

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
52nd LEGISLATURE - REGULAR SESSION**

COMMITTEE ON LABOR & EMPLOYMENT RELATIONS

Call to Order: By CHAIR CAROLYN SQUIRES on February 21, 1991, at
2:00 p.m.

ROLL CALL

Members Present:

Carolyn Squires, Chair (D)
Tom Kilpatrick, Vice-Chairman (D)
Gary Beck (D)
Steve Benedict (R)
Vicki Cocchiarella (D)
Ed Dolezal (D)
Jerry Driscoll (D)
Russell Fagg (R)
H.S. "Sonny" Hanson (R)
David Hoffman (R)
Royal Johnson (R)
Thomas Lee (R)
Mark O'Keefe (D)
Bob Pavlovich (D)
Jim Southworth (D)
Fred Thomas (R)
Dave Wanzenried (D)
Tim Whalen (D)

Staff Present: Eddye McClure, Legislative Council
Jennifer Thompson, Committee Secretary

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

EXECUTIVE ACTION ON HB 837

Motion: REP. DRISCOLL MOVED HB 837 DO PASS.

Motion: REP. DRISCOLL moved to amend HB 837.

Discussion:

REP. DRISCOLL presented amendments. EXHIBIT 1. Section 2 was deleted from the bill because on Page 8, Lines 13-21, the definition of self employment was stricken. On Page 11, Lines 14-15, "or by any court" was stricken because the Supreme Court can't be told what to do. On Page 17, Line 20, through Page 18, Line 4, the amendments change the percentages. The injured worker will get an impairment rating from a doctor. A percentage is figured from the wage, education, and ability to work after the injury. The percentage times the 350 weeks will determine the amount of money the injured worker will receive. The amendments on Page 19 state that if a person has a subsequent injury to the same body part, he can't collect twice on the same body part. Page 22, Line 25, limits the lump-sum conversion advance of \$20,000. In the original bill lump-sum conversions could be discounted to present value. The amendment states that permanent total lump-sums could be converted to present value, but permanent partial lump-sums cannot be discounted to present value. Presently, the injured worker receives 500 weeks and this bill limits it to 350. The injured worker shouldn't have to receive the present value on top of only receiving 350 weeks. On Page 26 a new section is inserted. If the rehabilitation services determine an injured worker can return to work without retraining, a rehabilitation specialist will have eight weeks to find the worker a job. If a job isn't found at the end of eight weeks, a rehabilitation plan must be designed if necessary. At that point the injured worker would receive up to 104 weeks of rehabilitation benefits. The bill is revenue neutral and may save money depending upon how many people use the rehabilitation benefits and how many jobs the rehabilitation services find for the workers in the eight weeks.

REP. WANZENRIED said the subcommittee met twice and other meetings were held with interested parties. The Social and Rehabilitation Services (SRS) was concerned about its access to the money currently used to leverage federal funds. He submitted a statement that the intent of the subcommittee's actions were made clear as to not affect the industrial accident account used by the SRS for vocational rehabilitation. EXHIBIT 2. He had received a letter from a rehabilitation counselor in Billings concerned about the elimination of rehabilitation panels. That is not affected in the bill. On Page 32, the medical panel is not repealed from existing law. Those sections of the bill are being removed, so there won't be changes in those sections of law.

REP. DRISCOLL asked REP. WANZENRIED if the letter was about a medical panel or a rehabilitation panel. REP. WANZENRIED said it refers to vocational rehabilitation panel. REP. DRISCOLL said that is repealed; it is no longer necessary because under the old system the rehabilitation person wrote the plan and submitted it. The panel was the only place a worker could complain to.

Under this bill, the injured worker has more of a voice in the rehabilitation plan and agrees to the plan by signing it.

Vote: HB 837 AMENDMENTS DO PASS. Motion carried unanimously.

Motion/Vote: REP. DRISCOLL MADE A SUBSTITUTE MOTION THAT HB 837 DO PASS AS AMENDED. Motion carried unanimously.

EXECUTIVE ACTION ON HB 807

Motion: REP. DRISCOLL MOVED HB 807 DO PASS.

Motion: REP. DRISCOLL moved to amend HB 807. EXHIBIT 3

Discussion:

REP. DRISCOLL said the occupations that were statutorily exempt from Workers' Compensation were inserted back into the bill just as they are in the present law. Those occupations that were statutorily exempt from Unemployment Insurance (UI) were inserted back into the bill. The occupations that were statutorily exempt from Workers' Compensation and fit under UI, were moved under UI. Language was added to exempt an independent contractor from Workers' Compensation and UI by one action when the Department of Labor certifies that he is an independent contractor. Some people have gotten on the Workers' Compensation exemption list and not on the UI list. The intent of this bill is to solve the problems people are having with the auditors. Cosmetologists were exempted from Workers' Compensation and not UI. Newspaper carriers were exempt from both but different ages. HB 807 has made the exemptions consistent. If the employers get an exemption, they automatically get it from both Workers' Compensation and UI, and vice versa. The fiscal note has changed, and it should be revised to reflect the changes before the bill goes to the Senate.

Ms. McClure said under the amendment on Page 12, Line 22, the cosmetologists and barbers were moved into their own little niche to be consistent with HB 342.

Vote: HB 807 AMENDMENTS DO PASS. Motion carried unanimously.

Motion/Vote: REP. DRISCOLL MADE A SUBSTITUTE MOTION THAT HB 807 DO PASS AS AMENDED. Motion carried unanimously.

EXECUTIVE ACTION ON HB 836

Motion: REP. DOLEZAL MOVED HB 836 DO PASS.

Motion: REP. DOLEZAL moved to amend HB 836. EXHIBIT 4

Discussion:

REP. DOLEZAL said HB 836 was introduced by REP. DRISCOLL to address the problems with people who are violating the prevailing wage laws. After the bill had been presented, the Department of Labor was concerned about its role in this bill. The bill was put into a subcommittee. The third amendment determines the most accurate prevailing wage in a particular area. It would be used, along with the criteria still contained in the bill on Page 3. There would be a two-tiered system. The fourth amendment provides flexibility in determining the penalties. The seventh amendment defined the Department of Labor's responsibilities. The Department of Labor was concerned that it did not have the right to revoke a contractor's license and said that was the responsibility of the Department of Commerce. Since the Department of Labor has the statistics of when someone is violating the prevailing wage laws, it would initiate the process to the Department of Commerce.

Vote: HB 836 AMENDMENTS. Motion carried unanimously.

Motion/Vote: REP. DOLEZAL MADE A SUBSTITUTE MOTION THAT HB 836 DO PASS AS AMENDED. Motion carried 11 to 6 with Reps. Fagg, Hoffman, Hanson, Thomas, Johnson, Benedict voting no. Rep. Lee was absent for the vote.

EXECUTIVE ACTION ON HB 124

Motion: REP. DRISCOLL MOVED HB 124 DO PASS.

Motion: REP. DRISCOLL moved to amend HB 124. EXHIBIT 5.

Discussion:

REP. DRISCOLL said that the purpose of the bill originally was to make sure that the Job Service offices stayed open. The fourth amendment states that enough money shall be maintained in the account to keep the Job Service offices open if the federal government cuts back administrative costs. The retroactive applicability date is needed because of pending audits.

Vote: HB 124 AMENDMENTS. Motion carried unanimously with Reps. Lee and Benedict absent for the vote.

Motion/Vote: REP. DRISCOLL MADE A SUBSTITUTE MOTION THAT HB 124 DO PASS AS AMENDED. Motion carried unanimously with Reps. Lee and Benedict absent for the vote.

HEARING ON HJR 38**Presentation and Opening Statement by Sponsor:**

REP. CAROLYN SQUIRES, House District 58, Missoula, said HJR 38 is a resolution urging the Montana AFL-CIO, The Montana Job Training

Partnership, Inc., The Department of Labor and Industry, and the Department of Commerce to seek additional funds to assist in the employment and training needs of dislocated workers in the wood products industry.

Proponents' Testimony: None

Opponents' Testimony: None

Questions From Committee Members: None

Closing by Sponsor:

REP. SQUIRES closed the hearing on HJR 38 and requested it to be placed on the consent calendar.

EXECUTIVE ACTION ON HJR 38

Motion/Vote: REP. HOFFMAN MOVED HJR 38 DO PASS. Motion carried unanimously with Reps. Lee and Benedict absent for the vote.

Motion/Vote: REP. SQUIRES MOVED HJR 38 BE PLACED ON THE CONSENT CALENDAR. Motion carried unanimously with Reps. Lee and Benedict absent for the vote.

HEARING ON HB 865

Presentation and Opening Statement by Sponsor:

REP. JERRY DRISCOLL, House District 92, Billings, presented amendments. EXHIBIT 6. Under HB 865, half of the new group homes for the developmentally disabled would be run by the state and it doesn't include the existing homes. Presently, only nonprofit organizations run these homes. In the past several sessions, the state has been shutting down the institution in Boulder. It was a terrible facility, but there is a need for the state to run some programs. It has been shown in most states where the state gets completely out of the business that the price raises dramatically. Currently, the opposite is true in Montana. Presently, he has a bill in Appropriations to appropriate \$7.5 million to the private group homes. It would raise the employees pay to the 1989 pay plan with the state. The group homes pay about 70 percent of what the state pays. Because of low wages and long hours, the burn-out rate in the private group homes is about six times higher than state institutions. The Legislature will not provide the money, therefore, the state should run these homes. The money is in the general executive budget for new group homes. Once the workers are burned out, they leave the system forever. It takes a very special person to work with developmentally disabled people, and the supply of these people is drying up. If this bill is passed, maybe the Legislature would decide the real alternative to bad care is group homes in local communities run by the state.

Proponents' Testimony:

George Hagerman, Executive Director, American Federation of State, County, and Municipal Employees (AFSCME), presented written testimony. EXHIBIT 7

Jody Hoffman, Health Policy Specialist, AFSCME, presented written testimony. EXHIBIT 8

Opponents' Testimony:

REP. JERRY NISBET, House District 35, Great Falls, said the sponsor's intent is to protect the jobs of state employees at state institutions. This bill goes beyond the labor issue involved. It proposes a major policy change in providing for the needs of Montana's developmentally disabled citizens. In the mid 1970s the Legislature, recognizing that the needs of the developmentally disabled were not being adequately met in the institutional setting, established the policy that created a system of community-based residential and nonresidential services provided by local, private, and nonprofit corporations. The quality of services provided to the developmentally disabled clients is maintained at the highest level possible despite the marginal funding levels. The proposed establishment of state operated community-based services will duplicate and weaken what already exists. The system is working well. If the providers of those services are called upon to accommodate the needs of those developmentally disabled persons displaced from the institutions, it will be done if the necessary resources are made available. Creating smaller state institutions in communities is not the answer.

Ann Mary Dussault, Board Member, Missoula Developmental Services Corporation, said in 1974 the services for the developmentally disabled were at a crisis point, particularly those residents of Boulder River School and Hospital. Over 1,000 residents of that institution were not receiving adequate services. The workers demanded changes in their working conditions and the living environment for the residents. The governor's plan in 1974 was to create a series of mini-institutions run by the state throughout Montana. Hundreds of people filled the Capitol and said no. They wanted their children in community-based services run by local nonprofit corporations, so they could be served in the least restrictive alternative. When the Legislature met in 1975 that type of legislation was introduced on behalf of the administration. State Policy was then enacted. People who work in community-based services are not paid as well as people who work for the state, but the solution is not to have state-run programs.

Katharin Kelker, Billings, said she is a parent of a young adult with developmental disabilities. She has worked with many parents to continue to downsize the institution at Boulder and create more opportunities in the community for living

create more opportunities in the community for living arrangements for developmentally disabled people. Many families have been actively involved in the local boards of nonprofit services. People at the local level take personal interest in the welfare of the individuals who live in the group homes. The strength of the system is that it is a private system.

People like the ability to have a voice at the local level to insure quality.

Shirley Rammer, Great Falls, said she is a parent of two developmentally disabled adults. She is concerned about state's operation of new intensive care services. As proposed, there would be no local governing boards responsible for these services. Parents and advocates would not have direct input into the planning and monitoring of these services. The state employees pay and benefits are higher than current nonprofit services can pay. In 1975 the Legislature was committed to the concept of community services for the developmentally disabled. It mandated that nonprofit corporations be established to contract for those services. Parents could affect the quality of life and opportunities for their children and adults. State agency personnel have changed by the dozens, including directors of SRS, Developmentally Disabled Division, institutions, area managers, social workers, etc. since 1975. The families and disabled children are still there. HB 865 would weaken the system.

Helen Peterson, Billings, said that she is a parent of a developmentally disabled child and represents the Yellowstone Association for Retarded Citizens, Region III Developmental Disabilities Council, and Board of Directors for the adult group home services in Billings. The broad mix of parents, advocates, and interested people in the community has had a stimulating effect. The quality of life for those in community services has grown.

Charlie Trott, Region II Child & Family Services, Great Falls, said community services and local boards have not failed.

Curt Chisholm, Department of Institutions, stated his opposition to HB 865 because it is not consistent with the initiative to appropriately downsize the Montana Development Center (MDC) in Boulder and create more opportunities in the community for the developmentally disabled. The bill is not permissive as stated by the proponents. It is resplendent with the word "shall." It is effective July 1, 1991. The state shall provide for state operated community-based programs. There is a plan to open 60 slots for more developmentally disabled individuals; 30 individuals would be from the MDC facility. If any one of those 30 individuals was placed in one of the ten planned group homes, those group homes would have to be state operated. The state is not up to doing that.

The 16-year partnership with the nonprofit organizations has been successful. They provide good quality care.

The following left written testimony, but there wasn't enough time for them to speak:

Wallace Melcher, President, Helena Industries, EXHIBIT 9

Janice Frisch, Department of Social & Rehabilitation Services (SRS), presented written testimony for Julia Roberts. EXHIBIT 10

The following stood in opposition to HB 865:

Chris Volinkaty, Lobbyist for private nonprofit corporations for developmentally disabled people

Jack Chambers, Opportunity Industries, Missoula

Ken Brown, Missoula

Sandi Marisdotter, Family Outreach, Helena

Roz Croft, Opportunity Industries

John Filz, Hamilton

Robert & Othelia Schulz, Anaconda

Pat Beer, Great Falls

Jean Jeravoh, Great Falls

Elaine Marr, Great Falls

REP. THOMAS presented written testimony for Lynn Wolf of Stevensville and Ruth Spence of Hamilton. EXHIBIT 11 & 12

REP. BENEDICT submitted names of constituents from Hamilton who stood in opposition: Josephine Peterson, Don Fullerton, Richard Strong, Virginia Oliver, Pastor Wayne Wordell, Arnie Nousneen, Sylvia June, Patricia Hammond.

Questions From Committee Members:

REP. BENEDICT said Miss Hoffman testified that residents of group homes deserve a higher quality of service and a good oversight that could be provided by state government. He asked Julia Robinson to give an idea of the quality of service and oversight that SRS helps to provide with the local boards. Julia Robinson, Director, SRS, said that SRS administers the community programs for the developmentally disabled in Montana. SRS is also responsible for overseeing Medicaid money. SRS currently has certification problems at Boulder because of the issue of active treatment. Mr. Chisholm, Jennifer Prior, and staff have gone to great lengths to correct the problems and are still trying. The oversight of the community programs is excellent through SRS. There are high quality programs in Montana.

REP. DOLEZAL asked Ms. Hoffman if the homes are set up in local communities, what degree of severity handicapped people will they deal with. Ms. Hoffman said it is a choice dictated by the types of patients on waiting lists that exist in the community or the patients awaiting transfers from Boulder to community-based

facilities. The facilities need to meet the needs of the clients that are available. They need to be able to take the severely and less severely handicapped. **REP. DOLEZAL** asked if they would operate the same as the other group homes currently in operation. **Ms. Hoffman** said from the experience of other states who have state-run facilities, they tend to serve the most severely handicapped, not necessarily state facilities like Boulder, but state-run group homes and community-based services. They look like houses on any street and are handicapped accessible. They are not like mini-institutions. **REP. DOLEZAL** asked if the demand exceeds the existing homes. **Ms. Hoffman** said there is a waiting list for community-based services among the developmentally disabled who live in the community and a waiting list from those in Boulder who should be served in a less restrictive setting. That is why SRS has a budget-line item to develop additional community-based services over the next two years. **REP. DOLEZAL** asked what is charged to the people in these homes. **Ms. Hoffman** said most developmentally disabled people are Medicaid eligible. There is an extraordinarily small portion of people whose families have enough money to pay for the services, if the disabled person has not been declared a ward of the state. They would have more of a choice in the services for their child. **REP. DOLEZAL** asked if the state would charge a different rate than the nonprofit services if the people were paying for it themselves. **Ms. Hoffman** said that would be a policy decision made at the state level. There should not be a difference. **REP. DOLEZAL** asked if state workers come from outside the community, how can they be as sensitive to the needs of that community. **Ms. Hoffman** said this bill pertains to new facilities that need to be built in order to meet the demand for services. It does not talk about replacing what already exists. The new facilities face the same problems regardless if they are in the public or private sector. If the implication is that employees from Boulder would move across the state to work in a state-run group home, that is possible. The employees at Boulder come from a large area surrounding Boulder. Many live in Butte and Anaconda. They drive long distances and are very devoted to their jobs.

REP. JOHNSON asked **Mr. Chisholm** to address the fiscal impact this might have, as opposed to what the SRS is currently doing. **Mr. Chisholm** said that if the state had to get into the business of developing ten new group homes, a responsibility that would be placed on the Department of Institutions in conjunction with SRS, homes would have to be constructed to meet handicapped accessibility standards, ICFMR (Intermediate Care Facility For The Mentally Retarded) life safety code provisions, etc. Those could be extremely expensive, over \$100,000 per home. The start-up costs would range from \$60,000-80,000. There may be up-front General Fund money needed which is not available.

Closing by Sponsor:

REP. DRISCOLL said there is no mini-institution in this bill. The bill is an act to provide community-based services. Services

provided under this section must include residential facilities. It doesn't say mini-institutions. The money needed for this program is in the budget. He toured Boulder in 1963. It was a terrible place; it was a warehouse. This bill has nothing to do with warehousing people. This bill is not a major policy change; it is community-based group homes in the least restrictive environment. It is not a duplication. More group homes are needed, and the workers need better pay. In 1973, many legislators decided it would be cheaper to go to private nonprofit corporations, because the workers would be removed from the state pay plan. The parents are dedicated people and need the group homes in their communities for their children. The legislature didn't do it for that reason; they did it to save money. There used to be a state-run hospital in Billings for children. In one special session, it was sold. The Department of Institutions could not get it certified for Medicare payments, it was costing \$200 per day for each resident. The hospital was then privatized. There is now no institution for those people, and it costs \$800 per day. There is no competition. A big part of that is paid by the federal government, but it still costs more than \$200 per day out of the state budget. The turnover of workers in these places is astronomical. An alternative is needed; if these programs are going to be done, they have to be paid for.

HEARING ON HB 729

Presentation and Opening Statement by Sponsor:

REP. ANGELA RUSSELL, House District 99, Lodge Grass, said HB 729 is an act to delete language requiring that an employee's disqualification from receiving unemployment benefits for good cause must be attributable to employment. Prior to the 1985 legislative session, the Montana UI Trust Fund was experiencing a large deficit and was forced to borrow money from the federal government in order to meet obligations to laid-off workers. The 1985 Legislature responded to this problem by enacting HB 284 as a so-called compromise to address the fund deficit and to pay back the money borrowed from the federal government. Since 1985 the Montana UI Trust Fund has been able to pay off its federal debt and employers have experienced at least four reductions in their unemployment tax rates dropping from Schedule 10 to 1. Another rate reduction may occur this spring depending upon the impact and duration of the Champion lay-offs and others. There has been no return of benefits to those unemployed workers who were part of this so-called compromise to save the fund. The intent of HB 729 is to restore one portion of those benefits. It would grant the Department of Labor the authority to review voluntary reinstatements of workers. If workers have good cause to quit their jobs which is not attributable to their employment, they may be found eligible to receive unemployment compensation benefits. If a worker quits his job due to a job related factor, such as to follow a spouse who may have been transferred to another location, personal health, sickness, death of a relative,

to take care of a dependent child, they are automatically disqualified from receiving UI benefits. HB 729 would grant the Department of Labor the discretion to determine if they were reasons for voluntarily quitting a job. Each case would be individually reviewed and a determination made on the circumstances. This is not asking for an automatic extension of benefits to workers, unlike employers who received automatic rate reductions over the previous six years. This is an attempt to give workers a fair opportunity to state their case and to receive the benefits if they are qualified.

Proponents' Testimony:

REP. VICKI COCCHIARELLA stated support on behalf of the Democratic Women's Caucus.

Don Judge, AFL-CIO, presented written testimony. **EXHIBIT 13**

Tootie Welker, Montana Alliance Progressive Policy (MAPP), stated support of HB 729.

Jay Reardon, President, Helena Big Sky Central Labor Council, said he was a member of the Montana Board of Labor Appeals for four years. During that time, he heard over 1,000 unemployment cases. In 30-40 percent of the cases there was good cause for the workers to quit their employment. Benefits were denied to claimants because under the law the benefits had to be attributable to employment. In one case there was a single mother who had a sexually abused child and the doctor's advice was in the best interest of the child that the child be moved out of that community. The mother quit her employment and moved to another town, and she was denied benefits. HB 729 is good public policy.

Gene Fenderson, Montana State Building and Construction Trades Union, stated his support.

Bob Heifer, United Food and Commercial Workers' Union, stated his support.

Lars Ericson, Montana State Council Carpenters, stated two winters ago, an unemployed carpenter from Helena went to work in Big Sky. This carpenter was living in a camper in a parking lot. The temperature dropped to 20 below zero, making it impossible for him to live in his camper. He could not afford to pay the prices in Big Sky and couldn't find suitable housing. He was forced to quit and come back to Helena. There were no other jobs in the middle of the winter. He was denied unemployment.

Opponents' Testimony:

Forrest Bowles, President, Montana Chamber of Commerce, said the Fund is doing well. The plan in 1985 was to get the Fund out of debt. In previous testimony, Mr. Judge said that nothing has

happened on the employees side since 1985 to alleviate the concessions they made. That isn't right. There was a limitation on maximum benefits for a year and then was removed. The surcharge that the employers paid to pay off the federal debt was on all wages, not a limited wage as unemployment taxes are paid now. As the Fund rose the rates decreased. The wage base nearly doubled, which is the base on which employers pay taxes. The tax rates were changed to make it more fair. Those wage bases adjust as an average of the weekly wage. Benefits increase as average wages go up, and the taxes that employers pay will stay in a much higher rate than prior to 1985. There are circumstances where people can voluntarily quit a job and be entitled to benefits, and that is already covered in large part in existing legislation. According to the fiscal note, this will cost \$1.4 million. The employers of Montana have done their best to keep the Fund stable.

Bob Mullen, Deputy Director, Department of Labor and Industry, said the Department is proud to have assisted Montana employers in turning the Trust Fund around.

Laurie Shadoan, Bozeman Chamber of Commerce, stated her opposition.

Questions From Committee Members:

REP. BENEDICT asked Mr. Hunter to address the solvency of the Fund. Where should the Fund be actuarially, and where is the Fund right now? Mr. Hunter said the standard for trust fund adequacy that is recommended by the U.S. Government is 1.5 times the total amount of benefits paid in a high-cost year. In 1982-1983, \$90 million was paid. By that measurement, 1.5 times that amount would be considered adequate for the Trust Fund. REP. BENEDICT said in view of the lay-offs in western Montana, approximately 1,100 between Missoula and Libby and 300 in the Bitterroot Valley, a recession could possibly occur in the next 18 months. Would the year coming up be considered a high-benefit year? Mr. Hunter said it has the appearance of being a much higher benefit-payout year since the early 1980s.

REP. WHALEN asked Mr. Hunter if the 1982-83 benefit year he referred to was the year before benefits were reduced to workers. Mr. Hunter said the reduction took place in 1985, but he wasn't absolutely sure. REP. WHALEN asked if the high benefit year used to multiply by the 1.5 figure was before the reduction of benefits in 1985. Mr. Hunter said yes. REP. WHALEN asked why employers are scheduled for a reduction if the federal mandate for 1.5 times a high-benefit year isn't met when there is concern about not enough money being in the Fund. Mr. Hunter said the Trust Fund rate schedule that was installed in 1985 anticipated centering on a balance of about \$85 million. At that time there was no discussion among the partners who came to that agreement of having a trust-fund figure that was 1.5 times a high-benefit year. REP. WHALEN said that it could not get any higher under

current law. **Mr. Hunter** said he was not exactly correct. If benefit claims dropped down for a number of years, the Trust Fund would continue to rise even at the lowest tax rate structure. That number of years with few benefits isn't realistic.

REP. WANZENRIED said it would be very unlikely that the Trust Fund balance would reach \$135 million with the current benefit structure and tax system. **Mr. Hunter** said he was correct. **REP. WANZENRIED** said in order to achieve an increase in the balance significantly higher than \$90 million, changes would have to be made. Is the administration concerned that the Fund is below \$135 million level? **Mr. Hunter** said the Department is in discussion with the office of the Legislative Auditor, who recommends that the Department should determine what the standard ought to be.

