

MINUTES

MONTANA SENATE 51st LEGISLATURE - REGULAR SESSION

CONFERENCE COMMITTEE ON LABOR AND EMPLOYMENT RELATIONS

Call to Order: By Senator Gary C. Aklestad, on April 11, 1989, at 12:30 P.M. in Room 304 of the state Capitol.

ROLL CALL

Members Present: All Conference Committee Members were present: Senator Gary C. Aklestad, Chairman
Senator Jerry Devlin
Senator J.D. Lynch

Representative Dan Harrington, Chairman
Representative Clyde Smith
Representative Jerry Driscoll

Members Excused: There were no members excused.

Members Absent: There were no members absent.

Staff Present: Mary Florence Erving, Senate Labor and Employment Relation Secretary

CONFERENCE COMMITTEE ON HOUSE BILL 28

Senator Aklestad stated the Conference Committee will operate under the current rules of the Senate. The Committee will disregard the floor motion made by Senator Halligan to allow a free Conference Committee to be able to amend existing amendments. The rule will not be in effect this year, but will be in effect next session. The Senate will operate under the assumption the Conference Committee can only accept or reject amendments. The members cannot amend the amendments or amend the bill.

Senator Aklestad stated the Senate amendments will change the law, so when the federal minimum wage kicks in, so will the other factors kick in, such as the day and the amount. Under the Senate amendments, everyone over \$362.500 gross receipts, will automatically kick in the same time the federal kicks in, money wise and date wise. There is also a provision for a start up (Training) wage of 180 days at a lessor figure of \$3.35 per hour.

Senator Devlin stated Farm Labor is also addressed. The figure may vary, and perhaps go higher than the national level.

Senator Lynch asked why it took two weeks to meet. Senator Aklestad replied the Conference Committee was not ignored. Senator Aklestad stated he has met with individuals and talked to Representative Harrington. Senator Aklestad stated the Senate was reluctant to change the Senate consensus. Representative Harrington chose to wait before scheduling a Conference Committee. The conclusion of the conversation has been in the news papers.

Senator Lynch asked Senator Aklestad why he thought the decision was irrevocably set when the Lynch Amendments were defeated on a 24-24 tie vote.

Senator Aklestad stated since the committee is meeting as a Conference Committee, the objection is to accept or reject the amendments. Senator Aklestad stated he is in favor or keeping the amendments on HB 28.

Representative Harrington stated the Senate amendments has destroyed the state minimum wage. Montana has always had the minimum wage, which has been separate from the federal minimum wage. If the federal government is unable to pass the new minimum wage, Montana does not obtain a minimum wage increase. The amount stays at \$3.35 per hour. Representative Harrington stated the 180 days stipulation is ridiculous. There are no guidelines concerning a hourly wage in regards to the 180 days. A person could be hired, could stay on the payroll for six month, and could then be fired. The federal government is going to come in with a trainee wage of 60 days. The Montana law should have training specifications. Representative Harrington stated all the amendments are ridiculous.

Senator Aklestad stated the federal government will come up with a minimum wage. President Bush is in favor of doing something with the minimum wage, but not to the degree the House side of the US Congress wants. Senator Aklestad stated he is confident the minimum wage will be decided. Montana will adopt the federal lead. Senator Aklestad stated it would not be proper for Montana to trigger a minimum wage earlier than the US Congress, especially in lieu of Montana's economic conditions.

Senator Lynch asked Senator Aklestad if \$3.75 is too high a wage for a person to make. Senator Aklestad stated it is the time factor. It is not right that the state minimum wage kicks in before the Federal Minimum wage. The plan would not be most advantageous for Montana.

Senator Lynch suggested the Conference Committee be dissolved, and requested a Free Conference Committee. The House is not going to accept, the Senate is not going to reject.

Senator Lynch asked Senator Aklestad if it was his intention to kill House Bill 28. Senator Aklestad stated no, it was not his intention. Senator Lynch stated the bill was killed once in committee by a five to four vote. Senator Lynch asked Senator Aklestad if it the intention of the Republicans not to approve the minimum wage for Montana. Senator Aklestad said no, although not everyone in the committee approved the latitude that eventually was approved by the amendments.

Representative Harrington stated, for all intensive purposes, the bill has been killed. The cap put on the bill will produce a worse minimum wage in the long run. The Senate amendments are worse than what President Bush wants. The House will never accept the types of amendment because it does away with the minimum wage. Senator Devlin stated this is what has to be established. Whether or not the House wants to negotiate or change, if there is any likelihood of give on either side. If there is not, then there will be no Free Conference Committee.

Senator Harrington said he could possibly shade the 180 days, if the Senate would specify a training period that was like the federal government. Senator Lynch said the Lynch amendment was defeated in committee. If Montana is going to tie in with the federal government, Montana should follow the same guide lines. Senator Lynch said he understands the Senate Republicans do not want a minimum wage increase this year. Senator Aklestad stated he cannot speak for all Republicans, but the Republicans on the committee thought a possible increase in the minimum wage this year, in light of the economy, might not be the best. Senator Aklestad stated he would like to set the record straight, Montana would have the minimum wage, geared to the Federal Government. As the minimum wage goes up federally, so does the state minimum wage, but the state cap is \$4.00. Senator Lynch stated the Montana cap will be \$4.00, even if the federal wage goes to \$4.40. Everything from \$3.35 to \$4.00 follows right along with the federal jumps until the \$4.00 is reached. If the Senate amendments are not accepted, HB 28 is killed, the state minimum wage stays at \$3.35.

Representative Harrington stated the action would kill the state minimum wage for Montana. Montana has always been independent. There is a subminimum wage in this bill, so don't say it is good for Montana. One hundred eighty days

training period holds people under the \$3.35 wage for a long time. Senator Lynch stated the bill tells the farm workers they are worth one hundred dollars a week take home pay.

Senator Aklestad said there is room for negotiation, but there is not room to take out the total amendments. Senator Aklestad asked for a motion to accept or reject HB 28's amendments.

Representative Driscoll made a motion to accept the House Version of the HB 28. A roll call vote was taken. The YES votes were cast by Senator Lynch, Representative Driscoll and Representative Harrington. The NO votes were cast by Senator Devlin, Senator Aklestad, and Representative Smith. The motion failed.

Senator Lynch moved the committee to go to a Free Committee Conference. Representative Harrington stated, in essence, what the Conference Committee accomplished was to kill the minimum wage. There is not way the House is going to accept the amendments. Senator Aklestad stated in order to save time, the intentions of the House should be brought out now, If the House does not want to negotiate, please state your position. The House stated they favored a Free Conference Committee. The motion passed. Senator Aklestad will ask for a Free Conference Committee in the Senate, and Representative Harrington will ask for a Free Conference Committee in the House.

There being not further discussion, the meeting adjourned at 12:55 p.m.

ADJOURNMENT

Adjournment At: The meeting was adjourned at 12:54 P.M.



Senator Gary C. Aklestad, Chairman

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HOUSE BILL 28

COMMITTEE

Date 4-11-89

Each day attach to minutes.