concept is being done, but done illegally. Mr. Fitzpatrick further explained the amendment.

Amendments and Votes:

Senator Hofman moved the amendment. The motion passed unanimously.

Recommendation and Vote:

Senator Lynch, speaking in opposition to SB 309, stated the concept could work very effectively in some places, but older employees are going to be hurt by the bill. Safety for older employees, who ought not to work the long hours, will mean accidents in the future, as a lot of people are effected. There will be an accident, maybe not at the mine Senator Hofman is talking about, but there may be an accident that will be regretted. Senator Aklestad stated the concern is legitimate, If there are accidents, the Workers' Compensation rates will go up, and perhaps the legislature will be back to rectify the law. There are industries that are using the concept.

A roll call vote was taken. Senators Keating, Hofman, Devlin, Nathe, and Aklestad voted Yes. Senator Lynch, Pipinich, Manning and Blaylock voted NO. The DO NOT PASS recommendation prevailed.

DISPOSITION OF SENATE BILL 315

Discussion:

Senator Keating will chair a subcommittee meeting on Monday, February 12, 1989.

DISPOSITION OF SENATE BILL 311

Discussion:

Senator Nathe questioned why there must be two trusts in the private sector versus setting up a state fund. Senator Nathe stated it is his intention to try to eliminate process steps.

Senator Blaylock stated he raised the self sufficient trust fund question, and stated Montana's Board of Investments makes an enormous amount of money for the state. Why couldn't the State Board of Investors invest and get good returns on the money. Senator Blaylock stated he gets the

feeling the people who sell the package, Great Free enterprize and all, are taking their cut.

Senator Devlin stated he asked the question about someone moving to another state, but did not receive a satisfactory answer. Reciprocity must be established in the various states. If an individual was going to move within five years, the individual would be better off not to become involved in the program. The committee opted to consider SB 311 at a later date.

DISPOSITION OF SENATE BILL 343

Amendments and Votes:

Senator Blaylock moved SB 343 receive a DO PASS recommendation.

Senator Keating stated the Billings City Council is opposed to SB 343 because the Council does their own negotiating, and know the dollars figures from which they must deal. Billings is not willing to use an arbitrator. Senator Blaylock stated there is an assumption being made that the arbitrator is some kind of unreasonable person that is not going to be a fair judge. Senator Blaylock stated he thought the person would be fair judge. The policemen are in a precarious situation during negotiation, they have no position, and, if the police strike, they are immediately up against an enormous amount of public resentment. The public thinks it is a strike against the public, and the chances of winning are almost nil. Blaylock thinks if the police cannot get the issues settled, and the testimony states most of the time the issues are settled, they could present the information to the arbitrator. The arbitrator will know the situation of the city's finances, and will be able to make the decision and opt for the last best effort agreement device. The police have asked for SB 343 and should be granted.

Senator Hofman stated the bill does not tell the police they can't get problems settled. Billings want to settle the problem, it can be done through negotiations. Bozeman city police is not in favor of SB 343. Devlin stated the Bozeman City Police sent a letter stating of the 30-32 arbitrator application resumes currently on Department of Labor's file, approximately 25 are not Montana residents. The is one Montana member of the National Arbitrators Academy.

Recommendation and Vote:

A roll call vote was taken on Senator Blaylock's motion to DO PASS. Senator Keating Lynch Devlin Nathe, and Aklestad

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voted NO. Senators Hofman, Pipinich, Manning, and Blaylock voted yes. The motion failed.

A roll call vote was taken on a DO NOT PASS recommendation. Senators Keating, Lynch, Devlin, Nathe and Aklestad voted YES. Senators Hofman, Pipinich, Manning, and Blaylock voted NO. The DO NOT PASS recommendation passed with a five to four vote.

ADJOURNMENT

Adjournment At: The meeting was adjourned at 6:45 P.M.



Senator Gary C. Aklestad, Chairman

GCA/mfe

Executive.210

ROLL CALL

LABOR COMMITTEE

51st LEGISLATIVE SESSION

DATE: *February 10, 1989*

	PRESENT	ABSENT	EXCUSED
SENATOR TOM KEATING	Y		
SENATOR SAM HOFMAN	X		
SENATOR J.D. LYNCH	Y		
SENATOR GERRY DEVLIN	Y		
SENATOR BOB PIPINICH	X		
SENATOR DENNIS NATHE	Y		
SENATOR RICHARD MANNING	X		
SENATOR CHET BLAYLOCK	X		
SENATOR GARY AKLESTAD	Y		

SENATE STANDING COMMITTEE REPORT

February 11, 1989

MR. PRESIDENT:

We, your committee on Labor and Employment Relations, having had under consideration SB 130 (first reading copy -- white), respectfully report that SB 130 be amended and as so amended do pass:

1. Page 1, line 15.

Following: line 14

Insert:"

STATEMENT OF INTENT

It is the intent of the legislature in enacting this bill to establish a demonstration program that would allow individuals who, in the preceding month, qualified for the aid to families with dependent children - unemployed parent (AFDC-UP) program to work 100 hours or more in a month and still retain eligibility for public assistance, including medicaid.