REP. DRISCOLL asked **Mr. Hunter** what the anticipated income this year would be since it is at Schedule 1 with a 1.4 average rate. **Mr. Hunter** said the Department is expecting to collect about \$30 million this year. **REP. DRISCOLL** said under the bill passed in 1985, there is a triggering mechanism between Schedule 1 and Schedule 10. Each Schedule was amended by the business community in the House which brought the maximum amount that the Trust Fund could ever have in it down to \$90 million. The fiscal note shows that \$43 million will be paid out and take in \$30 million. That is the way it is supposed to work where it would trigger down and then trigger back up. **Mr. Hunter** said he was correct. **REP. DRISCOLL** said since the standard for adequacy is \$135 million, shouldn't there be a bill to do something about that. **Mr. Hunter** said that is a matter for the Legislature to determine. The Department is interested in reviewing that standard and probably would suggest what a reasonable standard should be. **REP. DRISCOLL** said isn't it the Department's duty to notify the Legislature that the federal government thinks that it is inadequate and suggest a solution. **Mr. Hunter** said that effort is currently under way. **REP. DRISCOLL** said the bill-draft request has passed.

REP. THOMAS stated an example. There was a principal at a school, and his wife was a teacher at the school. The principal gets a better paying job in another town. His wife decides to go with him, but she can't find a teaching job. Under this bill would that spouse qualify for unemployment. **Mr. Hunter** said yes. The "quit to follow" provision used to be compensable under the UI laws. It is not currently but would be compensable if this bill was passed. **REP. THOMAS** said if someone decides to become unemployed, he could be covered under UI. **Mr. Hunter** said yes, under the good personal cause provision.

Closing by Sponsor:

REP. RUSSELL said in too many cases the workers being denied benefits are women. It is usually women who quit work to take care of a sick child or follow a spouse.

These women paid a significant price to bail out the UI Trust Fund in 1985.

HEARING ON HB 882

Presentation and Opening Statement by Sponsor:

REP. ANGELA RUSSELL, House District 99, Big Horn County and Crow Reservation, said HB 882 is act to require that a state agency that operates within or contracts for a state construction project within an Indian reservation give a preference in hiring to qualified Indian residents of the reservation. There are high unemployment rates on Indian reservations. There is seasonal work, but during winter months employment is scarce. The major employers on most of the reservations are the federal government, the tribal government, and schools. If Indians within the reservations are given preference, there are six state parks within the exterior boundaries of the reservations with positions they may be eligible for. There are other seasonal positions, such as brand inspectors. HB 366 provides about 13.9 FTEs (Full Time Employees) for the Department of Family Services for child abuse and neglect on Indian reservations. Those positions might be available to people who live on the reservation. If a person living on the reservation is qualified, he should get a preference if it is a state position.

Proponents' Testimony:

Gene Fenderson, President, Montana District Council of Laborers, said for numerous years the International Union, the District Council for the State of Montana, and the local unions have worked in a positive manner with the contractors to make sure the rights and privileges of the Indian people are upheld when work is done on the Indian reservations. It is contained in all of the labor agreements. This bill is in companionship with the labor agreements.

James Baker, Montana United Indian Association, presented written testimony. EXHIBIT 14

Tootie Welker, Montana Alliance for Progressive Policy, stated her support of HB 882.

James Beck, Department of Highways, said he wasn't a proponent or an opponent. The Department of Highways operates maintenance sections throughout the state. Some sections have section houses off the reservation, and the road that is maintained extends into the reservation. It is not known if positions in that particular maintenance section would be affected. The Department of Highways operates scale houses located on Indian reservations, however, most of the workers who occupy those scale houses are roving from roads on and off the reservation. He supports the concept of the bill but would like clarification on the particular positions affected.

Gary Foster, Employment and Training Counselor, Helena Indian Alliance, said on an Indian reservation, there are cultural differences and different social amenities that people take for granted in this society in regard to the affability, gregariousness, looking someone directly in the eye, or not taking a few minutes to get acquainted. This causes a tremendous credibility gap with the state agencies. It is difficult for representatives of state agencies to have doors immediately opened for them until the Indian people get to know them.

Opponents' Testimony: None

Questions From Committee Members:

REP. THOMAS asked **REP. RUSSELL** if she would consider an amendment that anybody receiving the preference would have to show that they have paid state taxes, such as unemployment, income, or property taxes. **REP. RUSSELL** said she didn't have a problem with that. If individuals are employed, they pay those particular taxes.

REP. DRISCOLL asked **REP. RUSSELL** why are the Native Americans not covered by the Federal Civil Rights Act. On federal highway construction the reservations are covered; doesn't that apply to states? **REP. RUSSELL** said there are reservations in Montana which are probably more assertive in making sure that their people are covered by those laws. Other reservations may not be quite as aggressive. It varies from area to area.

REP. DOLEZAL asked **REP. RUSSELL** if Rep. Thomas's amendment would have any limit on the preference. Are there people who would not meet the requirement of paying state taxes, etc.? **REP. RUSSELL** said the individuals who do not pay state income taxes are those usually hired by the tribe, because the tribe is exempt from paying state taxes. **REP. DOLEZAL** asked if the amendment would limit the preference. **REP. RUSSELL** deferred the question to legal counsel. If too much structure is added to the bill the whole purpose will be defeated. In that case, the bill should be killed.

REP. WANZENRIED said Mr. Beck indicated that it was unclear in the bill what positions would be covered. Page 3 states except projects partially funded with federal-aid money from the United States Department of Transportation. He asked Mr. Beck what further guidance was needed. Mr. Beck said the bill has two parts. One is preference of employment for state positions. Section 3 exempts certain state highway contracts from preference in employment which has nothing to do with "in-house" employment.

Closing by Sponsor:

REP. RUSSELL said the unemployment rate for Indian people is unacceptable. In the winter there is 80-90 percent unemployment. The state needs to work with tribes to make some differences.

People are really looking for work, whether it is to clean yards or shovel snow in the winter. It is a desperate situation. She read an article from the Missoulian of February 20. American Indians are severely undercounted in unemployment figures because they give up and drop out of the workforce, according to the authors of a report on Indian unemployment in Denver. American Indian unemployment in some areas is 20 times higher than the Labor Department figures which don't include discouraged workers. The "undercounts" result in less funding for government programs which attempt to alleviate high rates of unemployment. The findings reflect a racist attitude toward Indians by government officials and corporations through hiring practices.

HEARING ON HB 339

Presentation and Opening Statement by Sponsor:

REP. BOB THOFT, House District 63, Stevensville, said HB 339 removes the \$25,000 limit on construction projects that can be done with prison labor. Prison labor could be used to save money, and it gives prison inmates the opportunity to learn a trade and stay out of trouble when they get out of prison. He presented amendments to reassure that prison labor won't be used anywhere in the state. **EXHIBIT 15.** Prison labor has been used in Montana to build prison projects. The fiscal note shows \$2 million will be saved. By the time the \$2 million has been paid and since it is bonding money, there will be at least a \$4 million savings. There are 14 states that use prison labor.

Proponents' Testimony:

Curt Chisholm, Director, Department of Institutions, said the use of inmate labor for construction projects has been a tradition in Montana for many years. In the 1989 session, authorization was received to build the security housing unit with inmate labor. It is the opportunity to employ an already overcrowded prison of about 1,130 inmates at Montana State Prison. They learn the meaning of getting up and going to work under supervision and do good work in the construction industry. There is no pretense to having those people come out as skilled laborers. Many of them are already skilled workers. This does save the state substantial amounts of money. There is an expansion program proposed before the Long Range Building Committee to build \$20 million worth of desperately needed expansion to Montana State Prison in Deer Lodge. HB 339 is asking the permission from the Legislature to construct about \$1.6 million of that. The amendments clearly limit the use of inmate labor to only those projects that relate to correctional construction within correctional campuses, correctional facilities, and only for those projects specifically approved by each session of the Legislature. It incorporates permanent statutory exemptions from bidding, bonding, and Workers' Compensation coverage.

Tom O'Connell, Administrator, Architecture and Engineering Division, said that his Division administers construction projects throughout Montana. He presented a handout. **EXHIBIT 16.** He explained the Cigarette Tax Revenue from 1985-1991 bienniums. The total requests for buildings throughout Montana was \$318 million. The requests for construction or improvements that were from the cigarette tax, which had no other way to be funded unless there was this tax, was \$242 million. The cigarette tax for the biennium generates \$6.5 million. There are not enough funds to take care of all the facility needs in Montana. There is a \$111 million program proposed to the Legislature. \$1.9 million of that amount involves inmate labor. Most of those funds would be for building, construction materials, and supplies and not on labor. Of the total program being recommended to the Legislature, the portion with inmate labor represents 1.75 percent of the program. Inmate labor has been used before. Currently, about 350 construction projects are being administered throughout the state. The dollar value of these projects is about \$126 million. Of the 350 projects, only 2 projects involve inmate labor, which include the supervisory housing units and low security housing unit at the prison. Of the \$126 million, only \$1.3 million involves inmate labor. That equates to 1 percent of the total dollar volume that is presently being done. Inmate labor is utilized on a very limited basis and only at Montana State Prison. There is no attempt to expand this beyond the confines of the prison. The state has received well-built and functional facilities. The use of inmate labor has allowed Montana to use funds elsewhere. He explained the second page of the handout. The low security housing unit as estimated by the Architecture and Engineering Division last session would have cost \$2.6 million by conventional contracting methods. The amount the Legislature authorized for the project was \$1.1 million. That was a savings of \$1.4 million. The savings went back into the long-range building program. The projects 14-17 were taken from the proposal of the program that was presented to the last Legislature and ultimately approved. Those projects total \$1.4 million, and they could not have been completed if the prison was built with conventional methods. The money went back into the program and out to private contractors and created jobs.

Dan Russell, Administrator, Corrections Division, presented written testimony. **EXHIBIT 17**

Jim Whaley, Facility Planner, Architecture and Engineering Division, presented a handout on the cost breakdown for the low security housing unit. **EXHIBIT 18.** He wasn't skeptical after he saw the quality of the work done by the inmates under the direct supervision of four union supervisors. The project architect said the quality of work was as good as the work done on any projects he had been involved in. Construction costs were about \$50 per square foot compared to \$115 per square foot with regular construction. Of the \$1,184,600, \$144,225 went toward wages and benefits for the union construction supervisors, and \$27,580 was paid to the inmates.

The remaining \$1 million paid for materials, architect, etc. The purchase orders went to Montana companies.

Opponents' Testimony:

Ken Dunham, Montana Contractors' Association, said this bill will cost jobs to private industry workers and will compete directly with construction firms in Montana. The savings should be compared to the lost jobs in private industry and the potential demise of the construction firms that do this work. Jobs shouldn't be taken from private industry. The construction industry has raised questions about the quality of construction, liability, and warranty issues.

John Forken, President, Southwest Montana Building and Construction Trades Council, present written testimony. EXHIBIT 19

Paddy Dennehy, Butte Carpenters' Union, said Montana has lost thousands of primary jobs in the last ten years, including the Butte mines, Anaconda smelter, Great Falls refinery, eastern Montana oil fields in eastern Montana, and 1,100 jobs in Missoula and Libby. The administration is trying to eliminate more jobs. This same administration claims more jobs are needed and is trying hard to bring more industry into Montana. They just didn't say it would be the convict labor industry. In his position, he comes in contact with at least 25 union and non-union construction workers a week from all over the state looking for work. At least 10 percent are leaving the state to find work elsewhere. The administration thinks the construction worker jobs are expendable.

Gene Fenderson, Montana State Building and Construction Trades Council, said at the turn of this century chain gangs were created. Contractor wardens rented prisoners out to build bridges, highways, and more prisons. In the 1920s and 1930s society said there would be no more convict labor or stealing work from the people of this state. Then a 33,000 acre cattle ranch was bought, and furniture was being made by prison inmates. The ranchers and farmers said the milk will not be sold in Montana, because it was cutting into their business. The beef is sold out of state and the milk is distributed out of state. The furniture dealers of Montana year after year came before the Legislature to say "no," until the state prison authorities cut a deal that the prison-made furniture had to go through the stores. "Then all of a sudden it was alright." It is not right to sell inmate labor, furniture, or cattle in this state. This bill removes the caps where \$20-30 million worth of work could be done.

Johnny Monahan, Ironworkers Union, Local 841, Helena, said the administration is trying to save money at the expense of workers. This bill will create slave-labor jobs for prisoners to replace workers who help pay for their existence. Many people in prison

would not be there if they had the skills to perform building and trades work. This administration wants these unskilled workers to perform jobs normally done by workers with many years of experience. Who will guarantee the quality of this work or pay for the delays which will occur because of the unqualified workers? Prisoners don't pay taxes, and they don't vote.

Craig Kuchler, President, Carpenters' Union, Local 153, Helena, said to remember the workers who the jobs will be taken from. Carpenters and construction workers haven't had raises in eight years.

Jay McDonald, International Brotherhood of Electrical Workers, Local 623, presented written testimony. EXHIBIT 20

Don Judge, Executive Secretary, AFL-CIO, presented written testimony. EXHIBIT 21

John Malee, Montana Federation of Teachers, stated his opposition.

Questions From Committee Members:

REP. DRISCOLL said 18-2-112, MCA, states an architect and an engineer have to be appointed for the building. He said to Mr. O'Connell if these projects are not exempted, the intent must be to hire a private-sector architect and engineer. Mr. O'Connell said yes. REP. DRISCOLL said presently in almost every case the architect gets 7 to 9 percent of the total cost of the facility. On the last prison built with prisoners, what percent was the architect paid? Mr. O'Connell said he didn't have the figure. REP. DRISCOLL asked if the architect was paid a percentage from what the project would have cost or what it actually did cost. Mr. O'Connell said the negotiated contract was different than normal because there was no bidding process, and plans and specifications were not prepared in the same manner. It is not safe to say it was a 7 to 9 percent fee on this project. Mr. Whaley said the architect's fee was about \$108,000. REP. DRISCOLL asked how much money was paid to the prisoners. Mr. O'Connell said approximately \$27,000.

REP. DRISCOLL asked how many inmates worked on the project. Jack McCormick, Warden, State Prison, said approximately 25 inmates were employed on the project at any given time. The project lasted about a year and a half. REP. DRISCOLL said 20 to 25 prisoners made \$27,000, and one architect made \$108,000. Mr. McCormick said yes.

REP. SOUTHWORTH asked Mr. Whaley if he thought the quality of work was good. Mr. Whaley said yes. REP. SOUTHWORTH said there must have been many carpenters, plumbers, brick layers, and electricians in the penitentiary. Mr. Whaley said most of the quality is attributed to the union supervisors of the project.

REP. PAVLOVICH asked REP. THOFT if the issue of the \$25,000 was settled in the special session. REP. THOFT said the issue was settled on the projects that were in progress only. REP. PAVLOVICH said if all these people will be given jobs eventually there will be nothing but prison labor. REP. THOFT said the amendment takes care of that.

Closing by Sponsor:

REP. THOFT said the Southwest Trade Council and Contractors complained about a loss of jobs. However, the prison expansion will generate \$13 million per biennium for the valley. The dairy products are used in the state, sold to local dairies, and distributed among the institutions. That is in direct conflict with any dairy in the state. None of these people have ever complained about that competition because they know that the inmates have to have something to do. Every dollar has to be saved while those people are incarcerated. 1.7 percent of this biennium's construction projects can be done by inmate labor. Everyone feels that will destroy the labor unions and the contractors. There won't be a devastating effect on either party. There was concern about work gangs going all over the state. Inmates will not be taken out of the institution and turned loose on projects. This bill will save about \$4 million.

HEARING ON HB 804

Presentation and Opening Statement by Sponsor:

REP. WILLIAM "RED" MENAHAN, House District 67, Anaconda, said HB 804 provides 100 percent lump-sum payments of accumulated sick leave, severance pay, and retraining allowance for an employee terminated to achieve a reduction in force. This bill has been brought about by the privatization of jobs and those employees who have lost benefits.

Proponents' Testimony:

Beth O'Halloran, Montana Federation of State Employees, presented written testimony. EXHIBIT 22

Tom Schneider, Public Employees Union, said the attorney general has ruled on at least three occasions that there can't be negotiations above what is provided by statute. Severance pay, continued health insurance payments beyond employment, or anything above 25 percent payout on sick leave can't be negotiated. Without passage of HB 804, there are no negotiations for people who are caught in a reduction in force. This bill allows people to negotiate for additional benefits.

Don Judge, Executive Secretary, AFL-CIO, said HB 804 allows for negotiations of certain issues in the case of a reduction in force.

Bob Heifer, United Food and Commercial Workers' Union, stated his support.

Gene Fenderson, Montana State Building and Construction Trades Union, stated his support.

Opponents' Testimony: None

Questions From Committee Members: None

Closing by Sponsor:

REP. MENAHAN closed the hearing on HB 804.

EXECUTIVE ACTION ON HB 339

Motion/Vote: REP. DRISCOLL MOVED HB 339 BE TABLED. Motion carried 10 to 7. EXHIBIT 23

HEARING ON HB 961

Presentation and Opening Statement by Sponsor:

REP. ROGER DEBRUYCKER, House District 13, Floweree, said HB 961 was requested by the Department of Institutions to seek legislative approval to close the Galen Campus. The bill deletes all statutory reference to Galen and defines the function of the Montana State Hospital at Warm Springs Campus and the new patient psychiatric facility. The Department operates these three programs at Galen. The primary reasons the Department is recommending the closure at Galen are: (1) The acute care unit and the intermediate care nursing unit are under utilized. (2) The appropriate patient care is available at other state and private facilities. In some cases the care is more appropriate for the patients' needs. (3) It is an inefficient, outdated, and under-utilized infrastructure at Galen. The Department intends to continue to provide services to clients who need the level of service provided by the state as the law requires. However, the Department can't justify the costs of providing those services on the Galen Campus when more cost effective and appropriate services can be provided in other state and private facilities.

Proponents' Testimony:

Curt Chisholm, Director, Department of Institutions, said there is a requirement in Title 53, Section 1, which states that no institution of the Department of Institutions can be closed, altered, or moved without the consent of the Legislature. This bill is intended to do that. This issue was debated before an appropriations subcommittee. It was voted to reinstate the budget for the Galen operation back into the budget of Montana State Hospital under the Department of Institutions. Had they

not done that, this bill would have been needed to get the consent of the Legislature relative to the closure of the Galen Campus. He presented and explained a handout. **EXHIBIT 24.** The three programs on the Galen campus are a 33-bed acute hospital, a 185-bed long-term care facility, and two chemical dependency programs. The two chemical dependency programs are a 72-bed program for inpatient treatment of alcoholism and a 15-bed program. The three programs are: the hospital, the nursing component, and the chemical dependency component. In the early 1980s there was an administrative consolidation of the Galen campus with the Warm Springs campus, and the entity was called Montana State Hospital. Montana State Hospital administratively is an entity of the Department of Institutions. The Warm Springs campus is the state's inpatient psychiatric care facility, and the Galen Campus provides chemical dependency services, acute hospital services, and long-term nursing care. Galen has been in operation for about 70 years. It started out as the state's tuberculosis sanitarium and then served patients with upper pulmonary diseases and miners' lung diseases, but it was running out of a sense of mission. Through the administrative consolidation, its current mission is the operation of the hospital, long-term care facility, and chemical dependency programs. The acute-care hospital has been declining in the patients that need to be served in that hospital. The license for those 33 beds is the same type of license that any hospital in Montana carries for the provisions of acute medical care. However, Galen doesn't have the sophisticated type of acute medical capabilities that St. James in Butte, St. Peter's in Helena, and others have in terms of equipment, the intensity of staffing, the physicians, etc. This hospital is not open for general public use. It is used for acute medical care cases, medical detoxification, and some post-operative care primarily serving inmates from Montana State Prison and patients from the Warm Springs and Galen Campuses. This 33-bed hospital averages 13.9 patients on a daily basis. There has been a rapid decline in the need for those beds in the last five years. Only one patient on an average daily basis needs an acute-care bed. The rest of the patients are inappropriately placed in those beds. The Montana-Wyoming Foundation For Medical Care, which is the professional review organization contracted with the state to review the appropriateness of care provided in any hospital where the federal government pays for the hospital bed, has penalized this practice. Since the doctors are inappropriately billing the federal government for acute care when the patients didn't require it, a prospective billing basis was put in place for over a year. Many of the patients require subacute care, but it should be provided somewhere other than using the expensive acute-care bed. The billable costs for the acute-care beds for fiscal year 1991 was \$198.84 per day, which is what patients are billed even though it is on the ability to pay. If it was legitimate to place 14 patients on an average daily basis in a 33-bed hospital and where most of them don't need to be, that would still be less than a 50 percent occupancy. This is a waste of state taxpayers' money. The option was to suspend the

operation of the hospital and with the money saved, contract with local hospitals in Anaconda, Deer Lodge, or Butte to provide acute medical care and detoxification for patients treated for alcoholism. Those hospitals are willing to do this on a provider arrangement, which was to be negotiated with those hospitals anyway because the general practice of the Department is that all inmates who need acute medical care in a hospital bed are sent to Powell County Memorial Hospital, St. James, or St. Patrick's Hospital in Missoula. The same could be done for many patients on Galen and the Warm Springs Campuses. It is often done because of the limited capacity to provide acute medical care for the complicated medical care cases. If Medicaid or Medicare will cover the hospital cost, it is covered by the federal government. If the cost is not covered, it comes out of the state hospital budget. It is more responsible to close the hospital and use local hospitals to serve the small numbers of acute-care patients. Part of the plan was to develop a 10-bed infirmary on the Warm Springs Campus to allow for subacute levels of care that were above the levels of care they would receive on the wards. In the 185-bed licensed nursing care facility on that Campus, only 120 beds are in operation and staffed to provide services based on an average daily population of about 80 residents. In FY90 the average occupancy was about 71 nursing-care patients. In the mental health division there are 436 licensed nursing beds. The occupancy averages for FY90 are: 71 patients for the 185 beds at Galen, 48 patients for the 60 beds at Warm Springs, and 152 patients for the 191 beds at the Center for the Aged. There were 135 vacancies. The following patients were subjected to a nursing care assessments: 66 patients at Galen, 49 at Warm Springs, and 150 at the Center for the Aged. From the 265 patients reviewed at that time, it was determined by long-term care specialists from the Montana-Wyoming Foundation for Medical Care and the Department of Social and Rehabilitation Services (SRS) that 74 of the patients should be placed in ordinary nursing-home beds provided by the private sector. They didn't need the specialized services of the Department of Institutions. 105 patients need to be placed at the center for the aged, and 31 patients need to be placed at Warm Springs to receive intensive treatment for their active psychiatric disorders. 55 are not nursing-care patients at all; they need personal care, not nursing-home care. Of the 265 people, only 136 need to be kept under the control, custody, and treatment of the Department. From the 66 patients at Galen, it was determined by the nursing care assessment that 26 need to go to private nursing homes, 22 should go to the Center for the Aged, 13 should go to Warm Springs to receive better treatment for psychiatric disorders, and 5 are personal-care patients. The three separate nursing-home environments with that kind of a low occupancy should be consolidated. Galen doesn't have a sense of mission relative to those that are mentally ill or not. Of the 66 patients at Galen, 13 have no mental disease diagnosis at all. They are ordinary nursing-home patients that could be placed in the private nursing home sector. The Department has needed to be more aggressive with the patient placements in diagnostic issues. The chemical

dependency programs are fully utilized. If the hospital would be closed because of low occupancy and the inappropriate use of the long-term care facilities, there is no justification to keep the chemical dependency programs alone on the Campus. To better utilize the scarce resources of the General Fund, the Department recommends closing the entire campus and continuing to provide inpatient services to those who need chemical dependency treatment and detoxification through contracts with existing free standing and hospital based inpatient chemical dependency programs throughout Montana. The Department has eight years of experience in contracting with three of those programs to provide inpatient beds for alcoholics and recovering drug addicts. There is under-utilization of valuable resources that is costing the taxpayers money. The care provided in the hospital, the long-term care units, and the chemical dependency units is very good. The billable rate for the long-term care unit is \$138 per day, which is the most expensive billable rate for nursing care in Montana. The presumption is that if the patients are placed in private nursing-home beds, they will receive at least equal care that they are receiving at Galen. Galen only ranks in the middle of all nursing care operations in Montana relative to patient assessment scores. There is a significant number of nursing homes in Montana that are providing care that require "heavier" care than is being provided to the patients at Galen based on their level of need.

Opponents' Testimony:

Keith Colbo, Galen Task Force, said the Galen Task Force introduced today an appropriations bill that would request an interim study subcommittee made up of legislators, department officials, and others to study the issue of the closure of the Galen campus, the programs, and the residents and patients. It will include the Warm Springs Campus. The implications of this bill extend beyond the Galen Campus.

SEN. JOHN "J.D." LYNCH said the Department has created the problem at Galen by under-utilizing it on purpose, and then saying it is not being used. It's not being used because the Department didn't want to use it. Hearings on the closure of Galen only took place in the Legislature. They didn't have hearings in Anaconda or Butte. There is a study in place. Someone gave advice to the Governor to veto a 40 bed unit that was passed out of the Legislature last session to be used at Galen. The Legislature has been working to utilize Galen, but the Department of Institutions isn't working to help its own \$17 million facility.

Jim Flynn, Chairman, Galen Task Force, said the Galen Task Force was formed in response to Department of Institutions recommendation to close the Galen Campus. Since that time, the Department's information justifying that recommendation has been reviewed by the Legislative Auditor, the Legislative Fiscal Analyst, and a committee from the staff at Montana State

Hospital. The result shows there is a great deal of disagreement. 75 percent of the Department's projected cost savings are questionable. The Department's contention regarding staffing and physical plant condition appears to be questionable. The available alternate programs do not measure up to public need. For the State of Montana to take an action of this magnitude, solid justification should be available. Each review has shown the weakness or in some instances the inadequacy of the proposal.

SEN. TOM BECK said there is a plan to study the institution to see if it is viable, but there is no plan for the institution but to block up the windows and send the employees out the door.

Beth O'Halloran, Montana Federation of State Employees, presented written testimony. **EXHIBIT 25**

Lars Ericson, Montana State Council of Carpenters, stated his opposition on behalf of Gene Fenderson with the Montana State Building and Construction Trades Union.

Mike McGrath, Montana County Attorneys' Association, stated his opposition specifically to the proposal to close the alcohol treatment portion of the Galen Campus. On a statewide basis hundreds of defendants in the criminal justice system are sent to the inpatient alcohol treatment at the Galen Campus. In most cases these are individuals who have failed in outpatient-treatment programs. The Department proposed to treat these people on an outpatient basis or to have contracts with existing private alcohol treatment facilities. It costs about \$7-9,000 per person to go through a private alcohol treatment program for a residential period of 28 days. That is not a viable option for the State of Montana. This is an essential service provided by the State of Montana and should be continued.

REP. BEA MCCARTHY said Mr. Chisholm stated that a similar bill received a three-hour hearing in the appropriations subcommittee. Most of the information given here was discussed thoroughly at that time. Patient needs are the primary concern, and those have been the last thing the Department has considered. It was the wisdom of that committee to vote this down.

REP. MENAHAN said he had received letters from guardians of nursing-home patients that didn't want them moved. Since the last hearing several judges want to be part of the study. The facility should be used more. The alcohol and drug programs should be expanded to keep more people out of prison. There were almost 1,600 alcoholics admitted to this facility. Some of the figures that were previously given were refuted by Dr. Lord.

REP. GARY BECK said the issue is about people. The programs at Galen are needed and utilized. There are 212 employees at Galen. The bill says the infrastructure is decaying and falling apart. The infrastructure is as good as the Capitol Building. A part of

the institution was remodeled for acute care for inmates, those four rooms have never been utilized, instead the inmates are sent to St. Patrick's and have a guard outside the door. The people being talked about don't have a voice, and they are the easiest ones to dispose of. These indigent people need care. Many people at Galen are people who the rest homes refused to take. They are very difficult, disruptive, and some are violent.

John Shontz, Mental Health Association of Montana, presented written testimony. EXHIBIT 26

Jody Hoffman, Health Policy Specialist, American Federation of State, County, and Municipal Employees' International Union, presented written testimony. EXHIBIT 27

Bob Heiser, United Food and Commercial Workers Union, stated his opposition.

Dan Edwards, Oil, Chemical & Atomic Workers' International Union, stated his opposition.

Lee Jaeger, Detoxification Counselor, Montana State Hospital-Galen, presented written testimony. EXHIBIT 28

Don Judge, AFL-CIO, stood in opposition.

The following people from the Galen Campus stood in opposition: Eunice Connelly, JoLynn Tracy, Eleanor Johnson, Mike Weist, and Shirley Kelly

Clyde Dilly, Montana Senior Citizens, stood in opposition.

Mona Louise and Eugina Collins stood in opposition.

Questions From Committee Members:

REP. DRISCOLL asked Mr. Chisholm if the Department will contract with the private sector for detoxification. Mr. Chisholm said yes. REP. DRISCOLL asked how much money it would cost. Mr. Chisholm said approximately \$100,000 per year. REP. DRISCOLL asked how much it would cost per person. Mr. Chisholm said he didn't know. In 1990, 1,500 people were admitted to Galen for alcohol treatment and only 14 needed acute medical detoxification. REP. DRISCOLL said most people are in detoxification for about five days and the total treatment lasts for 28 days. Mr. Chisholm said that is not true. Most admissions are voluntary and do not need acute bed care. The patients that actually need acute care, need it for only about three days. There is a higher percentage of voluntary admission. REP. DRISCOLL said it is called voluntary, but it is a choice of going to jail or going through detoxification.

REP. THOMAS asked Rose Huse, Executive Director, Nursing Home, about the quality of nursing home levels in the state. Ms. Huse said the quality is excellent.

REP. THOMAS asked Mr. Chisholm what will happen to the people in the study if the bill fails. Mr. Chisholm said they will have to be transferred. REP. THOMAS asked if there would be trauma in transferring patients. Mr. Chisholm said patients were transferred in the 1980s from Warm Springs to Galen and nobody died. REP. THOMAS asked what could be done with the acute care patients. Mr. Chisholm said the acute medical care needs to be provided, but it could be provided through contracting with other hospitals. It is done currently because there is not the level of experience or capabilities at Galen.

REP. BECK asked Mr. Chisholm if Galen was being considered for use as a minimum security prison. Mr. Chisholm said it was looked into, but the final analysis was that it would be too costly. A higher security prison is needed. REP. BECK asked how far Galen is from Warm Springs. Mr. Chisholm said about three miles. REP. BECK asked why there were intense psychiatric patients at Galen and not at Warm Springs, when they should be at Warm Springs. Mr. Chisholm said, "that is right." REP. BECK said there are inconsistencies and asked about the psychiatric treatment at Warm Springs. Mr. Chisholm said there are two full-time psychiatrists and two psychiatrists are contracted from Locum Tenum Physicians. REP. BECK asked about the treatment at the Women's Correctional Center. Why are there only four hours a month for care and to administer drugs? Why are the needs not addressed on a better scale? Mr. Chisholm said that is all the time allotted. The Women's Correctional Center is not served by the psychiatric staff assigned to the Warm Springs Campus. A psychiatrist from Missoula is contracted to serve the Women's Correctional Center and Montana State Prison.

REP. BECK asked if St. Patrick's Hospital is willing to take some of the services. Mr. Chisholm said he didn't think so. REP. BECK asked where the patients would get treatment. Mr. Chisholm said the patients in Missoula who need detoxification in a subacute environment would be transferred to Galen. REP. BECK said Galen is utilized by Native Americans; if it is closed where would they go for treatment? Mr. Chisholm said there are about six free-standing programs that would be contracted with the state for about \$100 per day. If there were indigent people, they would receive free care.

REP. MENAHAN said the figures from Dr. Lord indicated that in 1990, out of 301 clients, one to three patients per day were detoxified at \$65 per day.

REP. O'KEEFE asked REP. DEBRUYCKER why this critical bill with the Department of Institutions was sent through at the last minute before transmittal. REP. DEBRUYCKER said there was a pile-up of critical bills.

REP. BENEDICT asked Mr. Chisholm what will happen to the less fortunate people who don't have the money. Mr. Chisholm said the proposal is to contract with free-standing programs under a better care approach, and they may be more geographically accessible.

REP. SQUIRES asked Mr. Chisholm if he could insure that the indigent people will not be screened out. Mr. Chisholm said the intent is that those people will not be screened out; it would be an open-door basis.

Closing by Sponsor:

REP. DEBRUYCKER said the state law mandates that before a department can move, discontinue, or abandon an institution, it must first seek the consent of the Legislature. The Department of Institutions is seeking that consent through HB 961. State law requires the Department to provide care and treatment to patients suffering from mental disorder and treatment that is suited to the needs of each person in the least restrictive environment if possible or in the institution setting where less restrictive alternatives are not available. That is what the Department intends to do with the transfer of the nursing-care patients from Galen to Warm Springs, the Center for the Aged, and the private nursing homes. The acute-care hospital is under utilized, and the services can be provided through contracts with local hospitals. The chemical dependency service can be provided through contracts with local state-approved programs. The goal is to provide more appropriate care to more people closer to home.

EXECUTIVE ACTION ON HB 961

Motion/Vote: REP. PAVLOVICH MOVED HB 961 BE TABLED. Motion carried 12 to 6 with Reps. Benedict, Thomas, Lee, Hanson, Johnson, and Fagg voting no.

HEARING ON HB 812

Presentation and Opening Statement by Sponsor:

REP. WANZENRIED, House District 7, Kalispell, said HB 812 clarifies what is and what is not included in wages subject to the UI tax and the Workers' Compensation premium. Currently, the laws are ambiguous and inconsistent. There is no legislative direction about the definition of Workers' Compensation. The mutual compensation fund is operating on a policy, not a statute, governing what portion of an employer's payroll is subject to the tax. There are two problems in two particular industry categories. HB 812 was drafted narrowly to include the trucking and logging industries. There are standards within the industry to determine what is and what is not subject to the tax for the per diem allowance for over-the-road expenses in the trucking industry and "saw rent" in the logging industry. In UI laws, it

is not clear what is and what is not regarded as per diem. If the bill is enacted, there would be common definitions in both areas for Workers' Compensation and UI making it clear that there would be a parallel system to the greatest extent possible to determine what is subject to tax in both areas and what is not.

Proponents' Testimony:

Ben Havdahl, Montana Motor Carriers Association, presented written testimony. EXHIBIT 29

Keith Olson, Executive Director, Montana Logging Association, presented written testimony. EXHIBIT 30

Bob Mullen, Deputy Director, Department of Labor and Industry, said Workers' Compensation and UI are funded through payroll taxes paid by employers. The amount of tax paid by an employer is generally assessed as a percentage of the wages. The definition of wages for UI is similar but not identical to the definition of wages for Workers' Compensation. The definitions of what are not wages are not identical either. As a result, some wages and payments to workers are reportable to the UI system but not to the Workers' Compensation and vice versa. Employers have to deal with two standards and are confused. This bill would allow the Department of Labor to write specific rules regarding what payments made by an employer are not to be considered wages for UI and Workers' Compensation. It would be the Department's intention to write rules consistent between the two programs to eliminate further confusion.

John King, State Compensation Insurance Fund, stated his support.

Don Judge, AFL-CIO, said the rules that are adopted should be the same the rules currently in the law for UI. Other expenses shouldn't include tip credits or other items that might be considered an expense of the employer but not an expense to the employee.

Opponents' Testimony: None

Questions From Committee Members:

REP. DRISCOLL said the rules between the UI Division and the State Fund on travel expenses are inconsistent. He asked Mr. Mullen if the bill passed would it guarantee that the rules for Workers' Compensation and UI will be consistent pertaining to travel and reimbursement. Mr. Mullen said occasionally items can't be made consistent between UI and Workers' Compensation. On some items, the Federal UI Act does not allow the Department to withhold in regard to wages. REP. DRISCOLL said Workers' Compensation said that a premium wasn't owed on travel pay, as long as it wasn't tied to the hourly wage. UI says that the state rate can't be exceeded unless there is a motel receipt, and only \$24.50 can be deducted per day. In a particular

construction case, it was \$30 per day for the motel. No matter how many hours were worked, it wasn't tied to hours. Workers' Compensation said a premium wasn't owed on that \$30. UI said a premium was owed above \$24.50 which tied it back to the state rate. That is inconsistent. Why is it tied to the state rate?

Mr. Mullen said the Department would like to create some consistency between the way the two Funds are operated. HB 807 had some coordinating language to have the two divisions within the Department trade lists and try to insure that they are treated the same way within the Department. REP. DRISCOLL said in previous testimony, Mr. Judge asked that rules be the same as they are now. Will that rule be changed no matter what the number is, so it will be made the same under UI and Workers' Compensation? Mr. Mullen said yes; the Department will try to make the rules consistent.

Closing by Sponsor:

REP. WANZENRIED closed the hearing on HB 812.

EXECUTIVE ACTION ON HB 812

Motion/Vote: REP. JOHNSON MOVED HB 812 DO PASS. Motion carried unanimously.

Motion/Vote: REP. SOUTH MOVED HB 812 BE PLACED ON CONSENT CALENDAR. Motion carried unanimously.

HEARING ON HB 712

Presentation and Opening Statement by Sponsor:

REP. CAROLYN SQUIRES, House District 58, Missoula, said HB 712 requires the employers to buy safety equipment necessary to provide a safe environment for employees. The employees must respond by using the equipment provided. The bill mandates the employee wear the equipment provided for safety in the workplace. She proposed amendments. "Footwear" was removed from the bill, and those people, who have negotiated a contract dealing with the purchase of safety equipment, are to be excluded.

Proponents' Testimony:

Dan Edwards, Oil, Chemical, and Atomic Workers' Union, stated his support.

Bob Heiser, United Food and Commercial Workers' Union, said safety equipment reduces injuries.

George Wood, Executive Secretary, Montana Self Insurers Association, stated his support with the exclusion of "footwear" and changing the "or" to "and" on Page 1, Line 24.

Jim Schmauch, Aluminum Workers Trades Council, Columbia Falls, said his union favors safety for its employees. The bill would place an unfair burden on members and the company. It is covered under a collective bargaining agreement and negotiated with a company on how safety equipment is supplied and who is responsible for the cost. When a collective bargaining agreement is in force, the safety and health items should be left to that process. He proposed an amendment to exclude those companies involved in a collective bargaining agreement process.

Lars Ericson, Montana State Council of Carpenters, said he was also speaking on behalf of Gene Fenderson who represents the Montana Building and Construction Trades Council. In addition to the normal physical dangers encountered in the workplace, workers come in contact with hazardous wastes, toxic materials, etc. It is important that employees are provided with safety equipment, and they should be required to wear the equipment.

Mark Langdorf, Field Representative, American Federation of State, County, and Municipal Employees (AFSCME), stated his support.

Beth O'Halloran, Montana Federation of Teachers, State Employees and Health Care Employees, stated her support.

Don Judge, AFL-CIO, presented written testimony. **EXHIBIT 31**

Don Allen, Montana Wood Products Association, stated his support with the amendments.

Opponents' Testimony: None

Questions From Committee Members:

REP. DOLEZAL asked **REP. SQUIRES** if changing the "or" to "and" addresses the concern that the safety items can be bargained into the contract. **REP. SQUIRES** said yes.

REP. DOLEZAL said the bill has been amended to allow for negotiated contracts. He asked **Mr. Schmauch** if that addressed his concern. **Mr. Schmauch** said yes, if it allows those with collective bargaining agreements to continue to negotiate.

REP. DOLEZAL asked **REP. SQUIRES** if the amendment does as **Mr. Schmauch** said. **REP. SQUIRES** said yes.

REP. BENEDICT asked **REP. SQUIRES** when purchasing health and safety devices, safeguards, and protective clothing, could this bill be construed to mean people who work outdoors. Would the employer be required to buy them winter coats as protective clothing, or does the bill mean safety clothing? **REP. SQUIRES** said safety clothing.

REP. HANSON said employees of contractors have refused to wear their hard hats which the contract requires. The only way to force them was to shut the job down and place time penalties on the contractor. He asked REP. SQUIRES what the penalty would be if the employees won't abide by the requirement. REP. SQUIRES said probably shutting down the job. Each employer would have some policy where the employees would be disciplined if they didn't wear the required safety clothing. At the hospital (where she works), an employee is "written up" for disciplinary action, and after three times the employee is fired. REP. HANSON asked if language could be included that would authorize the employer to set up a fine arrangement for employees who did not utilize the safety equipment. REP. SQUIRES said each employer should decide his disciplinary action.

REP. SOUTHWORTH said it is up to the boss to establish a safety program.

Closing by Sponsor:

REP. SQUIRES said safety is of the utmost importance in the workplace to reduce injuries and cost of Workers' Compensation.

HEARING ON HB 875

Presentation and Opening Statement by Sponsor:

REP. TIM WHALEN, House District 93, Billings, said HB 875 requires representation of organized labor on the State Employee Group Benefit Advisory Council.

Proponents' Testimony:

Beth O'Halloran, Montana Federation of State Employees, presented written testimony. EXHIBIT 32

Tom Schneider, Montana Public Employees Association, stated his support. He has been a member of the Council since the beginning. At one time there were two labor members, and currently he is the only labor member. There is one member from ICCW (Inter-Coordinating Committee for Women), and he doesn't want to lose that member by adding more labor members.

Bob Heiser, United Food and Commercial Workers Union, stated his support.

Opponents' Testimony: None

Questions From Committee Members:

REP. LEE asked Ms. McClure how many groups would be included under 39-31-103, MCA. Ms. McClure said "labor organization" means any organization or association in which employees participate and which exists for the primary purpose of dealing

with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, fringe benefits, or other conditions of employment.

REP. JOHNSON asked REP. WHALEN how many people are on the Committee now. REP. WHALEN said about ten.

REP. JOHNSON asked Mr. Schneider who appoints the members. Mr. Schneider said the ten people on the Committee are appointed by the Governor each year for a one-year term. REP. JOHNSON asked if the Committee was constituted like other boards and commissions in the state where they have meetings and they pay for those meetings. Mr. Schneider said no. It is an advisory committee; it is not a quasi-judicial committee. They do not pay expenses or daily per diem for attending meetings. REP. JOHNSON asked how many more people would be involved under Item 4, Section 1. Mr. Schneider said two additional people.

Closing by Sponsor:

REP. WHALEN closed the hearing on HB 875.

EXECUTIVE ACTION ON HB 875

Motion/Vote: REP. DRISCOLL MOVED HB 875 DO PASS. Motion carried 14 to 4 with Reps. Lee, Benedict, Hoffman, and Fagg voting no.

EXECUTIVE ACTION ON HB 729

Motion: REP. COCCHIARELLA MOVED HB 729 DO PASS.

Discussion:

REP. THOMAS said HB 729 spends too much money. CHAIR SQUIRES said it is a matter of equity.

Vote: HB 729 DO PASS. Motion carried 12 to 6 with Reps. Lee, Fagg, Hoffman, Johnson, Thomas, and Benedict voting no.

EXECUTIVE ACTION ON HB 882

Motion: REP. WHALEN MOVED HB 882 DO PASS.

Discussion:

REP. THOMAS asked Ms. McClure if she drafted an amendment to include the tax aspect talked about in previous testimony. Ms. McClure said she had some problems with including it in the bill. The language is drafted from the Montana Residents Preference. Language is not used on any preferences mandating that people prove that they pay state taxes. In federal Indian law, the state government collects as much tax as it can according to what the federal government will allow. If a Native American goes off the reservation, he pays taxes. In 18-2-409, MCA, it states

Montana residents to be employed on state contracts get a preference. It is almost word-for-word with this bill, but there is no requirement that they prove they pay taxes. **REP. THOMAS** said that they are Montanans, and they have to pay taxes. **Ms. McClure** said people on the reservations are Montana citizens also. **REP. THOMAS** said they don't pay taxes in some cases.

REP. DRISCOLL said the federal government says Montana can't collect income tax from reservation residents. **REP. JOHNSON** asked how the state could mandate anything on the reservation, for example who they are going to hire. **REP. DRISCOLL** said the state has certain authority over tribal members and tribal government, and the federal government has certain authority. The state can mandate some things, but according to the Taxation Committee, income tax can't be mandated on reservations. He didn't know what else could be mandated. **REP. JOHNSON** said then it is not known if this is even legal. **Ms. McClure** said it is not a problem. This is authorizing a preference on the reservation. There would be a preference if the person is qualified. **REP. JOHNSON** said the bill is a requirement and not an authorization. **Ms. McClure** said the bill says they "shall give a preference," but it is a preference based on that the person is qualified.

REP. HANSON said the conversation is in terms of a reservation located out in the "hinterland." Polson is on a reservation. When hiring preferences for state agencies within a local community, this bill will cause some problems.

REP. DRISCOLL said this bill doesn't mandate anything on the tribe; the state would be mandated to give preference. If the state is hiring, then the state shall hire residents, or if a construction contractor is working on the reservation paid for with state money, then he shall comply. This is not mandating the tribe but is mandating the state.

REP. BENEDICT said in the case of Polson, there is a local construction worker and a Native American local construction worker. This bill discriminates against one to hire the other.

REP. THOMAS said it seems there is already a built-in preference due to obvious differences between the tax policies. **Rep. Driscoll** said there is no state income tax for reservation residents. When state income tax pays for projects, this bill will give a preference to someone who doesn't pay such a tax.

REP. DRISCOLL said if there is a Federal Civil Rights Act on construction projects on the reservation, there is a preference. If the people are qualified, they are hired. The people are authorized under the federal law to have a tribal employment rights act. The Crow and Cheyenne Tribes have TERO (Tribal Employment Rights Office) offices. They enforce the TERO law and not only on federal contracts. If a person is not a tribal member and is working on a reservation, that person is subject to the TERO law. He hasn't been able to find out why the Civil

Rights Act doesn't apply to state government, but it must not apply if this bill is needed. In construction jobs on the reservations, the residents have preference now, so this isn't going to change anything. **CHAIR SQUIRES** said federal law supersedes state law, so they would get the preference anyway. **REP. DRISCOLL** said if the construction is paid for by the federal government, it has never been a problem. In Colstrip, even though it was private money, there was a negotiated preference for the Cheyenne as long as they were qualified. Unemployment on reservations is high, and the people want the jobs. It stops importation of workers from other parts of the state and gives the local residents preference if they are qualified.

REP. JOHNSON said in Wolf Point, which is completely surrounded by the reservation, it would make a big difference to people in that area.

REP. BENEDICT said there are reservations where the unemployment rate is 70-80 percent, but that kind of unemployment doesn't exist on the Flathead Reservation in Polson. When one worker is discriminated against another in a local area, there will be big problems.

REP. HANSON said there are differences in this bill versus what **REP. DRISCOLL** talked about. He read from the bill, "a state agency that operates within an Indian reservation." In Billings or Polson, there are many state agencies operating. Rep. Driscoll had referred to construction projects with a federal preference on the reservation. That is where there is a specific amount of money to do a specific job.

REP. THOMAS said this bill places a preference for one Montanan over another. **REP. WANZENRIED** said there is veteran's preference, so that is currently done.

REP. DRISCOLL said to **REP. HANSON** that every time there is a construction project in a town, the school board or the mayor requests the contractor to hire local people. The contractors always do. This bill is just saying hire local people. **REP. HANSON** said he agreed, but this involves two specific operations, for example, operating a state agency on a reservation, and Rep. Driscoll is referring to construction. Instead of a state agency that "operates," the bill could be changed to say a state agency that "constructs a project on the reservation." The term is too broad.

REP. DRISCOLL said on Page 2, Line 2-3, states a resident of the reservation has to substantially equally qualify for the position. The person hiring will make the final decision if the resident is substantially equally qualified. Every community in the state tries to get something like this.

Vote: HB 882 DO PASS. Motion carried 11 to 7 with Reps. Lee, Hoffman, Johnson, Benedict, Thomas, Hanson, and Fagg.

EXECUTIVE ACTION ON HB 865

Motion: REP. DRISCOLL MOVED HB 865 DO PASS.

Motion: REP. DRISCOLL moved to amend HB 865. EXHIBIT 33.

Discussion:

REP. DRISCOLL said if the amendments are accepted, the bill will become an appropriations bill.

Vote: HB 865 amendments. Motion carried unanimously.

Motion/Vote: REP. DRISCOLL MOVED TO TAKE NO FURTHER ACTION ON HB 865. Motion carried 17 to 1 with Rep. Johnson voting no.

EXECUTIVE ACTION ON HB 712

Motion: CHAIR SQUIRES MOVED HB 712 DO PASS.

Motion/Vote: CHAIR SQUIRES moved to amend HB 712. EXHIBIT 34. Motion carried unanimously.

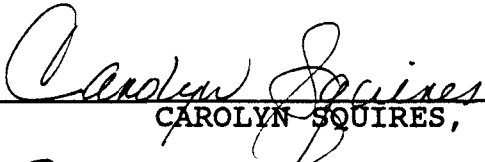
Motion/Vote: CHAIR SQUIRES MADE A SUBSTITUTE MOTION THAT HB 712 DO PASS AS AMENDED. Motion carried unanimously.


EXECUTIVE ACTION ON HB 804

Motion/Vote: REP. WHALEN MOVED HB 804 DO PASS. Motion carried 11 to 7 with Reps. Lee, Hoffman, Johnson, Benedict, Thomas, Hanson, and Fagg voting no.

ADJOURNMENT

Adjournment: 8:00 p.m.