Under current federal regulations, a recipient of the AFDC-UP program is prohibited from working 100 hours or more in any month, except if the work is intermittent. These regulations, which are found in 45 C.F.R. 233.100, exist to provide a definition of "unemployed parent" for purposes of eligibility under the AFDC-UP program.

This bill is intended to eliminate the work disincentives inherent in the current federal regulations and to encourage AFDC-UP recipients to work. The bill is not intended to expand eligibility for the AFDC-UP program to include persons who do not meet the current requirements for initial participation in the program."

AND AS AMENDED DO PASS

Signed: _____

Gary C. Aklestad, Chairman

Statement of Intent adopted.

Y.C.
2/11/89
10:39
G.M.

SENATE STANDING COMMITTEE REPORT

February 6, 1989

MR. PRESIDENT:

We, your committee on Labor and Employment Relations, having had under consideration SB 129 (first reading copy -- white), respectfully report that SB 129 be amended and as so amended do pass:

1. Page 1, line 20.

Following: line 19

Insert: "

STATEMENT OF INTENT

A statement of intent is needed for this bill because the department of revenue is required by [section 3] to adopt uniform child support guidelines for use by judges and other officials who have the power to determine child support awards within this state. The department initially shall adopt and promulgate the uniform child support guidelines recommended by the Montana supreme court at 44 State Reporter 828 (1987). Thereafter, the department shall periodically review those guidelines to determine if they are appropriate to determine adequate minimum child support amounts. If the department determines that the guidelines are no longer adequate, it shall amend them, after considering the factors set forth in 40-4-204(2) and 40-6-116(5)."

2. Page 13, line 23 through page 14, line 1.

Following: "hiring." on line 23

Strike: "lf" on line 23 through "obligor." on page 14, line 1

AND AS AMENDED DO PASS

Signed: 
Gary C. Aklestad, Chairman

Statement of Intent adopted.

y/c
1/17/89
9:00

SENATE STANDING COMMITTEE REPORT

February 11, 1989

MR. PRESIDENT:

We, your committee on Labor and Employment Relations, having had under consideration SB 285 (first reading copy -- white), respectfully report that SB 285 be amended and as so amended do pass:

1. Title, line 8.

Following: "NOTES;"

Insert: "AND"

2. Title, lines 8 through 9.

Following: "MCA" on line 8

Strike: remainder of line 8 through "DATE" on line 9

3. Page 2, line 10.

Following: "1"

Insert: ", other than a corporation issuing bonds or notes pursuant to subsection (3)(b),"

4. Page 4, lines 23 through 24.

Strike: section 3 in its entirety

AND AS AMENDED DO PASS

Signed: 
Gary C. Aklestad, Chairman

Y/C.
2/13/89
10:34
a.m.

SENATE STANDING COMMITTEE REPORT

February 11, 1989

MR. PRESIDENT:

We, your committee on Labor and Employment Relations, having had under consideration SB 309 (first reading copy -- white), respectfully report that SB 309 be amended and as so amended do pass:

1. Page 1, line 20.

Following: "except"

Strike: "i"

2. Page 1, lines 21 through 24

Strike: subsection (a) in its entirety

3. Page 1, line 25.

Strike: "(b)"

Insert: "as provided in subsection (3) or"

4. Page 2, line 2.

Following: line 1

Insert: "(3) The employer and employee may agree to a workday of more than 8 hours if such workday is established pursuant to a collective bargaining agreement or with the consent of a majority of the employees by secret ballot election supervised by the department of labor and industry."

Renumber: subsequent subsections

5. Page 4, line 5.

Following: "if"

Strike: "a"

Insert: "such"

6. Page 4, line 6.

Following: "a"

Strike: remainder of line 6 through "employee" on line 7

Insert: "collective bargaining agreement or with the consent of the employees by secret ballot election supervised by the department of labor and industry"

AND AS AMENDED DO PASS

Signed: 
Gary C. Aklestad, Chairman

SENATE STANDING COMMITTEE REPORT

February 11, 1989

MR. PRESIDENT:

We, your committee on Labor and Employment Relations, having had under consideration SB 343 (first reading copy -- white), respectfully report that SB 343 do not pass.

DO NOT PASS

Signed: 
Gary C. Aklestad, Chairman

Handwritten notes:
G.C.
2/11/89
10:30
G. Aklestad

ROLL CALL VOTE

LABOR COMMITTEE

51st LEGISLATIVE SESSION

DATE: Feb 10 BILL NO: SB 310 TIME: _____

VOTE:	YES	NO
SENATOR TOM KEATING	X	
SENATOR SAM HOFMAN	X	
SENATOR J.D. LYNCH	X	
SENATOR GERRY DEVLIN		X
SENATOR BOB PIPINICH	X	
SENATOR DENNIS NATHE	X	
SENATOR RICHARD MANNING	X	
SENATOR CHET BLAYLOCK	X	
SENATOR GARY AKLESTAD		X