CAROLYN SQUIRES, Chair


JENNIFER THOMPSON, Secretary

CS/jt

HOUSE OF REPRESENTATIVES

LABOR AND EMPLOYMENT RELATIONS COMMITTEE

ROLL CALL

DATE

2/21/91

NAME	PRESENT	ABSENT	EXCUSED
REP. JERRY DRISCOLL	✓		
REP. MARK O'KEEFE	✓		
REP. GARY BECK	✓		
REP. STEVE BENEDICT	✓		
REP. VICKI COCCHIARELLA	✓		
REP. ED DOLEZAL	✓		
REP. RUSSELL FAGG	✓		
REP. H.S. "SONNY" HANSON	✓		
REP. DAVID HOFFMAN	✓		
REP. ROYAL JOHNSON	✓		
REP. THOMAS LEE	✓		
REP. BOB PAVLOVICH	✓		
REP. JIM SOUTHWORTH	✓		
REP. FRED THOMAS	✓		
REP. DAVE WANZENRIED	✓		
REP. TIM WHALEN	✓		
REP. TOM KILPATRICK, V.-CHAIR	✓		
REP. CAROLYN SQUIRES, CHAIR	✓		

HOUSE STANDING COMMITTEE REPORT

February 22, 1991

Page 1 of 5

Mr. Speaker: We, the committee on Labor report that House Bill 837 (first reading copy -- white) do pass as amended.

Signed: Carolyn Squires, Chairman

And, that such amendments read:

1. Title, line 6.

Following: "39-71-116,"

Strike: "39-71-123," and "39-71-701,"

2. Title, line 7.

Following: "39-71-741,"

Insert: "39-71-1003,"

3. Title, lines 8 and 9.

Following: "39-71-1025,"

Insert: "AND"

Following: "39-71-1032,"

Strike: "39-72-601, AND 39-72-602,"

4. Title, line 10.

Following: "39-71-1018,"

Strike: "39-71-1019,"

5. Page 6, line 11 through page 8, line 21.

Strike: section 2 in its entirety

Renumber: subsequent sections

6. Page 11, lines 14 and 15.

Following: "department"

Strike: "or by any court"

7. Page 11, line 16 through page 13, line 3.

Strike: section 4 in its entirety

Renumber: subsequent sections

8. Page 13, line 7.

Following: "is"

Strike: "unable to return to work due to injury"

Insert: "permanently totally disabled, as defined in 39-71-116"

9. Page 17, line 20.

Following: "percentages"
Insert: "to the impairment rating"

10. Page 17, line 23.
Following: "injury,"
Strike: "3%"
Insert: "2%"

11. Page 17, line 25.
Following: "injury,"
Strike: "5%"
Insert: "3%"

12. Page 18, line 2.
Following: "education,"
Strike: "5%"
Insert: "3%"

13. Page 18, line 4.
Following: "diploma,"
Strike: "3%"
Insert: "2%"

14. Page 19, line 2.
Following: "injury"
Insert: "or injuries"

15. Page 19, line 4.
Strike: "must" through "amount"
Insert: "may not duplicate any amounts"

16. Page 19, line 5.
Following: "injury"
Insert: "or injuries"

17. Page 22, line 25.
Following: line 24
Insert: "(b) The total of any lump-sum conversion in part that
is awarded to a claimant prior to the claimant's final award
may not exceed the anticipated award under 39-71-703 or
\$20,000, whichever is less."
ReNUMBER: subsequent subsections

18. Page 24, lines 6 through 8.
Strike: subsection (2)(d) in its entirety

19. Page 24, line 11.
Following: "advance"
Strike: "payments"

Insert: "conversions in part that are awarded"

20. Page 25, lines 3 and 4.

Following: "under"

Strike: "this section"

Insert: "subsection (3)"

21. Page 26, line 15.

Following: line 14

Insert: "Section 7. Section 39-71-1003, MCA, is amended to read:

"39-71-1003. Eligibility for vocational rehabilitation expenses. (1) Upon certification by the department of social and rehabilitation services, a disabled worker may be paid vocational rehabilitation expenses from funds provided in 39-71-1004, in addition to benefits payable under the Workers' Compensation Act.

(2) The appeal process provided for in 53-7-106 is the exclusive remedy for an injured worker aggrieved in the receipt of vocational rehabilitation services provided by the department of social and rehabilitation services."

Renumber: subsequent sections

22. Page 27, lines 9 through 11 .

Strike: line 9 through "work" on line 11

Insert: "to assist a disabled worker in acquiring skills or aptitudes to return to work through job placement, on-the-job training, education, training, or specialized job modification"

23. Page 27, line 16.

Following: "department"

Insert: "or a department of social and rehabilitation services counselor when a worker has been certified by the department of social and rehabilitation services under 39-71-1003"

24. Page 28, line 15 through page 30, line 6.

Following: "benefits." on line 15

Strike: remainder of line 15 through "department." on page 30, line 6

Insert: "(1) An injured worker is eligible for rehabilitation benefits if:

(a) the injury results in permanent partial disability or permanent total disability as defined in 39-71-116;

(b) a physician certifies that the injured worker is physically unable to work at the job the worker held at the time of the injury;

(c) a rehabilitation plan completed by a rehabilitation provider and designated by the insurer certifies that the injured worker has reasonable vocational goals and a reemployment and

wage potential with rehabilitation. The plan must take into consideration the worker's age, education, training, work history, residual physical capacities, and vocational interests; and

(d) a rehabilitation plan between the injured worker and the insurer is filed with the department. If the plan calls for the expenditure of funds under 39-71-1004, the department shall authorize the department of social and rehabilitation services to use the funds.

(2) After filing the rehabilitation plan with the department, the injured worker is entitled to receive rehabilitation benefits at the injured worker's temporary total disability rate. The benefits must be paid for the period specified in the rehabilitation plan, not to exceed 104 weeks. Rehabilitation benefits must be paid during a reasonable period, not to exceed 10 weeks, while the worker is waiting to begin the agreed upon rehabilitation plan. Rehabilitation benefits must be paid while the worker is satisfactorily completing the agreed-upon rehabilitation plan.

(3) If the rehabilitation plan provides for job placement, a vocational rehabilitation provider shall assist the worker in obtaining other employment and the worker is entitled to weekly benefits for a period not to exceed 8 weeks at the worker's temporary total disability rate. If, after receiving benefits under this subsection, the worker decides to proceed with a rehabilitation plan, the weeks in which benefits were paid under this subsection may not be credited against the maximum of 104 weeks of rehabilitation benefits provided in this section.

(4) If there is a dispute as to whether an injured worker can return to the job the worker held at the time of injury, the insurer shall designate a rehabilitation provider to evaluate and determine whether the worker can return to the job held at the time of injury. If it is determined that he cannot, the worker is entitled to rehabilitation benefits and services as provided in subsection (2). (5)"

Renumber: subsequent subsection

25. Page 30, lines 8 and 10.

Following: "time."

Strike: remainder of line 8 through "period." on line 10

26. Page 30, line 11.

Following: "provider"

Insert: ",as authorized by the insurer,"

27. Page 31, lines 15 through 18.

Following: "cooperates."

Strike: remainder of line 15 through "made." on line 18

28. Page 32, lines 2 through 6.

Following: "(3)"

Strike: remainder of line 2 through "provider." on line 6

29. Page 32, line 12 through page 35, line 1.

Strike: sections 14 and 15 in their entirety

Renumber: subsequent sections

30. Page 35, lines 3 and 5.

Strike: "11"

Insert: "10"

31. Page 35, line 8.

Strike: "39-71-1019,"

32. Page 35, line 10.

Following: line 9

Insert: "NEW SECTION. Section 18. Severability. If a part of [this act] is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications."

Renumber: subsequent section

CLERICAL

House Bill No. 837

Date: 2/22

Time: 4 p.m.

(Legislative Council Staff) caj

☒ Labour
S / H Standing Committee

Caroleyn Squires
(Chairman)

☐ S / H Committee of the Whole

(Sponsor)

In accordance with the Rules of the Montana Legislature, the following clerical errors may be corrected:

32. Insert: " . . . Section (18) 15."
1

24. Insert: " (2) . . . the agreed-upon"
1

4:15
2:02 PM
108

HOUSE STANDING COMMITTEE REPORT

February 22, 1991

Page 1 of 3

Mr. Speaker: We, the committee on Labor report that House Bill 807 (first reading copy -- white) do pass as amended.

Signed: _____
Carolyn Squires, Chairman

And, that such amendments read:

1. Title, line 6.

Following: "ACTS;"

Insert: "TO REQUIRE THAT AN INDIVIDUAL FOUND TO BE AN INDEPENDENT CONTRACTOR UNDER TITLE 39, CHAPTER 71, PART 4, MCA, IS AN INDEPENDENT CONTRACTOR FOR PURPOSES OF TITLE 39, CHAPTER 71, MCA; TO REQUIRE THE DEPARTMENT OF LABOR AND INDUSTRY TO REPORT INDEPENDENT CONTRACTOR AND EMPLOYMENT EXEMPTIONS TO THE STATE COMPENSATION MUTUAL INSURANCE FUND;"

2. Page 2, line 24 through page 3, line 3.

Following: "performed" on line 24

Strike: remainder of line 24 through "distribution;" on page 3, line 3

Insert: "as a newspaper carrier or free-lance correspondent if the person performing the services or a parent or guardian of the person performing the services in the case of a minor has acknowledged in writing that the person performing the services and the services are not covered. As used in this subsection:

(i) "free-lance correspondent" is a person who submits articles or photographs for publication and is paid by the article or by the photograph; and

(ii) "newspaper carrier" means a person who provides a newspaper with the service of delivering newspapers singly or in bundles. The term does not include an employee of the paper who, incidentally to his main duties, carries or delivers papers."

3. Page 5, line 6.

Following: line 5

Insert: "(n) employment of sole proprietors or working members of a partnership;"

Renumber: subsequent subsections

4. Page 6, lines 1 through 16.

Strike: subsections (l)(o) through (l)(t) in their entirety

5. Page 7, line 20.

Following: line 19

Insert: "(4) An individual found to be an independent contractor by the department under the terms of 39-71-401(3) is considered an independent contractor for the purposes of this chapter."

6. Page 8, lines 11 through 14.

Following: "employment" on line 11

Strike: remainder of line 11 through "39-51-203(9)" on line 14

Insert: "employment"

7. Page 8, lines 15 through 21.

Following: "39-71-116" on line 15

Strike: remainder of line 15 through "." on line 21

Insert: ";

8. Page 8, line 24 through page 9, line 2.

Following: "~~Code~~" on line 24

Strike: remainder of line 24 through "mother" on page 9, line 2

Insert: "a dependent member of an employer's family for whom an exemption may be claimed by the employer under the federal Internal Revenue Code"

9. Page 9, lines 6 through 8.

Following: "~~regulation~~" on line 6

Strike: remainder of line 6 through "earnings" on line 8

Insert: "a broker or salesman performing under a license issued by the board of realty regulation"

10. Page 10, line 13 through page 12, line 22.

Strike: subsections (2)(l) through (2)(s) in their entirety

11. Page 12, line 23.

Following: line 22

Insert: "(1) cosmetologist's services and barber's services as defined in 39-51-204(1)(l)."

12. Page 12, lines 25 through page 13, line 2.

Following: "contractor" on line 25

Strike: remainder of line 25 through "39-51-204(1)(l)" on page 13, line 2

13. Page 15, line 21.

Following: line 20

Insert: "NEW SECTION. Section 3. Exemption. An exemption granted under 39-71-401(3) by the department that a particular employee is an independent contractor or that a

particular employment is exempt from the provisions of this chapter must be reported to the state compensation mutual insurance fund.

NEW SECTION. Section 4. Codification instruction.
[Section 3] is intended to be codified as an integral part of Title 39, chapter 51, part 6, and the provisions of Title 39, chapter 51, part 6, apply to [section 3]."
Renumber: subsequent sections

Jennifer

CLERICAL

House Bill No. 807

Date: 2-22-91

Time: 3 pm

MER
(Legislative Council Staff)

☒ Labor
S / H Standing Committee

(Chairman) Cassy Squires

☐ S / H Committee of the Whole

(Sponsor)

In accordance with the Rules of the Montana Legislature, the following clerical errors may be corrected:

Amendment #2, insert, in (ii)
" . . . "news paper . . . newspaper . . .
incidentally . . . "

HOUSE STANDING COMMITTEE REPORT

February 22, 1991

Page 1 of 2

Mr. Speaker: We, the committee on Labor report that House Bill 836 (first reading copy -- white) do pass as amended.

Signed: Carolyn Squires, Chairman

And, that such amendments read:

1. Title, line 6.

Following: "CLAIMS;"

Insert: "PROVIDING FOR PROCEEDINGS ON PAYMENT OF PREVAILING WAGE RATES BEFORE A DEPARTMENT OF LABOR AND INDUSTRY HEARING OFFICER; PROVIDING A METHOD OF DETERMINING THE STANDARD PREVAILING WAGE;"

2. Title, lines 7 through 9.

Following: "18-2-424," on line 7

Insert: "AND"

Following: "18-2-432," on line 8

Strike: "39-3-201, AND 39-3-212,"

Following: "MCA;" on line 8

Strike: remainder of line 8 through "MCA;" on line 9

3. Page 3, line 11.

Following: line 10

Insert: "(b) When 30% or more of the work in a district is not the prevailing wage for that craft or labor being performed, the prevailing wage rate is the weighted average wage based on all hours worked of a similar character performed in the district."

Renumber: subsequent subsection

4. Page 4, lines 3 and 4.

Following: "department" on line 3

Strike: "liquidated damages"

Insert: "a penalty"

Following: "at" on line 4

Strike: "the"

Insert: "a"

Following: "of" on line 4

Insert: "up to"

5. Page 4, line 20.
Following: "worker"
Insert: "or employee organization"

6. Page 5, line 22.
Following: "~~\$1,000~~"
Strike: "10%"
Insert: "3%"

7. Page 6, lines 9 through 12.
Following: "~~suspended~~"
Insert: "direct the department of commerce to initiate proceedings to"
Following: "37-71-301" on line 10
Insert: ". If the district court or the supreme court finds that a violation has occurred, the license must be suspended"
Following: "~~year~~"
Strike: "5"
Insert: "3"
Following: "judgment" on line 11
Strike: remainder of line 11 through "court" on line 12

8. Page 6, line 23 through page 8, line 14.
Strike: sections 6, 7 and 8 in their entirety
Renumber: subsequent sections

9. Page 8, line 13.
Following: line 12
Insert: "NEW SECTION. Section 8. Prevailing wage rate proceeding. Payment of standard prevailing wage rates must be enforced pursuant to 18-2-407, and all proceedings must be brought before a department hearing officer. The decision of the hearing officer may be appealed by filing a petition in district court.

NEW SECTION. Section 9. Codification instruction.
[Section 8] is intended to be codified as an integral part of Title 18, chapter 2, part 4, and the provisions of Title 18, chapter 2, part 4, apply to [section 8]."
Renumber: subsequent sections

Jennifer

CLERICAL

House Bill No. 836

Date: 2-22-91

Time: 4 PM

MER
(Legislative Council Staff)

☐ Labor
S / H Standing Committee

Candace Squires
(Chairman)

☐ S / H Committee of the Whole

(Sponsor)

In accordance with the Rules of the Montana Legislature, the following clerical errors may be corrected:

Amendment #9, sections inserted should be
numbered 6 and 7

HOUSE STANDING COMMITTEE REPORT

9.25
2-22-1
FEB
February 22, 1991

Page 1 of 2

Mr. Speaker: We, the committee on Labor report that House Bill 124 (first reading copy -- white) do pass as amended.

Signed: Carolyn Squires, Chairman

And, that such amendments read:

1. Title, lines 5 through 9.

Following: "TO" on line 5

Strike: remainder of line 5 through "DEPOSITED" on line 6

Insert: "MAINTAIN A BALANCE OF FUNDS"

Following: "ACCOUNT" on line 7

Insert: "SUFFICIENT"

Following: "OFFICES" on line 8

Insert: "AT THE FUNDING LEVEL ESTABLISHED FOR THE 1990-91 FISCAL YEAR"

Following: ";" on line 8

Strike: "AND"

Following: "MCA" on line 9

Insert: " ; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE"

2. Page 3, lines 14 and 15.

Following: "~~purposes~~"

Strike: remainder of line 14 through "All" on line 15

Insert: "administrative purposes. Except as provided in (5), all

3. Page 3, line 18.

Following: "legislature."

Strike: "Any"

Insert: "Except as provided in (5), any"

4. Page 3, line 23.

Following: line 22

Insert: "(5) Based on its estimation of federal funding for each biennium, the department shall maintain a balance of funds in the assessment account sufficient to guarantee the level of funding established for the 1990-91 fiscal year to maintain services at public employment offices.

NEW SECTION. Section 2. Effective date -- retroactive applicability. [This act] is effective on passage and approval and applies retroactively, within the meaning of 1-2-109, to June

JENNIFER

February 22, 1991
Page 2 of 2

30, 1988.

TABLED BILL

LABOR & EMPLOYMENT RELATIONS
Name of Committee

2/21, 19 91
Date

The following bill HB 339

was TABLED, by motion, on 2/21, 19 91.

Jennifer Thompson
For the Committee

J.D. Bauman
For the Chief Clerk

8:00
Time

CS-04
1991

2-22-91
Date

TABLED BILL

LABOR & EMPLOYMENT RELATIONS
Name of Committee

2/21, 19 91
Date

The following bill HB 961

was TABLED, by motion, on 2/21, 19 91.

Jennifer Thompson
For the Committee

J.D. Bauman
For the Chief Clerk

8:00
Time

CS-04
1991

2-22-91
Date

JENNIFER

9:25

2-21-91

109

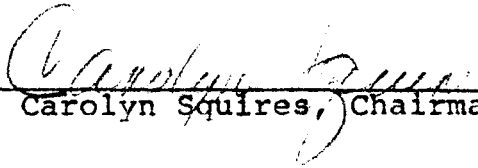
HOUSE STANDING COMMITTEE REPORT

February 22, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Labor report that House
Joint Resolution 38 (first reading copy -- white) do pass and
be placed on consent calendar .

Signed: _____


Carolyn Squires, Chairman

HOUSE STANDING COMMITTEE REPORT

February 22, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Labor report that House Bill 812 (first reading copy -- white) do pass and be placed on consent calendar .

Signed:

Carolyn Squires
Carolyn Squires, Chairman

HOUSE STANDING COMMITTEE REPORT

9:25
2-22-91
JOG
February 22, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Labor report that House Bill 712 (first reading copy -- white) do pass as amended .

Signed: Carolyn Squires
Carolyn Squires, Chairman

And, that such amendments read:

1. Title, line 4.

Following: "THAT"

Insert: ", WITH THE EXCEPTION OF FOOTWEAR,"

2. Title, line 6.

Following: "PROTECTIVE"

Insert: "SAFETY"

3. Page 1, line 20.

Following: "(2)"

Insert: "with the exception of footwear,"

4. Page 1, line 22.

Page 2, lines 11 and 15

Following: "protective"

Insert: "safety"

5. Page 1, line 24.

Following: "employer,"

Strike: "or"

Insert: "and"

HOUSE STANDING COMMITTEE REPORT

February 22, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Labor report that House
Bill 875 (first reading copy -- white) do pass.

Signed: Carolyn Squires
Carolyn Squires, Chairman

9:25

2-22-91

TDB

HOUSE STANDING COMMITTEE REPORT

February 22, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Labor report that House
Bill 729 (first reading copy -- white) do pass .

Signed: Carolyn Squires
Carolyn Squires, Chairman

HOUSE STANDING COMMITTEE REPORT

February 22, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Labor report that House
Bill 382 (first reading copy -- white) do pass.

Signed: Carolyn Squires
Carolyn Squires, Chairman

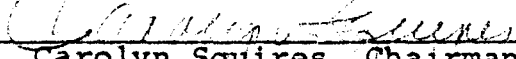
7.28
2-22-91
JDR

HOUSE STANDING COMMITTEE REPORT

February 22, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Labor report that House
Bill 804 (first reading copy -- white) do pass .

Signed: 
Carolyn Squires, Chairman

Amendments to House Bill No. 837
First Reading Copy

For the House Committee on Labor and Employment Relations

Prepared by Eddy McClure

1. Title, line 6.
Following: "39-71-116,"
Strike: "39-71-123," and "39-71-701,"
2. Title, line 7.
Following: "39-71-741,"
Insert: "39-71-1003,"
3. Title, lines 8 and 9.
Following: "39-71-1025,"
Insert: "AND"
Following: "39-71-1032,"
Strike: "39-72-601, AND 39-72-602,"
4. Title, line 10.
Following: "39-71-1018,"
Strike: "39-71-1019,"
5. Page 6, line 11 through page 8, line 21.
Strike: section 2 in its entirety
Renumber: subsequent sections
6. Page 11, lines 14 and 15.
Following: "department"
Strike: "or by any court"
7. Page 11, line 16 through page 13, line 3.
Strike: section 4 in its entirety
Renumber: subsequent sections
8. Page 13, line 7.
Following: "is"
Strike: "unable to return to work due to injury"
Insert: "permanently totally disabled, as defined in 39-71-116"
9. Page 17, line 20.
Following: "percentages"
Insert: "to the impairment rating"
10. Page 17, line 23.
Following: "injury,"
Strike: "3%"
Insert: "2%"
11. Page 17, line 25.
Following: "injury,"
Strike: "5%"

Insert: "3%"

12. Page 18, line 2.
Following: "education,"
Strike: "5%"
Insert: "3%"

13. Page 18, line 4.
Following: "diploma,"
Strike: "3%"
Insert: "2%"

14. Page 19, line 2.
Following: "injury"
Insert: "or injuries"

15. Page 19, line 4.
Strike: "must" through "amount"
Insert: "may not duplicate any amounts"

16. Page 19, line 5.
Following: "injury"
Insert: "or injuries"

17. Page 22, line 25.
Following: line 24
Insert: "(b) The total of any lump-sum conversion in part that
is awarded to a claimant prior to the claimant's final award
may not exceed the anticipated award under 39-71-703 or
\$20,000, whichever is less."
Renumber: subsequent subsections

18. Page 24, lines 6 through 8.
Strike: subsection (2)(d) in its entirety

19. Page 24, line 11.
Following: "advance"
Strike: "payments"
Insert: "conversions in part that are awarded"

20. Page 25, lines 3 and 4.
Following: "under"
Strike: "this section"
Insert: "subsection (3)"

21. Page 26, line 15.
Following: line 14
Insert: "**Section 7.** Section 39-71-1003, MCA, is amended to read:
**"39-71-1003. Eligibility for vocational rehabilitation
expenses. (1)** Upon certification by the department of social
and rehabilitation services, a disabled worker may be paid
vocational rehabilitation expenses from funds provided in 39-71-
1004, in addition to benefits payable under the Workers'
Compensation Act.

(2) The appeal process provided for in 53-7-106 is the

exclusive remedy for an injured worker aggrieved in the receipt of vocational rehabilitation services provided by the department of social and rehabilitation services."

Renumber: subsequent sections

22. Page 27, lines 9 through 11 .

Strike: line 9 through "work" on line 11

Insert: "to assist a disabled worker in acquiring skills or aptitudes to return to work through job placement, on-the-job training, education, training, or specialized job modification"

23. Page 27, line 16.

Following: "department"

Insert: "or a department of social and rehabilitation services counselor when a worker has been certified by the department of social and rehabilitation services under 39-71-1003"

24. Page 28, line 15 through page 30, line 6.

Following: "**benefits.**" on line 15

Strike: remainder of line 15 through "department." on page 30, line 6

Insert: "(1) An injured worker is eligible for rehabilitation benefits if:

(a) the injury results in permanent partial disability or permanent total disability as defined in 39-71-116;

(b) a physician certifies that the injured worker is physically unable to work at the job the worker held at the time of the injury;

(c) a rehabilitation plan completed by a rehabilitation provider and designed by the insurer certifies that the injured worker has reasonable vocational goals and a reemployment and wage potential with rehabilitation. The plan must take into consideration the worker's age, education, training, work history, residual physical capacities, and vocational interests; and

(d) a rehabilitation plan between the injured worker and the insurer is filed with the department. If the plan calls for the expenditure of funds under 39-71-1004, the department shall authorize the department of social and rehabilitation services to use the funds.

(2) After filing the rehabilitation plan with the department, the injured worker is entitled to receive rehabilitation benefits at the injured worker's temporary total disability rate. The benefits must be paid for the period specified in the rehabilitation plan, not to exceed 104 weeks. Rehabilitation benefits must be paid during a reasonable period, not to exceed 10 weeks, while the worker is waiting to begin the agreed upon rehabilitation plan. Rehabilitation benefits must be paid while the worker is satisfactorily completing the agreed-upon rehabilitation plan.

(3) If the rehabilitation plan provides for job placement, a vocational rehabilitation provider shall assist the worker in obtaining other employment and the worker is entitled to weekly benefits for a period not to exceed 8 weeks at the worker's

temporary total disability rate. If, after receiving benefits under this subsection, the worker decides to proceed with a rehabilitation plan, the weeks in which benefits were paid under this subsection may not be credited against the maximum of 104 weeks of rehabilitation benefits provided in this section.

(4) If there is a dispute as to whether an injured worker can return to the job the worker held at the time of injury, the insurer shall designate a rehabilitation provider to evaluate and determine whether the worker can return to the job held at the time of injury. If it is determined that he cannot, the worker is entitled to rehabilitation benefits and services as provided in subsection (2). (5)"

Renumber: subsequent subsection

25. Page 30, lines 8 and 10.

Following: "time."

Strike: remainder of line 8 through "period." on line 10

26. Page 30, line 11.

Following: "provider"

Insert: ",as authorized by the insurer,"

27. Page 31, lines 15 through 18.

Following: "cooperates."

Strike: remainder of line 15 through "made." on line 18

28. Page 32, lines 2 through 6.

Following: "(3)"

Strike: remainder of line 2 through "provider." on line 6

29. Page 32, line 12 through page 35, line 1.

Strike: sections 14 and 15 in their entirety

Renumber: subsequent sections

30. Page 35, lines 3 and 5.

Strike: "11"

Insert: "10"

31. Page 35, line 8.

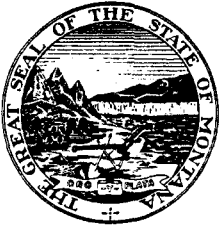
Strike: "39-71-1019,"

32. Page 35, line 10.

Following: line 9

Insert: "NEW SECTION. **Section 18. Severability.** If a part of [this act] is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications."

Renumber: subsequent section



The Big Sky Country

EXHIBIT 2
DATE 2/21/91
HB 837

MONTANA HOUSE OF REPRESENTATIVES

REPRESENTATIVE DAVE WANZENRIED

HOUSE DISTRICT 7

HELENA ADDRESS:
CAPITOL STATION
HELENA, MONTANA 59620
(406) 444-4800

HOME ADDRESS:
435 3RD AVE. EAST
KALISPELL, MONTANA 59901
(406) 752-2297


COMMITTEES:
LABOR & EMPLOYMENT
RELATIONS
NATURAL RESOURCES
TAXATION
FISH & GAME

February 21, 1991

TO: HOUSE LABOR COMMITTEE
FROM: REPRESENTATIVE DAVE WANZENRIED
RE: INTENT OF SUBCOMMITTEE ACTIONS ON HB837

In its thorough review and subsequent actions on HB837 that propose to change the statutes relating to the rehabilitation of injured workers, the subcommittee does not intend to affect the monies in the industrial accident account used by the Department of Social and Rehabilitation Services for the vocational rehabilitation of injured workers.

Further, the subcommittee actions are not intended to limit the access of the Department to the account and use the monies for the rehabilitation of injured workers to meet its federal matching requirement.


Representative Dave Wanzenried

DW/eb

cc: Julia Robinson
Director, SRS

Amendments to House Bill No. 807
First Reading Copy

Requested by House Subcommittee on Labor and Employment Relations
For the House Committee on Labor and Employment Relations

Prepared by Eddy McClure
February 20, 1991

1. Title, line 6.

Following: "ACTS;"

Insert: "TO REQUIRE THAT AN INDIVIDUAL FOUND TO BE AN INDEPENDENT CONTRACTOR UNDER TITLE 39, CHAPTER 71, PART 4, MCA, IS AN INDEPENDENT CONTRACTOR FOR PURPOSES OF TITLE 39, CHAPTER 71, MCA; TO REQUIRE THE DEPARTMENT OF LABOR AND INDUSTRY TO REPORT INDEPENDENT CONTRACTOR AND EMPLOYMENT EXEMPTIONS TO THE STATE COMPENSATION MUTUAL INSURANCE FUND;"

2. Page 2, line 24 through page 3, line 3.

Following: "performed" on line 24

Strike: remainder of line 24 through "distribution;" on page 3, line 3

Insert: "as a newspaper carrier or free-lance correspondent if the person performing the services or a parent or guardian of the person performing the services in the case of a minor has acknowledged in writing that the person performing the services and the services are not covered. As used in this subsection:

(i) "free-lance correspondent" is a person who submits articles or photographs for publication and is paid by the article or by the photograph; and

(ii) "newspaper carrier" means a person who provides a newspaper with the service of delivering newspapers singly or in bundles. The term does not include an employee of the paper who, incidentally to his main duties, carries or delivers papers."

3. Page 5, line 6.

Following: line 5

Insert: "(n) employment of sole proprietors or working members of a partnership;"

Renumber: subsequent subsections

4. Page 6, lines 1 through 16.

Strike: subsections (1)(o) through (1)(t) in their entirety

5. Page 7, line 20.

Following: line 19

Insert: "(4) An individual found to be an independent contractor by the department under the terms of 39-71-401(3) is considered an independent contractor for the purposes of this chapter."

6. Page 8, lines 11 through 14.

Following: "~~employment~~" on line 11

Strike: remainder of line 11 through "39-51-203(9)" on line 14
Insert: "employment"

7. Page 8, lines 15 through 21.
Following: "39-71-116" on line 15
Strike: remainder of line 15 through "." on line 21
Insert: ";

8. Page 8, line 24 through page 9, line 2.
Following: "~~Code~~" on line 24
Strike: remainder of line 24 through "mother" on page 9, line 2
Insert: "a dependent member of an employer's family for whom an exemption may be claimed by the employer under the federal Internal Revenue Code"

9. Page 9, lines 6 through 8.
Following: "~~regulation~~" on line 6
Strike: remainder of line 6 through "earnings" on line 8
Insert: "a broker or salesman performing under a license issued by the board of realty regulation"

10. Page 10, line 13 through page 12, line 22.
Strike: subsections (2)(l) through (2)(s) in their entirety

11. Page 12, line 23.
Following: line 22
Insert: "(l) cosmetologist's services and barber's services as defined in 39-51-204(1)(l)."

12. Page 12, lines 25 through page 13, line 2.
Following: "contractor" on line 25
Strike: remainder of line 25 through "39-51-204(1)(l)" on page 13, line 2

13. Page 15, line 21.
Following: line 20
Insert: "NEW SECTION. **Section 3. Exemption.** An exemption granted under 39-71-401(3) by the department that a particular employee is an independent contractor or that a particular employment is exempt from the provisions of this chapter must be reported to the state compensation mutual insurance fund.

NEW SECTION. Section 4. Codification instruction.
[Section 3] is intended to be codified as an integral part of Title 39, chapter 51, part 6, and the provisions of Title 39, chapter 51, part 6, apply to [section 3]."
Renumber: subsequent sections

Amendments to House Bill No. 836
First Reading Copy

For the House Committee on Labor and Industry

Prepared by Eddye McClure
February 21, 1991

1. Title, line 6.

Following: "CLAIMS;"

Insert: "PROVIDING FOR PROCEEDINGS ON PAYMENT OF PREVAILING WAGE
RATES BEFORE A DEPARTMENT OF LABOR AND INDUSTRY HEARING
OFFICER; PROVIDING A METHOD OF DETERMINING THE STANDARD
PREVAILING WAGE;"

2. Title, lines 7 through 9.

Following: "18-2-424," on line 7

Insert: "AND"

Following: "18-2-432," on line 8

Strike: "39-3-201, AND 39-3-212,"

Following: "MCA;" on line 8

Strike: remainder of line 8 through "MCA;" on line 9

3. Page 3, line 11.

Following: line 10

Insert: "(b) When 30% or more of the work in a district is not
the prevailing wage for that craft or labor being performed,
the prevailing wage rate is the weighted average wage based
on all hours worked of a similar character performed in the
district."

ReNUMBER: subsequent subsection

4. Page 4, lines 3 and 4.

Following: "department" on line 3

Strike: "liquidated damages"

Insert: "a penalty"

Following: "at" on line 4

Strike: "the"

Insert: "a"

Following: "of" on line 4

Insert: "up to"

5. Page 4, line 20.

Following: "worker"

Insert: "or employee organization"

6. Page 5, line 22.

Following: "\$1,000"

Strike: "10%"

Insert: "3%"

7. Page 6, lines 9 through 12.

Following: "~~suspended~~"

Insert: "direct the department of commerce to initiate

proceedings to"

Following: "37-71-301" on line 10

Insert: ". If the district court or the supreme court finds that
a violation has occurred, the license must be suspended"

Following: "~~year~~"

Strike: "5"

Insert: "3"

Following: "judgment" on line 11

Strike: remainder of line 11 through "court" on line 12

8. Page 6, line 23 through page 8, line 14.

Strike: sections 6, 7 and 8 in their entirety

Renumber: subsequent sections

9. Page 8, line 13.

Following: line 12

Insert: "NEW SECTION. **Section 8. Prevailing wage rate**

proceeding. Payment of standard prevailing wage rates must
be enforced pursuant to 18-2-407, and all proceedings must
be brought before a department hearing officer. The
decision of the hearing officer may be appealed by filing a
petition in district court.

NEW SECTION. **Section 9. Codification instruction.**

[Section 8] is intended to be codified as an integral part of
Title 18, chapter 2, part 4, and the provisions of Title 18,
chapter 2, part 4, apply to [section 8]."

Renumber: subsequent sections

Amendments to House Bill No. 124
First Reading Copy

Requested by Rep. Gilbert
For the House Committee on Labor and Industry

Prepared by Eddy McClure
February 18, 1991

1. Title, lines 5 through 9.

Following: "TO" on line 5

Strike: remainder of line 5 through "DEPOSITED" on line 6

Insert: "MAINTAIN A BALANCE OF FUNDS"

Following: "ACCOUNT" on line 7

Insert: "SUFFICIENT"

Following: "OFFICES" on line 8

Insert: "AT THE FUNDING LEVEL ESTABLISHED FOR THE 1990-91 FISCAL
YEAR"

Following: ";" on line 8

Strike: "AND"

Following: "MCA" on line 9

Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A
RETROACTIVE APPLICABILITY DATE"

2. Page 3, lines 14 and 15.

Following: "~~purposes~~"

Strike: remainder of line 14 through "All" on line 15

Insert: "administrative purposes. Except as provided in (5), all

3. Page 3, line 18.

Following: "legislature."

Strike: "Any"

Insert: "Except as provided in (5), any"

4. Page 3, line 23.

Following: line 22

Insert: "(5) Based on its estimation of federal funding for each
biennium, the department shall maintain a balance of funds
in the assessment account sufficient to guarantee the level
of funding established for the 1990-91 fiscal year to
maintain services at public employment offices.

NEW SECTION. Section 2. Effective date -- retroactive
applicability. [This act] is effective on passage and approval
and applies retroactively, within the meaning of 1-2-109, to June
30, 1988.

EDITS FOR LC 1071

Add the following to the end of Section 3:

(4) All services and residential facilities provided under this section must be developed and operated to meet Medicaid standards and regulations and once operational are intended to be funded by the Medicaid program.

Add the following two sections:

NEW SECTION. Section 5. Placement of Residents -- from the community-based care waiting lists. The department of social and rehabilitation services may place eligible persons in state-operated community-based services for the developmentally disabled.

NEW SECTION. Section 9. Appropriation. (1) The department of social and rehabilitation services will provide the lesser of 50% of the funding appropriated for the expansion of community based services for the developmentally disabled or \$2 million to the development of state-operated community-based services for the developmentally disabled for FY 1992-1993. (2) The department of social and rehabilitation services will fund through the Medicaid program the operation of state-operated community-based services for the developmentally disabled.

EXHIBIT 7
DATE 2/21/91
HB 865

TESTIMONY OF
GEORGE HAGERMAN
EXECUTIVE DIRECTOR
AMERICAN FEDERATION OF STATE, COUNTY AND
MUNICIPAL EMPLOYEES (AFSCME), COUNCIL 9

SUBMITTED TO:
HOUSE LABOR AND EMPLOYMENT RELATIONS
COMMITTEE

FEBRUARY 21, 1991

Madam Chairwoman, members of this Committee, My name is George Hagerman, Executive Director of Montana State Council 9 of The American Federation of State County and Municipal Employees. Our organization represents, among others, the employees at Montana Developmental Center at Boulder Montana.

The jobs, communities, and residents of these facilities are directly affected by plans to downsize Boulder.

The fact is there is an increasing need for the services Boulder provides. It is simply good economic sense to make use of these facilities and the trained staff.

We also recognize the need for will run community facilities that utilize trained and dedicated staff.

I would like to introduce Jody Hoffman who is here today on behalf of our organization. Jody is a Health Care Specialist who has worked in numerous states. She works for our national organization. The American Federation of State County and Municipal Employees.

Ms. Hoffman



AFSCME®

American Federation of State, County and Municipal Employees, AFL-CIO

1625 L Street, N.W., Washington, D.C. 20036-5687

Telephone (202) 429-1000

Telex 89-2376

Facsimile (202) 429-1293

TDD (202) 659-0446

EXHIBIT 8
DATE 2/21/91
HB 865

Gerald W. McEntee
President

William Lucy
Secretary Treasurer

Vice Presidents

Ronald C. Alexander
Columbus, Ohio

Dominic J. Badolato
New Britain, Conn.

Joseph Bolt
Richmond, Ind.

Joseph M. Bonavita
Boston, Mass.

George Boncoraglio
New York, N.Y.

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Columbus, Ohio

Stephen M. Cullen
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Albert A. Diop
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Danny Donohue
Albany, N.Y.

James Glass
Lansing, Mich.

Stanley W. Hill
New York, N.Y.

Blondie P. Jordan
Orlando, Fla.

Edward J. Keller
Harrisburg, Pa.

Joseph J. Kreuser
Menomonee Falls, Wisc.

Faye D. Krohn
Kasota, Minn.

Marilyn LeClaire
Columbiaville, Mich.

Joseph E. McDermott
Albany, N.Y.

Donald G. McKee
Des Moines, Iowa

Jack Merkel
Trenton, N.J.

Gary Moore
Olympia, Wash.

Henry Nicholas
Philadelphia, Pa.

Russell K. Okata
Honolulu, Hawaii

George E. Popyack
Belmont, Calif.

Joseph P. Puma
Albany, N.Y.

Thomas A. Rapanotti
Baltimore, Md.

Joseph P. Rugola
Columbus, Ohio

Kathy J. Sackman
Pomona, Calif.

Burhman D. Smith
Philadelphia, Pa.

Linda Chavez-Thompson
San Antonio, Tex.

Garland W. Webb
Baton Rouge, La.

TESTIMONY

OF

JODY HOFFMAN

HEALTH POLICY SPECIALIST

AMERICAN FEDERATION OF STATE, COUNTY
AND MUNICIPAL EMPLOYEES

SUBMITTED TO:

HOUSE LABOR AND EMPLOYMENT RELATIONS
COMMITTEE

FEBRUARY 21, 1991

Good morning Ms. Chairperson and members of the Committee. I am Jody Hoffman, Health Policy Specialist for the American Federation of State, County, and Municipal Employees (AFSCME) International Union.

I am here today on behalf of almost 3,000 Montana Public Employees, AFSCME Council 9 members some of whom work at Montana Developmental Center. I am also here today on behalf of over 100,000 AFSCME members who provide services in congregate and community-based settings for mentally retarded or developmentally disabled individuals.

Over the past decade, approximately 14,000 AFSCME members have moved from working in large ICF/MR settings to smaller more homelike community facilities across the country.

In general, we see a trend in the states toward a more progressive policy of workforce reinvestment. Since the late 1970's, when virtually no state workers had been redeployed from institutional to community settings, eighteen states - Arizona, Colorado, Connecticut, Florida, Kansas, Louisiana, Massachusetts, Minnesota, Mississippi, Missouri, New Jersey, New York, Oklahoma, Oregon, Rhode Island, South Carolina, Texas, and Washington - have chosen to move their existing skilled and experienced workforce into community-based facilities and operated those facilities.

Why have states chosen to redeploy their workforces to work

with residents transitioning to community settings?

Several reasons are apparent in their decisionmaking.

First, many states are reluctant to allow either public or private entities to monopolize services in the community.

The state of Massachusetts makes a good case study when one is examining the monopoly issue. A 1980 study by the Massachusetts Taxpayers Foundation offers an objective account of the state's purchase of service system. The report concluded that because the state was not prepared to provide community-based services to persons with mental disabilities, as it downsized its facilities, the state became completely dependant upon and at the mercy of private providers. The state was not in a position to demand reforms from the providers, nor in a position to resist their demands for more money. To resolve the crisis, in 1986 the state directed that sixty percent of new community-based facilities for persons with mental disabilities in Massachusetts are state owned and operated.

Second, states which have developed publicly-operated community-based services have done so to preserve the talented human resources in their current service delivery system. As one union official stated so compellingly in a 1989 AFSCME-sponsored nationwide teleconference, "when the State of Rhode Island opened its first state-operated group home, one hundred and sixty nine years of staff experience were present the day the home opened." Such staff members are familiar with the use of continuous feeding pumps, inhalation therapy, tracheostomy care, nasal-

gastric tubes and conditions such as the eating disorder Pica, aerophagia, severe spasticity, and quadraplegia. They know what to do in emergencies because they have experienced them many times before.

State workers who work with the developmentally disabled are proud of their work and justifiably proud of the improvements in working conditions they have negotiated over time. In many instances, these improvements have led to a much more highly trained and stable workforce than among their private sector counterparts. A study of direct care workers found that in Montana private community based direct care workers' turnover was almost six times higher than turnover among direct care workers in state facilities.

I wish to emphasize that I am not criticizing the overall quality of care delivered by Montana private sector providers. Certainly, many of those individuals or agencies provide superb care. It is our hope that such workers may someday also enjoy the working condition benefits obtained through collective bargaining. I am however, concerned about the development of a completely privately run system funded wholly by public sector funds.

The redeployment of state workers into community service jobs also provides additional benefits. According to Hollis Shaw, Deputy Commissioner in the New York State Office of Mental Retardation and Developmental Disabilities, using state employees to provide community-based services has enabled that state to

place Developmental Center residents in geographic areas of the state where no private community-based services are available; to place clients with significant physical and behavioral problems with which the private sector is inexperienced; and to place more center residents in the community faster than would otherwise have been possible.

* * *

Eighteen states have already decided to maximize the overall quality of care delivered to their mentally disabled citizens by retaining skilled, experienced state workers in their service delivery systems. AFSCME International and AFSCME Council 9 believe it is in the interest of all parties - parents, advocates, providers, state officials, and state workers and their representatives - to promote the retention of a competent, skilled workforce to care for severely and profoundly disabled individuals in Montana.

By working together as a coalition devoted to the needs of the mentally disabled, we can overcome the ideological impediments of the past and concentrate on the living conditions of disabled individuals while improving the working conditions of private and public sector community-based workers alike.

AFSCME stands ready to assist this Committee and state officials in whatever manner needed to help create a rational and efficient service delivery system for mentally disabled

individuals in Montana.

Thank you Representative Squires and Committee members for the opportunity to testify today.

Madame

~~Mr~~ Chairman and members of the committee, for the record my name is Wallace Melcher. I am the President of the Helena Industries. Helena Industries is a community-based, non-profit corporation that has been providing vocational training services to persons with disabilities for 21 years.

My purpose in addressing the committee today is to speak in opposition to the bill (HB 865) that would see state-operated group homes developed to serve individuals who are currently residing at the Montana Developmental Center in Boulder. Please understand that I do not oppose bringing persons from Boulder back into community-based settings. In fact I have been part of deinstitutionalization in Montana for the past 12 years. What I do oppose, however, is the state's assuming the role of direct service provider, when it has been the legislative intent and administrative policy of this state to provide these services through local, grass-roots organizations located throughout Montana.

The strengths of private service provision have been well documented in Montana. I will review just a few of these for you. First, it has been a major objective in integrating persons with handicaps into community settings to have a great deal of involvement and support from community members themselves. This objective has been effectively accomplished by operating programs that used the services of local citizens in such capacities as board members, advisory committee members, volunteers, etc. By

doing this, the community itself takes ownership for the services and pledges its commitment to those being served. It is unlikely that this same commitment and support would have been developed if community services had been run by state government.

Second, Private organizations have been flexible enough to respond to the needs of those being served as their needs have been identified and as they may change. This spontaneity is not a common characteristic in large government. We are learning more about better service methods and approaches all of the time. Many of these innovations bring us closer to our ultimate goal of helping those we serve have the best quality of life possible in the least restrictive way. In other words, our primary product is personal dignity and independence. I do not believe that some of the bureaucratic constraints that are common in government would allow the same responsiveness to individual needs that is possible in private provision of services.

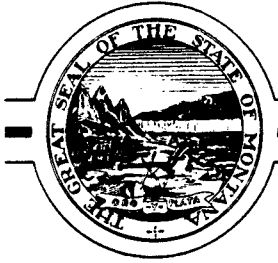
Third, A point that is frequently discussed is the cost of government services versus private services. On average I would agree that services provided in the community by private non-profit organizations have been less costly. I believe this is possible again due to the latitude that private organizations have to make decisions that are unfettered by bureaucracy and are made by the pooling of expertise and support from local citizens. I understand that much of the support for this bill is coming from individuals who don't want persons working at the Montana

Developmental Center to lose their jobs and be forced to take jobs in the community that may offer poorer wages and benefits. What I don't understand is why the shortcomings of a government service provision model are being overlooked to address a personnel issue. It seems to me that the efforts of the individuals supporting this bill would be better spent advocating for enhanced wages and benefits in community-based organizations rather than attempting to introduce state government into direct service provision.

In conclusion, I request that the members of this committee recognize that this bill represents a significant departure from the advanced and effective approach Montana has had to serving persons with disabilities. On behalf of these persons I encourage you to vote no on HB 865.

DEPARTMENT OF
SOCIAL AND REHABILITATION SERVICES

DATE 2/21/91
HB 865



STAN STEPHENS
GOVERNOR

JULIA E. ROBINSON
DIRECTOR

STATE OF MONTANA

P.O. BOX 4210
HELENA, MONTANA 59604-4210
(406) 444-5622
FAX (406) 444-1970

TESTIMONY OF THE DEPARTMENT OF
SOCIAL AND REHABILITATION SERVICES
BEFORE THE LABOR AND EMPLOYMENT RELATIONS COMMITTEE
(Re: HB 865 - An Act to Provide State-Operated, Community-
Based Services for Persons with Developmental Disabilities)
February 21, 1991

The Developmental Disabilities Division opposes the adoption of HB865. Following is a discussion of three of the concerns with this bill.

1. In 1974, the legislature passed the Montana Developmental Disabilities Services and Facilities Act. The purpose of this act was to develop a "comprehensive system of services..... with the intention of providing alternatives to institutionalization". Since that time, a wide range of services have been developed for persons with developmental disabilities. Currently almost 2550 individuals are served in over 165 communities by 47 local, non-profit agencies. These services include group homes, independent living programs, day habilitation programs, supported employment, family training and support services, respite, transportation and other support programs.

This system, authorized and funded by the legislature, structured by a state agency and implemented by local community boards, has worked for fifteen years and continues to work. This system is a good example of a cooperative effort between the state and the citizens of local communities. This service system meets the needs of persons with developmental disabilities and their families. HB865 would change this local, community control by adding duplicate, state-operated programs.

2. Over a year ago representatives from four state departments, Montana Developmental Center, OBPP, DD Planning and Advisory Council, Board of Visitors, Montana Advocacy Program, local agencies, and families with members with developmental disabilities formed a task force which met frequently. The objective of this task force was to develop a plan to further meet the needs of individuals with developmental disabilities. An integrated, cooperative plan was developed for the

Montana developmental disabilities service system. This plan is awaiting legislature approval in house appropriations. This plan, known as the Governor's Action Plan or the Phase IV plan, would provide services to 60 persons. Thirty of these persons would come from Montana Developmental Center or Eastmont Human Services Center and thirty would come from communities throughout Montana. These services will maximize the resources of the state, provide more normalized services and allow a higher quality of life to these 60 persons.

It is the Department's recommendation that the Phase IV plans be implemented as proposed. It is our further recommendation that future plans be developed using a similar process and maintaining a clearly defined service system.

3. During current activities in which individuals have been moved from institutions to community programs, the Developmental Disabilities Division has provided institutional staff with information about job opportunities throughout the state. We have strongly encouraged these employees to bring their skills to the community programs and some have. However during testimony in other hearings, the hardship of relocation for employees has been discussed. One suggestion has been that the state could provide relocation expenses to employees moving from institutional programs to community programs.

Thank you for the opportunity to comment.

Submitted by:


Julia E. Robinson, Director
Department of Social & Rehabilitation Services

EXHIBIT 11
DATE 2/21/91
HB 865

February 21, 1991

The Honorable Fred Thomas

Dear Sir:

As I understand House Bill 865, it provides for 10 more intensive care group homes for the developmentally disabled to be owned and operated by the State. Our community-based group homes at this time are owned and operated by private organizations that are paid by the State for services rendered. State law presently allows services not paid for by the State to be provided for without penalty. The results have been sensational in improving the clients' quality of life. Human interaction responses to better environment and care can be documented as positive almost without exception. The cost to the State of Montana is dramatically less than institutional care and will, under the present system of private providers, continue to decrease the cost to the State. If to unionize employees is the wish of the State government, this can be accomplished by directive to providers and increase in the subsidy to cover the salary increases and other benefits.

Mr. Thomas, my daughter is 40 years old and developmentally disabled. We have experienced both state and community supported programs with deep appreciation. The exception being state owned and operated facilities-- we have found them to be dehumanizing.

Please solve the problems of labor without penalizing the helpless population of children and adults with developmental disabilities through this misguided course of action proposed in House Bill 865.

Thank you.

Lynn Wolfe
Stevensville

FRED THOMAS

LEGISLATORS:

Post-It brand fax transmittal memo 7671 # of pages 2	
To <i>Fred Thomas</i>	From <i>Ruth Spence</i>
Co.	Co.
Dept.	Phone #
Fax # <i>444 4417</i>	Fax # <i>406 363 5486</i>

THIS MEMO IS IN REGARD TO THE CURRENT STATUS OF CHILD SUPPORT REGULATIONS IN THIS STATE AND THE IMPLEMENTATION THAT, TO BE QUITE HONEST, IS NOT WORKING.

I AM OUT TALKING TO EMPLOYEES OVER WESTERN MONTANA AND IN OUR OWN COUNTY AND HEAR HORROR STORIES FROM YOUNG WOMEN WHO CANNOT COLLECT ANY CHILD SUPPORT AND THE SITUATION THAT THIS FORCES THESE WOMEN TO BE A PART OF, WHICH COSTS OUR STATE AID TO DEPENDENT CHILDREN AND WELFARE ROLES TO INCREASE.

THESE YOUNG WOMEN ARE INTIMIDATED BY ATTORNEYS AND MANY HAVE NO SUPPORT SYSTEM AND CANNOT AFFORD FEES TO GO BACK INTO COURT AND THEREFORE ARE HELPLESS.

I WOULD BE MOST HAPPY TO COME TO HELENA AND RELATE SOME OF THESE SITUATION THAT ARE MANDATED BY FEDERAL LAW AND YET THE RESOLUTION IN MONTANA IS VERY, VERY POOR.

HAVING A DAUGHTER IN THIS SITUATION AND PRESENTLY AND SINCE 1987, TRYING TO OBTAIN THE CHILD SUPPORT THAT WAS AWARDED HER THRU THE COURT IN RAVALLI COUNTY.

THE JUDGE WAS SO ADAMANT ABOUT WHAT HAPPENED TO THIS YOUNG WOMAN THAT HE ORDERED FAMILY MAINTENANCE WHILE SHE WAS ATTENDING THE VO-TECH FOR TWO YEARS, COMMUTING TO MISSOULA FIVE DAYS A WEEK, TAKING CARE OF A CHILD, WORKING PART-TIME. THE JUDGE ORDERED THE YOUNG MAN TO PAY DIRECTLY TO THE COURT FAMILY MAINTENANCE UNTIL SHE COMPLETED HER STUDIES. CHILD SUPPORT, HEALTH INSURANCE FOR THE CHILD, AND A LIFE INSURANCE POLICY, ALL OF THESE UNTIL THE CHILD WAS 18 YEARS OF AGE AS WELL AS A VERY SCHEDULED VISITATION PROGRAM IN DETAIL.

WELL, WHAT DO YOU SUPPOSE HAPPENED?--RIGHT, HE LEFT THE COUNTY, PAID NO MAINTENANCE, CHILD SUPPORT. WE SPENT TIME THRU THE COUNTY ATTORNEY WHO TOLD US THEY COULD DO NOTHING, MADE TRIPS TO MISSOULA, FILLED OUT FORMS, CALLED HELENA, MANY LETTERS, MANY PHONE CALLS, TALKED TO RAVALLI COUNTY'S CLERK OF THE COURT, WHO TOLD US, THIS WAS NOT THEIR RESPONSIBILITY, EVEN THOUGH ORDERED TO PAY TO THE COURT. MY DAUGHTER FINISHED SCHOOL MOVED TO COEUR D'ALENE AND WENT TO WORK PARTTIME FOR THE STATE OF IDAHO AND AGAIN STARTED THE PAPERWORK AS SHE WAS INFORMED OF WHAT NEEDED TO BE DONE. WELL, AGAIN, NOTHING FROM THE STATE OF MONTANA. THIS HAS BEEN GOING ON SINCE 1987. THE STATE OF IDAHO RELATED THAT "MONTANA IS ABSOLUTELY THE WORST STATE FOR GETTING FUNDS FROM FATHERS THAT THEY HAVE EVER SEEN".

THESE YOUNG WOMEN MUST HIRE AN ATTORNEY AND GO BACK TO COURT. WHEN SHE WAS IN MONTANA, HER ATTORNEY FEES, WERE ORDERED BY THE COURT, TO BE PAID BY THE EX-HUSBAND, BUT NEVER DONE EITHER NOR ANY FOLLOW UP. WHEN YOU HAVEN'T PAID FEES, NOONE WILL GO BACK INTO COURT AND TAKE YOUR CASE. SHE TRIED THE SOURCES IN MISSOULA WHICH WERE BACKED UP 3 MONTHS...THESE FEES GENERALLY RUN JUST TO GET BACK INTO COURT A FEW HUNDRED DOLLARS.....

WHAT DO THESE WOMEN DO IN THE MEANTIME?---ADC, MEDICAID, ETC.

IN THE STATE OF IDAHO, IF THEY DO NOT PAY, THEY ARE THROWN IN JAIL AND KNOW THAT THEY CANNOT BEAT THE SYSTEM, MOST OF THE TIME. IN MONTANA, THEY KNOW THEY CAN BEAT THE SYSTEM.

FIRMLY BELIEVE THAT IF THE JUDGE ORDERS PAYMENTS TO THE COURT, THERE SHOULD BE REGULATIONS SUCH AS MANY STATES HAVE, THAT PAYMENTS ARE PAID TO THE COURT.

IF THEY LEAVE THE COUNTY JURISDICTION, THEY MUST NOTIFY THE COURT, IF THEY ARE LATE WITH PAYMENTS TO THE COURT, THEY ARE IN CONTEMPT OF COURT AND PROSECUTED.

YOU SAY, WELL, WE DON'T HAVE THE PERSONNEL -- IT WILL CAUSE OUR ALREADY TIGHT BUDGETS, EVEN TIGHTER -- THE WELFARE ROLES, ADC, WOULD BE REDUCED. IF YOU COULD BELIEVE THE SITUATIONS THAT MANY OF THESE YOUNG WOMEN FIND THEMSELVES IN BECAUSE OF NON-PAYMENT, IT WOULD BE WORSE THAN ANY SOAP OPERA.

THE OFFICIALS IN IDAHO EXPRESSED TO MY DAUGHTER THAT SHE HAS A CASE TO SUE THE STATE OF MONTANA FOR THEIR INEFFICIENT MANNER HOW HER CASE HAS BEEN HANDLED OVER THE PAST FOUR YEARS WHILE SHE HAS BEEN A RESIDENT OF IDAHO, NOT COUNTING WHILE SHE WAS IN RAVALLI COUNTY. THE STATE OF IDAHO HAS SPENT SO MUCH TIME AND PAPERWORK -- A FEW YEARS AGO THE MAN WAS LOCATED IN MISSOULA COUNTY AND TOLD THE INVESTIGATOR THAT HE WOULD START MAKING PAYMENTS -- WELL, I AM HERE TO TELL YOU, NOONE EVER HEARD AGAIN FROM HIM AND THE INVESTIGATOR SHOULD HAVE BEEN FIRED.....

WE COULD GO ON AND ON JUST WITH THIS ONE CASE --AND IT IS MULTIPLIED HUNDREDS OF TIMES OVER.....AND GENTLEMEN, THE FEDERAL LAWS ARE ADDRESSING THIS, BUT HERE IN MONTANA, WE ARE NOT DOING WHAT IS MANDATED OR WHAT IS MANDATED BY THE COURTS IN THIS STATE.

THANK YOU AND IF I CAN BE OF ANY ASSISTANCE PLEASE CONTACT.

ROTH D. SPENCE
FLEXIBLE EMPLOYEE BENEFITS ADMINISTRATION
P. O. BOX 1407
HAMILTON, MONTANA 59840
406-363-5207



EXHIBIT 13
DATE 2/21/91
HB 729

DONALD R. JUDGE
EXECUTIVE SECRETARY

110 WEST 13TH STREET
P.O. BOX 1176
HELENA, MONTANA 59624

(406) 442-1708

TESTIMONY OF DON JUDGE ON HOUSE BILL 729 BEFORE THE HOUSE LABOR
AND EMPLOYMENT RELATIONS COMMITTEE, FEBRUARY 21, 1991

Prior to the 1985 legislative session, the Montana unemployment insurance trust fund was experiencing a large deficit, forcing it to borrow money from the Federal Government in order to meet obligations to laid-off workers. Several other states experienced similar deficits, some of which had to borrow hundreds of millions of dollars!

The 1985 legislature responded to this problem by enacting House Bill 284, as a so-called compromise to address the fund deficit and to pay off the money borrowed from the Feds. Some of those provisions included:

- (1) Authorizing a surtax on employers not to exceed .3% of payroll.
- (2) Raising the taxable wage base from 75% to 80% of the annual wage.
- (3) Changing an employer's "experience factor" to provide rate relief to good employers with few layoffs and raise rates for employers who experience high unemployment.
- (4) Providing for 10 rate classes instead of 7 and increasing rate classifications for "deficit employers" to capture more money from employers experiencing higher unemployment.
- (5) Making claimants wait a week to qualify for unemployment benefits between benefit years. No U I benefits would be paid during this week, nor for this week.
- (6) Reducing the maximum individual's benefit amount from 50% to 49% of his/her average weekly wage.
- (7) Redefining the "quit for good cause" section of the law to restrict eligibility for benefits only when an individual quit for a good cause which was "related to his/her employment"

One additional bill passed in 1985 to address the fund deficit but was not included in this so-called compromise was to prohibit striking workers from receipt of benefits, even if the employer's place of business continued to operate.

Since 1985, the Montana Unemployment Insurance Trust Fund has paid off it's federal debt and employers have experienced at least four

reductions in their U I tax rates. It is anticipated that another rate reduction may occur later in the spring. Obviously, the impacts of the Champion mill layoffs could impact any potential rate reduction and we won't attempt to ignore that problem before this committee.

Unfortunately, workers haven't been so lucky. No legislation has passed our legislature which would, in any way, restore some of those cuts endured by Montana's working men and women.

Although this committee has recommended, and the full house has adopted, HB 68 to allow striking workers to qualify for such benefits, that legislation has yet to pass the senate and be signed by the Governor.

HB 729, if adopted, would restore one portion of those benefits to Montana workers. It would grant the Department of Labor and Industry the authority to make decisions about voluntary terminations of workers that they are now prohibited from making. If they find that workers have "good cause" to quit their jobs, and that cause is is not attributable to their employment, they may be found eligible to receive unemployment compensation benefits. Representative Russell has given you some excellent examples of the way our current law works versus the way HB 729 proposes to change the law.

Now, I'd like to give you some specifics of the impacts of the change on working men and women.

In 1984, prior to the change in our law, the Department of Labor found that 1002 of 1393 persons who quit because of personal health reasons were entitled to benefits.

That same year, they found that 1268 of 1346 persons who quit to follow their spouse and keep their families together were entitled to benefits.

One-hundred and twelve of 113 who quit because the job they were hired for was not available received benefits.

Five-hundred and twenty-six of 691 received benefits when they quit to seek better job proposals.

And, seventy-two of 145 received benefits when they quit because of a sickness or death of a relative.

Were these good reasons for quitting? Apparently, because the Department of Labor and Industry used their discretion to determine if, in fact, these were justified reasons for voluntarily quitting a job. Each case was individually reviewed and a determination made on the circumstances.

HB 729 would not grant any automatic extension of benefits to workers, unlike employers who received automatic rate reductions

DATE 2/21/91

HB 729

over the previous six years. It simply provides the Department of Labor the option to decide in favor of such workers.

As you have already heard, too often the workers being denied benefits are women. They quit work to take care of a sick child or parent. They who must quit work to follow a spouse, often a choice in keeping a family together. Are these the workers we want to deny benefits to?

We don't think so, and we hope that you don't think so, too. Please help Montana's working men and women by returning some balance to our state's unemployment compensation system and give HB 729 a "do pass" recommendation. Thank you.

WITNESS STATEMENT

NAME JAMES BAKER BILL NO. HB 882ADDRESS 3103 B VIGILANTE DR. HELENA, MT. 59601WHOM DO YOU REPRESENT? SELFSUPPORT X OPPOSE _____ AMEND _____

COMMENTS: Statistical information evolving from each of Montana's Indian Reservations indicate high levels of chronic unemployment. Many of the male and female Native American unemployed have acquired skills obtained from past employment experience in vocations requiring college education, technical and labor orientated jobs, and a myriad of program management scenarios. There are skilled, qualified persons of Native American descent who would meet employment qualifications for the majority of State of Montana agency positions. A key component of this bill is the word **QUALIFIED**. Persons are not asking to be hired just because they are Native American, but ask to be given a chance to compete for local employment because they are an equally **QUALIFIED** Native American.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

WITNESS STATEMENT

NAME JAMES BAKERBILL NO. HB 882

2 of 3

ADDRESS 3103 B VIGILANTE DR. HELENA, MT. 59601WHOM DO YOU REPRESENT? SELFSUPPORT X

OPPOSE _____

AMEND _____

COMMENTS:

Potential employee qualifications may be screened at the local level from reservation based tribal personnel officer, tribally controlled colleges and off-reservation employment and employee recruitment businesses owned by Native Americans with close business ties and working relationships with tribal government and other tribal entities, which allows close contact with tribal members.

Of interest to me personally, as a Native American enrolled in the Blackfeet Tribe in the enforcement and investigative verbiage in H.B. 882. In 20 years of experience in working directly with the Montana Department of Labor and Industry Job Service officer let it be noted the Montana Job Service itself has been woefully remiss in the recruitment and

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

DATE 2/21/91
HB 882

3 of 3

WITNESS STATEMENT

NAME JAMES BAKER BILL NO. HB 882
ADDRESS 3103 B VIGILANTE DR. HELENS, MT. 59601
WHOM DO YOU REPRESENT? SELF
SUPPORT X OPPOSE _____ AMEND _____

COMMENTS:

promoting of Native Americans qualified for management positions in their offices across the state. Job Service offices located on or near Montana Indian reservations are devoid of Indian management. In fact, all ethnic minorities are conspicuous by their absence within the Montana Department of Labor and Industry.

Let them take the first good faith steps in enhancing their proposed legislation.

I respectfully urge this committee's approval of HB 882 to allow qualified Native Americans a chance to compete for employment opportunities in their immediate local.

Thank you.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Amendments to House Bill No. 339
First Reading Copy

Requested by Rep. Thoft
For the House Committee on Labor and Employment Relations

Prepared by Eddye McClure
February 18, 1991

1. Title, lines 5 through 7.

Following: "ACT"

Strike: remainder of line 5 through first "LABOR" on line 7

Insert: "AUTHORIZING RENOVATION PROJECTS UP TO \$25,000 BY
RESIDENT LABOR AT DEPARTMENT OF INSTITUTIONS FACILITIES;"

2. Title, line 8.

Following: "LEGISLATURE;"

Insert: "EXEMPTING PROJECTS BY INMATE LABOR FROM ANY PROVISIONS
OF MONTANA LAW RELATING TO PUBLIC BIDDING, BONDING, WORKERS'
COMPENSATION COVERAGE, OR LABOR AND WAGE REQUIREMENTS;"

3. Page 2, lines 13 and 14.

Following: "project"

Strike: remainder of line 13 through "legislature," on line 14

Insert: "up to the aggregate sum of \$25,000 per project"

4. Page 2, line 14.

Following: "institutions"

Insert: "if the construction work is not covered by a collective
bargaining agreement;

(h) provide for construction or renovation projects by
inmates of correctional institutions, in excess of the limits
defined in subsection (1)(g), if the projects are:

(i) funded or authorized by the legislature; and

(ii) limited to those facilities or grounds that are or
will be used for the custody, treatment, training, and
rehabilitation of adult criminal offenders committed to the
department;"

Renumber: subsequent subsections

5. Page 4, line 6.

Following: line 5

Insert: "(6) Any project funded or authorized under the
provisions of subsection (1)(h) in which inmate labor is to
be used is exempt from any provisions of Montana law relating
to public bidding, bonding, workers' compensation coverage,
or labor and wage requirements."

If the offered amendments to HB 339 are adopted by this committee:

1. The Title of the Bill will read as follows:

A BILL FOR AN ACT ENTITLED: " AN ACT AUTHORIZING RENOVATION PROJECTS UP TO \$25,000 BY RESIDENT LABOR OF THE DEPARTMENT OF INSTITUTIONS; LIMITING PROJECTS USING INMATE LABOR TO THOSE FUNDED OR APPROVED BY THE LEGISLATURE; EXEMPTING PROJECTS BY INMATE LABOR FROM ANY PROVISIONS OF MONTANA LAW RELATING TO PUBLIC BIDDING, BONDING, WORKERS' COMPENSATION COVERAGE, OR LABOR AND WAGE REQUIREMENTS; AMENDING SECTION 53-1-301, MCA; AND PROVIDING AN EFFECTIVE DATE."

2. The subparagraph (g) on page 2, beginning on line 12 will read:

(g) provide for construction or renovation projects up to the aggregate sum of \$25,000 per project, by residents of institutions; if the construction work is not covered by a collective bargaining agreement;

3. There will be a new subparagraph (h) and all other subparagraphs would be relettered. The new subparagraph (h) would read as follow:

(h) provide for construction or renovation projects by inmates of correctional institutions, in excess of the limits defined in subsection (1) (g), if the projects are:

(i) funded or authorized by the legislature; and

(ii) limited to those facilities or grounds that are or will be used for the custody, treatment, training, and rehabilitation of adult criminal offenders committed to the department;"

4. There would be a new subsection (6) added under (5) on page 4 after line 5. It would read as follows:

(6) Any project funded or authorized under the provisions of subsection (1) (h) in which inmate labor is to be used is exempt from any provisions of Montana Law relating to public bidding, bonding, workers' compensation coverage, or labor and wage requirements.

HB 339
Explanation of Amendments

Amendments #1 & 2 Bill Title

These amendments simply rewrite the title of the bill to reflect that we have reinserted the existing language in Section I(g), Created a new subsection which limits the scope of the work and addresses the exemptions that the Legislature needs to be concerned with when funding or authorizing projects under this section of the law.

Amendments #3 and 4

Reinserts the existing language in 53-1-301 (g), thereby allowing the prison industries program to continue to perform contracts under \$25,000 as is current practice and;

Creates a new subsection which provides for construction or renovation projects, funded or authorized by the Legislature, and limiting those projects to those performed by inmates of correctional institutions. It further limits those projects to jobs performed at facilities or on the grounds of corrections programs.

Amendment #5

This amendment addresses the exemption that traditionally has been included in the LRBP bill when the Legislature authorizes construction projects to be completed using inmate labor. It simply places in statute the exemptions to bidding, bonding, Worker's Compensation coverage and labor and wage requirements if and when the Legislature funds and authorizes projects in which inmate labor is utilized. This language would resolve the longstanding debate as to whether or not boiler plate in a LRB bill can exempt requirements of substantive law.

CAPITAL CONSTRUCTION PROGRAM 1991-93
FACT SHEET

Long Range Building Program
1983 Biennium - 1991 Biennium
(Millions)

<u>Biennium</u>	<u>Capital Projects Fund</u>	<u>Other Cash Projects</u>	<u>LRBP Bonds</u>	<u>Other Bonds</u>	<u>Total Program</u>
1983-1985	\$10.87	\$15.69	\$36.36	\$3.08	\$ 65.90
1985-1987	\$10.52	\$20.12	\$ 0.00	\$8.55	\$ 39.19
1987-1989	\$ 6.24	\$11.44	\$ 0.00	\$0.00	\$ 17.69
1989-1991	\$ 5.51	\$18.20	\$ 0.00	\$3.54	\$ 27.25
1991-1993	\$ 7.63	\$44.49	\$50.88	\$8.00	\$111.00

Cigarette Tax Revenue
1985 Biennium - 1991 Biennium

<u>Cigarette Tax</u>	<u>Total Requests</u>	<u>Capital Projects Fund Requests</u>
\$4,933,211 in FY 86-87	\$171 million	\$136 million
\$4,534,261 in FY 88-89	\$160 " "	\$145 " "
\$6,433,303 in FY 90-91	\$188 " "	\$150 " "
\$6,507,037 in FY 92-93 (est)	\$318 " "	\$242 " "

**ADDITIONAL PROJECTS AFFORDED BY
USING INMATE LABOR ON LOW SECURITY HOUSING UNIT
1989 BIENNium**

LOW SECURITY HOUSING UNIT:

COST WITH PRIVATE SECTOR	\$2,610,000
COST WITH INMATE LABOR AS AUTHORIZED BY 1989 LEGISLATURE	<u>\$1,184,600</u>
SAVINGS	\$1,425,400

<u>PROJECT TITLE AND PRIORITY FROM 1989 LRBP BOOK:</u>	<u>CAPITAL PROJECTS FUNDS</u>
17. RETROFIT WINDOWS, ENGINEERING HALL, TECH WALLACE M. ROBERTS & ASSN., MISSOULA WALSH CONSTRUCTION, BUTTE	\$132,750
16. REPAIR EXTERIOR DOORS AND VESTIBULES, WMC UNIVERSITY OF MONTANA READY TO BID	\$14,000
15. MAINTAIN WATER MAINS, UM PROFESSIONAL CONSULTANTS INC., MISSOULA BEARSTAR ENTERPRISES, INC., BILLINGS	\$130,000
14. UPGRADE ELECTRICAL DISTRIBUTION SYSTEM, MSU (PROJECT INCLUDED AN ADDITIONAL \$524,871 AUXILIARY FUNDS) S.S.R. ENGINEERS, BILLINGS ACE ELECTRIC INC., LAUREL	\$1,153,355

TOTAL	\$1,430,105
-------	-------------

TOTAL COST OF PROJECTS (INCLUDES MSU AUXILIARY FUNDS)	\$1,954,976
--	-------------

EXHIBIT 17
DATE 2/21/91
HB 339

House Bill 339

Mr. Chairman and members of the committee:

For the record, my name is Dan Russell, Administrator of the Corrections Division, and I am here in support of House Bill 339.

Montana Corrections has performed prison labor nearly 100 years. In the 1800's Territorial Prison inmates built the old walled prison and completed many buildings in the town of Deer Lodge. Prisons were run as businesses and inmate labor was used to produce a profit. Physical labor

was considered mentally and physically beneficial for the inmates, and it gave them something to do besides sit in their cells. Penal philosophies have changed throughout the years but, regardless of changing social trends, the use of inmate labor has always been considered of mutual benefit to both the institution and the inmate. Montana State Prison's ranch, license plate factory, and facility maintenance activities are examples.

Today the Montana Correctional System for both male and female inmates is severely overcrowded. This is a national problem and it is

not expected to change in the
foreseeable future, at least within the
next ten year.

Only a few years ago the Montana
Prison system consisted of the men's
prison at Deer Lodge, a camp at Swan
River, and a few women inmates
locked-up in an available building or
in out-of-state placements.

~~especially troublesome~~). This has
changed. During the past 10 years
our male inmate population has nearly
doubled and our female inmate
population just about tripled.

In addition to the recent increases in
population, prison standards have

changed. Montana Corrections is expected to provide Custody, Treatment, Training, and Rehabilitation for offenders sentenced to the state for incarceration, and various groups and agencies are watching to ensure we do not ignore our duties.

HB 339 increases the opportunity for use of inmate labor in construction and renovation projects on the campuses of our correctional facilities. Montana State Prison has over 1136 inmates. This is an enormous potential labor force which is fed, housed, and clothed by the taxpayers of the State of Montana.

Use of inmate labor by these facilities provides one method for prisons to reduce their costs. Savings occur every time an inmate mops the floor, paints a wall, or performs facility maintenance activity. Savings are increased when inmate labor is used for larger projects.

Montana State Prison is a big operation. The combined staff and inmate population (1565) is larger than the civilian labor force reported for over thirty percent of Montana Counties. Very few companies in the state have 1100 employees, but at MSP this number of inmates needs to be managed on a 24 hours basis.

The use of inmate labor is becoming more common in ^{the United} ~~nearly every~~ States.

Fourteen states have extensive inmate labor programs. According to the National Institute of Justice, use of inmate labor results in:

- . **Economy:** Projects built by inmates cost 30 to 50 percent less than those using private contractors.
- . **Quality:** Work by inmates is comparable in quality to that of civilian labor.
- . **Training:** Inmates learn marketable skills and good work habits for use upon release.

The United States has the highest incarceration rate of any nation in the world. Almost every other state is currently facing prison overcrowding problems. We do not have an option of sending our inmates somewhere else and letting someone else solve our problems. We also need to expand available inmate jobs to match our increased prison population.

Montana Corrections is actively developing Community Programs for inmates who are able to complete their sentence in a less restrictive environment than prison. These people may be sent to Pre-release,

Intensive Supervision, or another community option. However, we still need to provide rehabilitation and treatment programs for the inmates who cannot be released from prison due to sentence length, violent crimes, institutional behavior, or some other reason.

Inmate labor is obviously less costly to the state than contract labor.

During the past biennium we constructed the Low Security Housing Unit at Montana State Prison at a cost of \$1,184,000. This was \$1,400,000 less than projected contractor construction costs for this facility. A cost savings of

approximately 41 percent was realized; the housing unit was completed on time; it was constructed within its budget, and the quality of workmanship is excellent.

In past and recent years, the state has used inmates to assist in the construction and/or renovation of more than 29 projects at substantial savings. These have included construction of the license plate factory; High Security Gymnasium; High and Low Security Recreation Complex; prison dairy, and Prison Warehouse.

Use of inmate labor is supported by the Montana public. In February 1990, Eastern Montana College conducted a telephone poll of randomly selected adult Montanans. Included in this survey was a question to determine how many people favored use of inmate labor to build a prison addition. Nearly eighty six percent (85.7%) responded affirmatively. This overwhelming support was given by 88.6% of Republican and 81.4% of Democrat respondents. Only 9.2% of the adult Montanans surveyed were opposed to this use of inmate labor (the remaining 5.1% were undecided).

Currently the Legislature is considering a proposed major expansion project at Montana State Prison. According to the Architecture and Engineering Division, ~~Montana Department of Administration~~, use of inmate labor on this project will save about \$1,670,465. This money will be saved without reducing the quality of the finished project.

Use only if Cut doesn't
↓

You are invited to tour the new housing unit at Deer Lodge and see for yourself the quality of workmanship. In addition to saving the state ~~a bunch of~~ money, this project also provided ~~some~~ inmates

with an opportunity to complete a project for which they can be proud.

H. B. 339

~~This proposed amendment~~ would allow the State of Montana to consider additional construction and renovation projects on the campuses of our correctional facilities. This is not intended to permit Corrections to unilaterally begin new, unauthorized, major building projects. The proposed changes specifically require that construction or renovation shall be limited to those projects funded or approved by the Legislature in regular or special session.

DATE 2/2/91

HB 339

H. B. 339

I urge your support of ~~this statute~~

~~revision~~ Inmate employment is one

method for ^{prisoners} ~~prisoners~~ to help reduce

^{of care} their cost to Montana taxpayers.

EXHIBIT 18
DATE 2/21/91
HB 339

LOW SECURITY HOUSING UNIT
COST BREAKDOWN

JANUARY 30, 1991

APPROPRIATION

\$1,184,600

LABOR

\$ 171,804

SUPERVISOR'S WAGES
AND BENEFITS
INMATE COMPENSATION

\$144,225
\$ 27,580

BUILDING MATERIALS &
ASSOCIATED COSTS (APPROX.)

\$1,012,796

SOUTHWEST BUILDING TRADES COUNCIL
OF MONTANA

OFFICE:
CARPENTERS HALL
156 West Granite

AFFILIATED WITH
BUILDING AND CONSTRUCTION TRADES DEPARTMENT
OF THE AMERICAN FEDERATION OF LABOR, C.I.O.



P. O. BOX 3243
BUTTE, MONTANA 59701

EXHIBIT 11
DATE 2/21/91
HB 339

HOUSE BILL #339

MADAM CHAIR, COMMITTEE MEMBERS, FOR THE RECORD, MY NAME IS JOHN FORKAN, I AM PRESIDENT OF THE SOUTHWEST MONTANA BUILDING AND CONSTRUCTION TRADES COUNCIL. I STAND BEFORE YOU TODAY ON BEHALF OF CONSTRUCTION WORKERS IN MONTANA AND ASK FOR YOUR SUPPORT TO DEFEAT THIS SHORT-SIGHTED, ANTI-WORKER, ANTI-MONTANA LEGISLATION.

THIS BILL IS ANTI-WORKER BECAUSE THIS IS WHAT H.B. #339 WILL DO FOR HARD-WORKING, TAXPAYING MONTANA CITIZENS WHO EARN THEIR LIVELIHOOD IN THE BUILDING AND CONSTRUCTION INDUSTRY:

1. IT WILL ELIMINATE THE PREVAILING WAGE REQUIREMENTS FOR ANY PROJECT FUNDED BY THE LEGISLATURE WHICH ALLOWS FOR THE USE OF INMATE LABOR.
2. IT WILL DELETE THE GUARANTEE TO MONTANA'S WELL-TRAINED WORKERS THAT PRISON LABOR WILL NOT BE USED ON PROJECTS COVERED BY A COLLECTIVE BARGAINING AGREEMENT. DOES THIS MEAN THAT PRISON INMATES COULD BE UTILIZED TO PERFORM WORK CURRENTLY BEING DONE BY UNION MEMBERS WORKING UNDER TERMS OF AN AGREEMENT WITH THE STATE? YOU BET IT DOES!!!

3. IT ADDS RENOVATION PROJECTS TO THE LIST OF JOBS THAT CAN BE GIVEN TO INMATE WORK CREWS TO PERFORM IF FUNDED BY THE LEGISLATURE. DOES THIS MEAN THAT PRISON INMATES COULD BE USED TO RENOVATE AN EXISTING FACILITY OWNED BY THE STATE IF IT WERE TO BE TURNED INTO A MINIMUM-SECURITY PRISON? YOU BET IT DOES!!!

PROJECTS PERFORMED BY PRISON INMATES WILL NOT NECESSARILY BE CONFINED TO PRISON PROPERTY AS THIS BILL ALLOWS INMATE LABOR TO BE USED TO PROVIDE SERVICES TO ANY DEPARTMENT, AGENCY OR POLITICAL SUBDIVISION OF THE STATE.

THE USE OF PRISON INMATES TO PERFORM CONSTRUCTION WORK AT MONTANA STATE PRISON IN 1990 WAS EXPLAINED TO MONTANA WORKERS AS A NECESSARY, "ONE-TIME" OCCURRENCE THAT WAS NEEDED BECAUSE OF AN OVERCROWDING PROBLEM AT THE PRISON. THE SUBSECTION OF LAW WHICH ALLOWED FOR THE USE OF INMATES ON THESE PRISON PROJECTS INCLUDES A PROVISION THAT THIS "ONE-TIME" EXEMPTION WILL TERMINATE ON JULY 1, 1991. THIS WAS INCLUDED TO SHOW MONTANA WORKERS THAT THE STATE WAS NOT REALLY TRYING TO TAKE JOBS AWAY FROM THEM, JUST TRYING TO CURE A PROBLEM WITH A "ONE-TIME" SOLUTION, AND IN ALL LIKELIHOOD, WOULD NEVER ARISE AGAIN.

HOUSE BILL #339

PAGE 3

NOW, MONTANA WORKERS, LESS THAN ONE YEAR LATER, ARE ONCE AGAIN SLAPPED RIGHT IN THE FACE WITH THE SAME PRISON INMATE LABOR SITUATION THAT THEY WERE PROMISED WOULD NEVER SURFACE AGAIN. ONLY THIS TIME THE TRUE ATTITUDE OF THE ADMINISTRATION TOWARDS CONSTRUCTION WORKERS, ESPECIALLY UNIONIZED ONES, COMES TO LIGHT. HOW IRONIC IT IS THAT THE PROPOSED EFFECTIVE DATE OF THIS LEGISLATION, JULY 1, 1991, IS THE EXACT DATE OF TERMINATION OF THE LAST GUARANTEE TO MONTANA WORKERS THAT THE PRISON INMATE LABOR ISSUE WOULD BE PUT TO REST AFTER COMPLETION OF THE PRISON PROJECTS LAST YEAR.

IF H.B. #339 BECOMES LAW, PRISON WORK CREWS COULD BE USED FOR ANY PROJECT FUNDED AND APPROVED BY THE LEGISLATURE. IF THIS ADMINISTRATION IS SUCCESSFUL IN ITS ENDEAVOR TO SHUT DOWN THE FACILITY AT GALEN STATE HOSPITAL, AND WITH THE CONSIDERATION BEING GIVEN TO TURN THE GALEN CAMPUS INTO A MINIMUM-SECURITY PRISON, ALL OF THE CONSTRUCTION AND RENOVATION COULD BE PERFORMED WITH PRISON INMATE LABOR.

THIS BILL IS ANTI-MONTANA BECAUSE FIRST AND FOREMOST, IT TAKES ABOUT \$1.6 MILLION RIGHT OUT OF THE STATE'S ECONOMY IN LOST WAGES TO TAX-PAYING WORKERS. THIS DEPRIVES THE STATE OF INCOME

TAX SHORTFALLS ON THIS \$1.6 MILLION IN LOST WAGES. IT ALSO DEPRIVES LOCAL ECONOMIES AND MAIN STREET BUSINESSES OF RECEIVING THEIR SHARE OF WORKERS' SPENT PAY CHECKS.

THIS BILL IS NOT ONLY AN ATTACK ON MONTANA WORKERS, BUT IS ALSO AN OUTRIGHT ATTACK ON MONTANA BUSINESSES AND CONTRACTORS WHO MAKE THEIR LIVING IN THE CONSTRUCTION INDUSTRY.

THE BOTTOM LINE FOR REASONING IN THIS ISSUE SEEMS TO BE THE LINE WITH THE DOLLAR SIGN. I SUBMIT TO YOU, COMMITTEE MEMBERS, THAT THE LOWEST DOLLAR AMOUNT DOES NOT ALWAYS PROVIDE FOR THE LOWEST OVERALL COST. IF YOU GET A PROJECT DONE CHEAPLY, THAT'S USUALLY WHAT YOU END UP WITH -- A CHEAPLY DONE PROJECT. IN THE LONGRUN, THIS TYPE OF SHORT-SIGHTED REASONING AND THINKING WILL COST MONTANA FAR MORE THAN SHE EVER WILL SAVE IN THE SHORTRUN.

IF THE PROPONENTS OF THIS LEGISLATION ARE SUCCESSFUL IN THIS VENTURE, DO YOU COMMITTEE MEMBERS THINK THAT YOU WILL HAVE HEARD THE LAST OF THE PRISON INMATE LABOR ISSUE? NOT HARDLY!!! NO MORE SO THAN IT WAS WHEN THE LAST TIME WAS THE LAST TIME!!! BUT, IF THE SUPPORTERS OF THIS KIND OF THINKING ARE SUCCESSFUL, WHERE WILL THE INMATE LABOR ISSUE TAKE US IN THE FUTURE TO SAVE THE STATE MORE MONEY?

HOUSE BILL #339

PAGE 5

WILL THE NEXT STEP BE TO TAKE THESE CONSTRUCTION-TRAINED INMATE WORKERS FROM PRISON AND HAVE THEM CONSTRUCT BRIDGES AND ROADS IN MONTANA? ONLY TO SAVE MONEY OF COURSE!!! THEN, IF INMATES CAN BUILD THE ROADS, WHY NOT LET THEM MAINTAIN THESE FACILITIES ALSO? THE STATE CAN LAY-OFF ALL OF THE HIGHWAY DEPARTMENT WORKERS AND LET INMATE CREWS PERFORM THIS WORK AT A FRACTION OF THE COST IT IS NOW TO THE STATE. THEN THE STATE COULD SET UP HALF-WAY HOUSES THROUGHOUT THE STATE FOR MINIMUM SECURITY PRISONERS. THIS WOULD NOT ONLY EASE UP ON THE OVERCROWDING SITUATION, BUT INMATE WORK CREWS COULD BE TAKEN FROM THE HALF-WAY HOUSES AND UTILIZED TO PERFORM SERVICES ON SUCH STATE OWNED PROPERTY AS JOB SERVICE CENTERS, UNIVERSITY AND COLLEGE CAMPUSES, STATE BUILDINGS IN THE CAPITOL CITY AND SO ON. REMEMBER, PASSAGE OF THIS BILL WILL ALLOW INMATE LABOR TO BE USED ON WORK THAT IS NOW COVERED BY COLLECTIVE BARGAINING AGREEMENTS.

SOME OF YOU REALIZE THE TRUTHS IN THESE BIZARRE STATEMENTS AND SOME OF YOU ARE SMILING AND THINKING "NO WAY"!! DON'T BE TOO SURE!!! MONTANA WOULD NOT BE THE FIRST STATE IN THIS COUNTRY TO UTILIZE "SLAVE LABOR" TO SAVE MONEY FOR THE OPERATIONS OF STATE GOVERNMENT.

WITH THIS ADMINISTRATION'S APPROACH TO CUT THE COST OF STATE GOVERNMENT BY CONSISTANTLY TRAMPLING ON THE BACKS OF MONTANA WORKERS, ESPECIALLY THOSE THAT ARE UNIONIZED, AND PARTICULARLY THOSE WHO ARE UNIONIZED AND ARE EMPLOYED BY THE STATE OF MONTANA, WHETHER IT BE BY PRIVATIZATION OR ELIMINATION, DO NOT THINK FOR ONE MINUTE THAT THE CONCEPT OF USING INMATE LABOR TO PERFORM STATE WORK IS NOT A PART OF THE OVERALL PLAN OF THE CURRENT ADMINISTRATION TO CUT THE COST OF STATE GOVERNMENT.

AS WELL-PAID WORKERS ARE LEAVING MONTANA BY THE HUNDREDS, WHO IS GOING TO BE LEFT TO PAY THE TAXES TO PAY FOR THE SERVICES OF THE STATE AFTER INMATE WORK CREWS HAVE BEEN INTERJECTED INTO THE PUBLIC EMPLOYMENT PICTURE AT ALL LEVELS OF CONSTRUCTION AND MAINTENANCE?

MANY INMATES WILL ADMIT THAT THEIR NOT BEING ABLE TO FIND WELL-PAYING, PRODUCTIVE EMPLOYMENT PLAYED A MAJOR ROLL IN THEIR PLACEMENT IN A CORRECTIONAL FACILITY. HOW MANY MORE INMATES WILL BE ADDED TO THE EVERGROWING PRISON POPULATION IF INMATES ARE ABLE TO TAKE JOBS AWAY FROM WORKERS IN THE PUBLIC SECTOR?

HOUSE BILL #339

PAGE 7

PROPOSERS OF THIS BILL ARE QUICK TO POINT OUT THAT A POLL CONDUCTED AT EASTERN MONTANA COLLEGE IN BILLINGS LAST YEAR SHOWED THAT 85% OF MONTANANS ARE IN FAVOR OF INMATES WORKING. A MORE APPROPRIATE QUESTION SHOULD HAVE BEEN ASKED. ARE YOU IN FAVOR OF INMATE WORK CREWS TAKING JOBS AWAY FROM WORKERS IN THE PUBLIC SECTOR? I DOUBT IF 85% WOULD RESPOND IN FAVOR OF THIS QUESTION.

THE SOUTHWEST MONTANA BUILDING AND CONSTRUCTION TRADES COUNCIL IS IN FAVOR OF INMATES PERFORMING WORK TASKS FOR TRAINING AND REHABILITATION, BUT WE ARE ADAMANTLY OPPOSED TO THE LOSS OF PUBLIC SECTOR JOBS TO PRISON WORK CREWS.

THIS SITUATION CAN CONTINUE AND GROW INDEFINATELY, OR IT CAN BE PUT TO REST ONCE AND FOR ALL AND RIGHT NOW!!! THE DECISION IS IN THE HANDS OF THIS COMMITTEE! AS I SAID EARLIER - SOMETIMES THE CHEAPEST WAY IN MONTANA, IS NOT ALWAYS THE BEST WAY FOR MONTANA!! I STRONGLY URGE YOU, COMMITTEE MEMBERS, TO CONSIDER JUST WHAT IS IN THE BEST INTEREST FOR MONTANA, FOR ITS COMMUNITIES, FOR ITS EMPLOYERS, AND LAST BUT NOT LEAST, WHAT IS IN THE BEST INTEREST FOR THE WORKERS OF MONTANA REGARDING THE USE OF PRISON INMATES TO PERFORM WORK THAT SHOULD RIGHTFULLY BE DONE BY THE PUBLIC SECTOR OF SOCIETY!! PLEASE VOTE "DO NOT PASS" ON HOUSE BILL #339. THANK YOU FOR YOUR TIME AND SUPPORT.

IBEW



EXHIBIT 20

DATE 2/21/91

Local No. 623

HB 339

Address of Writer P. O. Box 3251

Butte, Mt 59702

Jay M. Donald

I would like to testify in opposition to HB 339. The fact it not only deprives local law abiding citizens a chance to follow his/her craft in the construction trades, it also negates his/her buying power to patronize local business establishments such as Grocery, Hardware, Taverns, the list is endless.

Another point I would like to address is the State Electrical and Plumbing Licensing Law.

To qualify for an Electrical License, you must have proof of at least 5 years experience and pass a test, it is the law, the same for a Plumbing License.

The laws are there to protect the public from shoddy and substandard work.



EXHIBIT 21
DATE 2/21/91
HB 339

DONALD R. JUDGE
EXECUTIVE SECRETARY

110 WEST 13TH STREET
P.O. BOX 1176
HELENA, MONTANA 59624

(406) 442-1708

Testimony of Don Judge on House Bill 339 before the House Labor Committee,
February 21, 1991.

Madam Chair, members of the committee, I am Don Judge, Executive Secretary of the Montana State AFL-CIO here today to oppose House Bill 339.

Our opposition to House Bill 339 arises from a simple premise - the use of inmate labor for building construction is wrong - patently, unequivocally, and undeniably WRONG! And, it's UNFAIR! The Governor of the State of Montana, whose policy this bill represents, is being unfair to Montana construction workers, Montana contractors, and main street businesses who depend on wages paid to workers for their livelihood.

Montana workers DESERVE the jobs created by their tax dollars; Montana contractors DESERVE the right to bid on prison construction projects; and the Montana economy DESERVES circulation of the Montana tax dollar.

Some would argue that Montana workers would not be deprived of a substantial portion of construction at the Montana State Prison, and part of the proponents' arguments are that only 1.6 million dollars worth of work is scheduled to be done by prison labor. But, this legislation is a Pandora's box. Once it is opened, where will it end?

Will we go back to the chain-gang days of early highway building in Montana, under Warden Connelly, who by the way was investigated for playing fast and free for his own personal gain.

Don't be deceived! This bill doesn't just apply to this project, but opens the door for massive intrusion of prison labor into private enterprise.

Think of it, a captive workforce to be used as Governor Stephens see fit; to intrude on the free enterprise system and to trample on the rights of tax-paying Montanans. At a time when any decent job is at a premium, how can we in good conscience tell law-abiding taxpayers that key job opportunities will be legislated away?

Some of Montana's construction workers are under arms, defending America's interests in the Gulf. Who would want the responsibility of telling them, that while they were away we passed a law that eliminated construction jobs?

Punish criminals; rehabilitate criminals; we agree! But don't punish law-abiding Montana workers.

For Montana workers this is a bread and butter issue, plain and simple. Any other consideration pales in significance. We urge you to do the right thing and recommend "do not pass" on House Bill 339.

Thank you.



MONTANA FEDERATION OF STATE EMPLOYEES

P.O. Box 1246

AFT, AFL-CIO

Helena, Montana 59624

ARTCRAFT, BUTTE

DATE 2/21/91
HB HB 804

(406) 442-2123

JIM MCGARVEY
President



TESTIMONY OF MONTANA FEDERATION OF STATE EMPLOYEES, GIVEN BEFORE HOUSE LABOR COMMITTEE, FEB. 21, 1991, ON PRIVATIZATION BILL HB 804

The Montana Federation of State Employees is in strong support of HB 804. Together with the three bills this committee heard and passed on Tuesday, this bill addresses one of the major issues before the 1991 Legislative Session. HB 804 helps mitigate the effects of privatization, closures and reductions in force on state employees and their communities.

HB 804 is a direct result of our experiences in privatization in data entry services in the Department of Administration. While the employer agreed to bargain over the conditions of the employees losing their jobs, the bargaining was extremely limited. The Department of Administration took the position that sick leave, severance pay, training and job preference are in state statute, and that the Department could not grant anything more than what is allowed in current law. Needless to say, that position made collective bargaining little more than an exercise in futility.

Another area the bill must address is the impact of reductions in force on retirement. We would like the committee to address that issue by adding an amendment to allow negotiations over retirement contributions. It is not fair for a state employee who has worked for the state for twenty years to be permanently penalized in his or her retirement because the state employee is terminated through a reduction in force. We know of at least one individual in the Department of Family Services who is facing this dilemma.

HB 804 provides for collective bargaining over severance pay and retraining allowances. It gives the Department the ability to do what they say they want to do--privatize as humanely as possible. It also provides for payment of accumulated sick leave to employees terminated through reduction in force. Finally, it allows negotiations over the continuation of contributions of group benefits beyond the termination date.

Make no mistake about what this bill does not do. It does not protect the quality of the state services being turned over to private vendors, vendors who make their profits by cutting employees pay and benefits. It does not protect the public, the public that demands and needs high quality state services. It does not directly address the hidden costs of privatization on the state budget, public confidence and local communities. But if Governor Stephens intends to continue privatizing public services, this bill is absolutely essential.

Thank you for your support of HB 804.

EXHIBIT 23
DATE 2/21/91
HB 339

HOUSE OF REPRESENTATIVES

LABOR AND EMPLOYMENT RELATIONS COMMITTEE

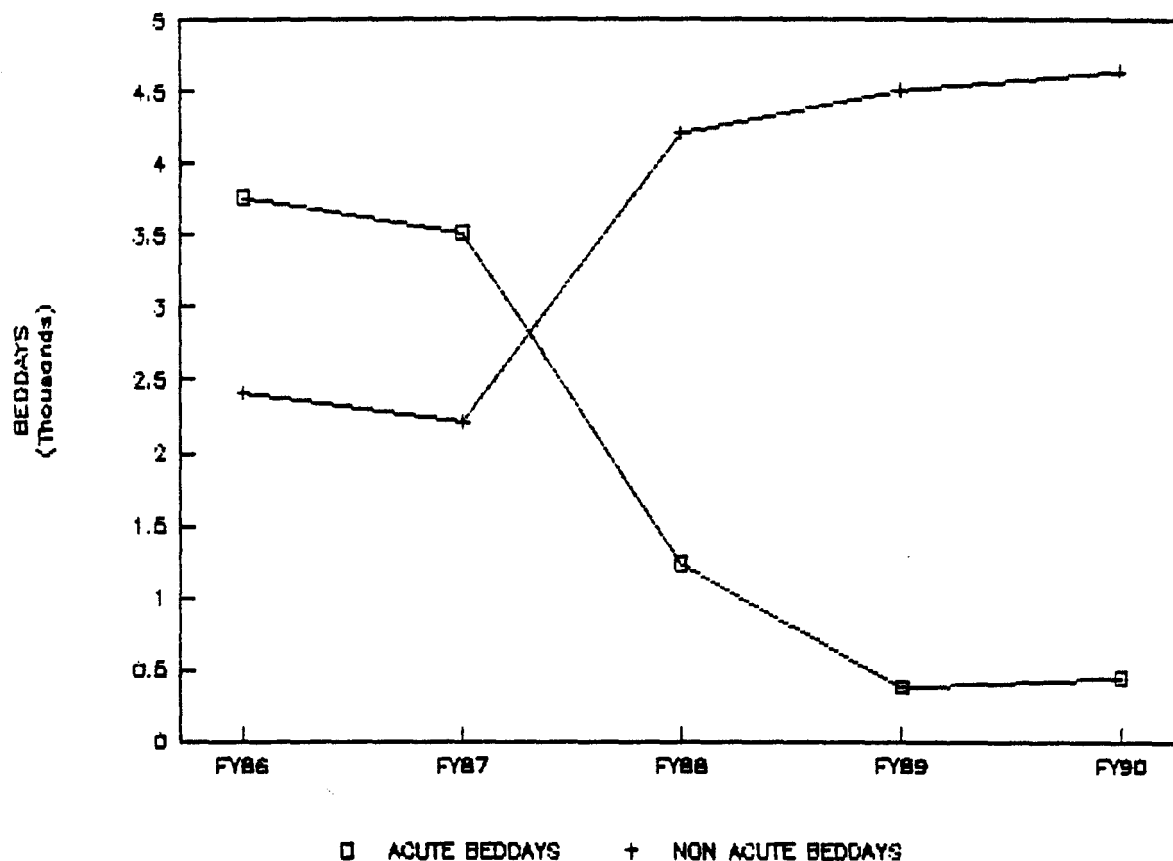
ROLL CALL VOTE

DATE 2/21/91 BILL NO. 339 NUMBER

MOTION: Table

NAME	AYE	NO
REP. JERRY DRISCOLL	✓	
REP. MARK O'KEEFE		
REP. GARY BECK	✓	
REP. STEVE BENEDICT		✓
REP. VICKI COCCHIARELLA	✓	
REP. ED DOLEZAL	✓	
REP. RUSSELL FAGG		✓
REP. H.S. "SONNY" HANSON		✓
REP. DAVID HOFFMAN		✓
REP. ROYAL JOHNSON		✓
REP. THOMAS LEE		✓
REP. BOB PAVLOVICH	✓	
REP. JIM SOUTHWORTH	✓	
REP. FRED THOMAS		✓
REP. DAVE WANZENRIED	✓	
REP. TIM WHALEN	✓	
REP. TOM KILPATRICK, VICE-CHAIRMAN	✓	
REP. CAROLYN SQUIRES, CHAIR	✓	
TOTAL	10	7

GALEN HOSPITAL UNIT - A FIVE YEAR TREND



GALEN HOSPITAL UNIT - FY 89

	ACUTE			NON ACUTE		
	PATIENTS	DAYS	% OF TOTAL	PATIENTS	DAYS	% OF TOTAL
ALCOHOL	14	42	0.9%	1572	3402	69.5%
DRUG	2	3	0.1%	102	163	3.3%
VS TRANSFER	34	168	3.4%	83	723	14.8%
C-3 NURSING HOME	1	6	0.1%	4	34	0.7%
GALEN NURSING HOME	27	147	3.0%	20	93	1.9%
TB & PULMONARY	2	14	0.3%	9	97	2.0%
TOTAL		380			4512	
TOTAL ACUTE & NON-ACUTE			4892			

FIVE YEAR TRENDS AND COMPARISONS; GALEN, CENTER/AGED, WARM SPRINGS NURSING HOMES

GALEN										
NURSING HOME, 125 BEDS										
	FY86	ADP	FY87	ADP	FY88	ADP	FY89	ADP	FY90	ADP
Total days; ADP	29,591	81.07	30,898	84.6	31,034	85.02	28,887	79.1	25,938	71.06
Per Diem	\$99.31		\$106.21		\$109.40		\$116.13		\$126.95	
Medicaid Rate	\$49.44		\$51.94		\$52.39		\$53.62		\$62.63	
CENTER/AGED										
NURSING HOME, 191 BEDS										
Total days; ADP	62,276	170.6	60,880	166.8	61,736	168.7	59,627	163.4	55,510	152.08
Per Diem	\$40.35		\$40.76		\$44.11		\$43.91		\$50.30	
Medicaid Rate	\$36.05		\$38.86		\$41.46		\$42.69		\$50.94	
WARM SPRINGS										
NURSING HOME, 60 BEDS										
Total days; ADP	18,313	50.2	14,525	39.8	15,508	42.4	15,386	42.1	17,399	47.6
Per Diem	\$71.48		\$74.48		\$116.54		\$101.22		\$102.04	
Medicaid Rate	\$53.22		\$53.37		\$53.49		\$54.72		\$59.29	



MONTANA FEDERATION OF STATE EMPLOYEES

AFT, AFL-CIO

P.O. Box 1246

Helena, Montana 59624

ARTCRAFT, BUTTE

(406) 442-2123

JIM McGARVEY
President



EXHIBIT 90
DATE 2/21/91
HB 961

TESTIMONY OF MONTANA FEDERATION OF STATE EMPLOYEES AND ALCHOL AND DRUG ABUSE COUNSELORS FEDERATION AGAINST HB 961, A BILL TO CLOSE GALEN, GIVEN BEFORE HOUSE LABOR COMMITTEE, FEBRUARY 21, 1991

The Montana Federation of State Employees and our affiliated locals, including the Alchol and Drug Abuse Counselors Federation, are strongly opposed to HB 961.

Our opposition is not based on saving jobs. We want to testify instead in support of the excellent, cost-effective services our members provide to the residents of the state of Montana. Our members can get other jobs, jobs that pay better. But the clients of Galen can not be assured of getting services anywhere else.

I would like to remind this committee that we've been down this road before. The state's experience with the closure of the Children's Center has proven that privatization looks less expensive--initially. Once the state was out of the business of providing mental health services to children, costs at Rivendell skyrocketed--and they continue to skyrocket even while services are being curtailed.

I urge this legislature to learn from your past experience. Galen is a proven, valued and cost-effective way to provide essential services to the citizens of Montana.

Please give HV 961 a "Do Not Pass" recommendation.



**Working for
Montana's
Mental
Health**

Mental Health Association of Montana

A Division of the National Mental Health Association

State Headquarters • 555 Fuller Avenue • Helena, Montana 59601

(406) 442-4276 • Toll-Free 1-800-823-MHAM

EXHIBIT 26
DATE 2/21/91
HB 961

TESTIMONY BEFORE THE HOUSE LABOR & INDUSTRY COMMITTEE

John M. Shontz, Public Policy Coordinator

Mental Health Association of Montana

House Bill 961

Madam Chair and Members of the Committee,

For the record, I am John Shontz.. I represent the
Mental Health Association of Montana.

I must express the Association's surprise that this
bill comes to you at such a late hour and with so little
time left for a thorough airing and debate about the role
and purpose of Montana State Hospital. While we were aware
that a bill draft to close the Galen campus was in drafting
for several weeks, we did not realize the extent to which
this bill went in redefining the overall role of Montana
State Hospital.

We are concerned, quite frankly, that the politics of
the process will overshadow the substantive problems raised
in the bill. Proponents may well accuse the committee of
failing to give the bill an adequate hearing; opponents may
well accuse the bill's supporters of knowingly bringing the
bill at this late hour with the full knowledge that the

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Sweet Grass-Stillwater

Counties

committee could not possibly give the bill a thorough hearing at this late date.

We encourage you to table this bill until after transmittal when it can receive a fair and thorough hearing. We say that with the full realization that such an action will require a rules suspension. We look forward to thorough, substantive discussion of the role of Montana State Hospital.

SUBSTANTIVE ISSUES

Upon a cursory review, the Mental Health Association finds both good language and troublesome language in this legislation. While the bill is referred to as the "CLOSE GALEN BILL", it does much more than simply close Galen. The legislation refines the role of Montana State Hospital. On the "good" side, we note that Montana State Hospital's primary role will be defined in law as a provider of treatment for adults experiencing acute mental illness only after such adults were not able to be cared for at the local or community level.

On the troublesome side, we wonder what the secondary roles of Montana State Hospital will be; we note that the broad legislatively defined functions of Montana State Hospital are repealed in Section 2. We are concerned that Warm Springs may remain as the last stop for persons who are NOT mentally ill but who, for whatever reason, are no longer desired in a community: we oppose

using Montana State Hospital as anyone's last stop; the institution must be the anchor of a mental system whose goal is to assist Montanans become whole, independent and productive citizens. Montana State Hospital is, after all, a hospital; not a refuge.

We support the planning and development of appropriate community based services and programs for those mentally ill and non-mentally ill persons now served at Montana State Hospital. While we are satisfied that such planning has occurred for the long term care residents at Galen, we are concerned that such detailed planning has not occurred for Montanans in need of chemical dependency services, acute medical hospital care services, and for several other services provided at the Warm Springs campus.

We advocate that persons now served at Montana State Hospital and who are not mentally ill may be better served in other, preferably community settings. We applaud the language in the bill that provides for crises intervention for adults with acute episodes of mental illness. We point out, however, that crises intervention programs are simply not yet available across Montana; pilot programs are just getting under way in selected communities in the state.

The Mental Health Association want the legislature to fully understand all the issues surrounding and set policy direction

for the placement of these people. We ask that, in conjunction with this bill, you carefully consider Senate Bill 382. Senate Bill 382 will, if the fiscal note is properly written, tell you who is at Montana State Hospital, what programs are available at Montana State Hospital and what is required from a programmatic, and not just a bricks and mortar standpoint, to serve those people.

To close we urge the committee to table this bill until after the transmittal date in order to fully explore the public policy ramifications of the legislation.

EXHIBIT 27
DATE 2/21/91
HB 961

TESTIMONY OF
JODY HOFFMAN
HEALTH POLICY SPECIALIST
AMERICAN FEDERATION OF STATE, COUNTY AND
MUNICIPAL EMPLOYEES (AFSCME), COUNCIL 9

SUBMITTED TO:
HOUSE LABOR AND EMPLOYMENT RELATIONS COMMITTEE

FEBRUARY 21, 1991

Good afternoon Ms. Chairperson, members of the Committee. I am Jody Hoffman, Health Policy Specialist for the American Federation of State, County and Municipal Employees International Union.

I appreciate the opportunity to address the committee regarding the future of Galen. My testimony today will focus on the essential role of Galen's nursing home services.

AFSCME rejects the idea that Montana is spending too much on state health care facilities. One of the critical problems nationwide, is that private providers cannot or will not treat the poor, those with mental illness and disabilities, the chemically dependent and the difficult to care for. Getting out of the health care business is not the answer. States throughout the country have found that a combination of publicly and privately provided care is essential to ensuring that all their citizens have access to needed services.

The heart of the administration proposal to close Galen argues that: 1) the acute care unit and the long term care unit are underutilized; 2) appropriate patient care is available from other providers; and 3) that the Galen campus is outdated and requires costly repairs. The remainder of my testimony will outline the problems and inadequacies with these arguments.

According to the administration the Galen long term care unit is underutilized. However, what the Department of Institution's analysis did not reveal is that Galen is budgeted for 85 beds and on average served 71 patients each day. These data calculate to an occupancy rate of 84%, far higher than the Department's 35%. Furthermore, the DOI controls the rate of admission and could very easily have restricted admissions to Galen to reduce the patient population.

A real need for Galen's services exists throughout Montana, yet the Department of Institutions has not examined this issue or tried to reach out to those in need of Galen services but not receiving them.

Population based studies conducted nationally find that over 13 million elderly need medical and personal care services that they did not receive. A large portion of these unserved elderly need nursing home care and a subgroup of this population needs nursing home care with mental health services.

It is hard to imagine that the situation is significantly different in Montana. In fact, because the elderly population is rising so fast in Montana, seven times faster than the general population, it is likely that this situation is worse. There is a shortage of quality nursing homes, closing Galen will only make the situation worse.

The closure of Galen's long term care unit presents some very particular problems. The Galen long term care unit serves a very specific type of patient: the elderly mentally ill. The 1987 Nursing Home Reform Act, which went into effect on October 1, 1990, requires that nursing home residents with mental illness must receive specialized services, arranged and paid for by the state, for their mental illness. This requirement was enacted, because nursing homes were providing inadequate and poor quality services to their mentally ill residents.

Galen residents receive the specialized services which are now required by federal law. However, most other nursing home still do not provide these services, it is the state's responsibility to do so. The Department of Institutions own assessment study indicated that the Center for the Aged did not provide needed mental health services. In fact, the analysis concluded that the Center for the Aged patients had "the most frequently noted unmet service needs".

Galen patients have traditionally been those who private providers are unwilling or unable to serve. The chemically dependent for whom past treatment has not been successful, the elderly who's care is so complex that nursing homes were unable to manage, the mentally ill in need of acute care services. Private providers simply do not have the staff with the necessary skills or sufficient resources to provide the complex care that Galen patients require.

One example of this situation is in the long term care area. The state proposes to transfer Galen nursing home patients to other state nursing homes or to private nursing homes. Yet the Galen long term care patients require a staff to patient ratio of one to four. Montana nursing homes do not even come close to such a staffing level. In 1988, analyses show that 90% of Montana's nursing homes did not even have enough staff to meet expert recommended minimum staffing levels of one staff per 10 patients.

The staffing situation at the Center for the Aged in Lewistown would also have to be increased dramatically to meet Galen patients' needs. It is particularly troubling that the state proposes transfer Galen patients to the Center for the Aged, even after their own analysis revealed that facility did not meet its patients' need.

It is clear that the closure of Galen has the potential to cost taxpayers more money, will reduce the availability of essential services to state residents, will reduce the quality of care that the present Galen residents receive, and leave Montana's most vulnerable citizens with even fewer sources of care.

MONTANA CAN AFFORD GALEN. MONTANA CANNOT AFFORD TO BE
WITHOUT GALEN.

My name is Lee Jaeger. I have been the detox counselor at Montana State Hospital-Galen for nearly two years. I have been a counselor in the chemical dependency field for 11 years, the majority of this time was with private programs, both inpatient and outpatient.

First, I'll refer to the cost efficiency section of the folder you have. This sheet comes from the Department of Institutions Alcohol and Drug Abuse Division, A.D.A.D. The Department claims that there are 10 private programs showing an interest in serving the patients now being treated at Galen Alcohol Services Center, A.S.C. Galen treats adults and 3 of the programs on this list treat only adolescents. That leaves 7 inpatient programs for adults. Column 4 gives bed utilization rate. I find this column quite interesting. A basic requirement for state approval through the A.D.A.D. is that inpatient programs maintain a minimum 70% occupancy rate. Please note that only one of the private adult programs meets this requirement. Utilization in private programs runs from 45% to 74% for an average of 55.5%. The numbers in parentheses show the average empty beds in these programs. It's not difficult to understand that these programs would like more patients. It is very difficult for me to understand why we should subsidize programs who have not shown the ability to meet minimum requirements. And at a cost to the taxpayer that is much more than the cost at Galen A.S.C.

The Department has stated that they will contract with private providers for about \$100.00 per day per patient. This is \$35.00 more per day than Galen. This tells me that in 1 year they will only treat two-thirds of the patients that Galen does for the same cost. Nearly 500 less patients. What will these 500 people cost their communities in their active alcoholism? Consider the costs to law enforcement, court costs, jail or prison at about \$15,000.00 a year for each person incarcerated, welfare, child placement, medical costs, as well as many not so obvious.

Column 5 shows the cost per day. Private treatment costs vary from \$205.00 to \$275.00 per day with hospitalization for detoxification at \$304.00 per day. All charge extra for physical exam, lab. work and psychological testing. And in all these programs a large down payment is necessary.

Remember 88% of Galen clients are unemployed and most do not have insurance. It does not seem reasonable to me that the private sector will contract to treat the number of people that Galen does at a cost of less than half their normal charge. They would need to hire additional staff as well as numerous other expenses increasing. I doubt they would have a long term commitment to provide services to this number of indigent patients at the stated \$100.00 a day. With Galen no longer an option, they could raise prices as they choose.

Some private inpatient programs already provide services by state contract. At Northern 7 of their utilized beds, 10.7, are already state paid, Rimrock 1 bed, and C.D.C., at Glasgow, about 1½ per month. If you look at the admission criteria for Northern, you will see how difficult it is to gain admission & treatment there. Then speak to the community programs that have attempted to gain admission for their clients.

The effectiveness section of your folder shows some Galen A.S.C. statistics. A.S.C. bed utilization has been shown by A.D.A.D. at 89% and has gone to a present 96.5%. We consistently operate at close to capacity. This sheet is a breakdown of alcohol patients who enter the hospital. 2/3 of those who are admitted go to A.S.C. Most of these patients have a reservation. Those who do not enter primary treatment are referred to an outpatient program in their community or a date is given them to return for treatment. A 6 month follow-up of patients completing treatment tells us that 62% are attending aftercare in a local program and maintaining total abstinence from all mood altering chemicals.

A glance at the advocate section confirms that a cross section of community outpatient programs, counselors, city and county attorneys, judges, probation & parole officers, Indian Health Services, as well as concerned individuals, are aware of the low cost of effective treatment at Galen and have voiced valid concerns about contracting these services to private providers. The information shown on a compilation of 1 year of patient's evaluations rate their Galen treatment as very helpful.

Is Galen A.S.C. necessary? Besides staying at over 90% occupancy, we have a waiting list of 34 days for 93 men and of 63 days for 44 women.

Is Galen A.S.C. cost effective? The A.D.A.D.'s statistics prove that we are.

February 21, 1991
HB 812
Ben Havdahl, MT Motor Carriers Assn.

Madam Chairman.....members of the committee. For the record, my name is Ben Havdahl and I am representing the Montana Motor Carriers Association. MMCA supports HB 812.

The modification, as proposed in HB 812, of the definition of wages in the Unemployment Compensation Insurance statute and the Workers Compensation Insurance statute will be helpful to motor carriers so that the basis for the calculation of premiums for both UCI and WCI insurance will be consistent and uniform.

Expenses paid to ^{truck}drivers for traveling around the country have been handled differently by these agencies in calculating premiums. On one hand certain travel expenses paid to drivers are considered wages and included in the calculation of the premiums for UCI. On the other hand those same expenses are not included as wages for WCI premiums. This has led to confusion and problems when carriers are audited by a common auditor for both agencies.

The matter has been tried in the courts and heard by the Supreme Court. In the cases the courts have pointed to the inconsistencies in definitions in the UCI and WCI laws relating to travel expenses.

HB 812 will resolve the problems and allow both agencies to achieve the consistency and uniformity through the adoption of uniform regulations. We support that effort and HB 812. Thank you.

EXHIBIT 30

DATE 2/21/91

HB 812

WITNESS STATEMENT

To be completed by a person testifying or a person who wants their testimony entered into the record.

Dated this 21 day of FEBRUARY, 1991.

Name: KEITH L. OLSON

Address: PO Box 1716

HALESPELL MT 59903

Telephone Number: 406-752-3168

Representing whom? MT. Logging Assn.

Appearing on which proposal? HB 812

Do you: Support? ✓ Amend? Oppose?



EXHIBIT 31
DATE 2/21/91
HB 712

DONALD R. JUDGE
EXECUTIVE SECRETARY

110 WEST 13TH STREET
P.O. BOX 1176
HELENA, MONTANA 59624

(406) 442-1708

TESTIMONY OF DON JUDGE ON HOUSE BILL 712 BEFORE THE HOUSE LABOR
COMMITTEE, FEBRUARY 21, 1991.

Madam Chair, members of the Committee, for the record my name is Don Judge, representing the Montana State AFL-CIO, and we are here today in support of House Bill 712.

The AFL-CIO has a long and proud history of fighting for a safe workplace for Montana's working men and women. Today, with House Bill 712, that fight continues. This bill guarantees that workers receive the necessary protection and safety equipment that is needed in order to provide a safe working environment.

House Bill 712 would place responsibility for maintaining a safe workplace squarely on the shoulders of both the employer and worker. The employer would be required to furnish safety equipment and protective clothing at his expense. The worker would be obligated to use the equipment properly and to maintain such equipment.

This bill also strengthens existing law. Currently, employers are required to provide safety equipment, but some employers have charged employees with the cost of the equipment. House Bill 712 makes it clear that employers will pay for these items. Additionally, House Bill 712 clarifies the definition of safety equipment to include health-related devices and protective clothing, both of which may be necessary for a safe workplace.

There have been a lot of bills this session addressing workers' compensation insurance. To us, safety is the best way to address costs and benefits provided under workers' comp. A safer workplace means less accidents, and requiring safety should help employers hold down their workers' compensation premium rates. Most importantly, it could help reduce the human toll associated with workplace injuries, diseases, and fatalities.

Some jobs are hazardous by their very nature. There is no way to make every job one hundred percent safe. But with the help of House Bill 712 we can all rest easy knowing that we have done something to help workers, their families, and their employers.

For these reasons we urge your favorable consideration of House Bill 712. Thank you.



MONTANA FEDERATION OF STATE EMPLOYEES

P.O. Box 1246

AFT, AFL-CIO

Helena, Montana 59624

ARTCRAFT, BUTTE

EXHIBIT 32

DATE 2/21/91

HB HB 875

(406) 442-2123

JIM McGARVEY
President



TESTIMONY OF MONTANA FEDERATION OF STATE EMPLOYEES GIVEN BEFORE
HOUSE LABOR COMMITTEE IN SUPPORT OF HB 875, FEB. 21, 1991

The Montana Federation of State Employees strongly supports HB 875. The bill would require the Governor to appoint a representative of each labor organization representing *1000 or more* employees to the State Employee Group Benefits Advisory Council.

Current law states that one member of the Council must be a retired state employee. There is no statutory requirement for any labor representation on the Council. We believe it is important to specify that labor representatives will serve on the Council because the Council is a transitory body of varying membership over the years.

While there currently exists one Council appointee with labor organizational ties, we believe that the memberships of different organizations vary in composition and resources, and that should be reflected in Council discourse. State Employees are directly affected by group benefits, and allowing organizations of, for and by state employee membership is essential in carrying out the provision of current law ~~stating~~ *which stat* "The members of the advisory council shall be selected from a diverse group in order to adequately represent the interests of state employees and retirees."

Under the bill, the Montana Federation of State Employees, AFSME and MPEA would be entitled to a representative on the council. The Department of Administration will testify that they will gladly appoint one of our members to the Council. We appreciate their cooperation, but that does not lessen the need for the bill. Administrations, and administration policies, change. Because health care benefits are an important part of the compensation package provided to state employees, we urge you to pass HB 875.

Thank you for your consideration.

Amendments to House Bill No. 865
First Reading Copy

For the House Committee on Labor and Employment Relations

Prepared by Eddye McClure
February 22, 1991

1. Title, line 11.

Following: "SERVICES;"

Insert: "TO PROVIDE FOR PLACEMENT OF PERSONS WHO ARE ON WAITING
LISTS FOR COMMUNITY-BASED CARE;"

2. Page 3, line 23.

Following: line 22

Insert: "NEW SECTION. **Section 5. Placement of persons on
waiting lists for community-based care.** The department of
social and rehabilitation services may place eligible
persons whose names appear on waiting lists for community-
based care in state-operated, community-based services for
the developmentally disabled."

Renumber: subsequent sections

3. Page 5, line 3.

Following: line 2

Insert: "NEW SECTION. **Section 9. Appropriation.** (1) The
department of social and rehabilitation services shall
provide the lesser of 50% of the funding appropriated for
the expansion of community-based services for the
developmentally disabled or \$2 million for the development
of state-operated, community-based services for the
developmentally disabled for fiscal year 1992-93.

(2) The department of social and rehabilitation
services shall fund, through the medicaid program, the operation
of state-operated, community-based services for the
developmentally disabled."

Amendments to House Bill No. 712
First Reading Copy

For the House Committee on Labor and Employment Relations

Prepared by Eddye McClure
February 21, 1991

1. Title, line 4.
Following: "THAT"
Insert: ", WITH THE EXCEPTION OF FOOTWEAR,"
2. Title, line 6.
Following: "PROTECTIVE"
Insert: "SAFETY"
3. Page 1, line 20.
Following: "(2)"
Insert: "with the exception of footwear,"
4. Page 1, line 22.
Page 2, lines 11 and 15
Following: "protective"
Insert: "safety"
5. Page 1, line 24.
Following: "employer,"
Strike: "or"
Insert: "and"

**HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER**

LABOR & EMPLOYMENT RELATIONS

COMMITTEE

BILL NO. HJR 38

DATE 2/21/91

SPONSOR(S) Rep. Carolyn Squires

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Dan Edwards	OCBW	X	
George Hagerman	AFSCME	✓	
Don Juchel	MT STATE AFL-CIO	X	
Dewey Hall	HELENA	✓	
Tim			
Mark Langdorf	AFSCME	✓	
Tim Rehdon	Helena Big Sky Central Labor Council	✓	
Don Schmidt	MAPEA	✓	
Em Fenn	MT St Bly trade	X	

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HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

1063

LABOR & EMPLOYMENT RELATIONS

COMMITTEE

BILL NO. HB 865

DATE 2/21/91 SPONSOR(S) Rep. Jerry Driscoll

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Cristobalukaty	DD Lobbyist		✓
Jerry Nisbet	Rep. House Dist 35		✓
1109 18th Ave SW Gt. Falls Shirley Kammer	Parent		✓
2607 Copper Bluff. Billings Helen Peterson	Parent		✓
DAN EDWARDS	ACAW	X	
Sarge Hagerman	AFSCME	✓	
Judy Hoffman	AFSCME	✓	
CHARLIE TROTT	Region II Child Family Sr. ^{Gt. Falls}		✓
Jack Chambers	Opportunity Industries ^{msla}		✓
Wally Mehn	Helena Industries		✓
Jan Bean	Comprehensive Development Center		✓
Roy Craft	Opportunity Ind.		✓
Kathleen Kelker	Parent - Billings		✓
DEWEY HALL	HELENA	✓	

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HOUSE OF REPRESENTATIVES
VISITOR REGISTER

2063

LABOR & EMPLOY

COMMITTEE

BILL NO. HB 865

DATE 2-21-91 SPONSOR(S)

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Shirley Keeley	Galen	✓	
Julie Dahlman	AFT	✓	
Miba Weist	Galen	✓	
Quanita Weist	Galen	✓	
Eleanor Johnson	Galen	✓	
Lunice Connolly	Galen	✓	
Johnna Tracy	Galen	✓	
Bobbie A. Jol	AFSCME	✓	
Erin Fenn	Mr St. Bz Lake	✓	
Jan Feltz	RSC/HAMPTON		✓
R. S. Swalm	Farm in Bell		✓
Kris THORNE 865	Westmont TOWNSEND Group Home		✓
MIE Dahn 865	Westmont		X
Sarah Allen 865	Westmont		X

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HOUSE OF REPRESENTATIVES
VISITOR REGISTER

LABOR & EMPLOY

COMMITTEE

BILL NO. AB 865

DATE 2-21-91 SPONSOR(S)

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Don Judy	MT ST AFL-CIO	X	
Jim PLASKA	WEST MONT HABITATION		X
MARK LANKOWSKI	AFSCME	X	
Joy Reardon	Hickory Big Sky Central Labor Council	X	
Ann DUSSAULT	MDS		X
Sandi Marisdatter	Family Outreach		X
Ann Morgan	Westmont Habitation		X
Othelia Schulz	Parent		X
Tunice Frisch	SRs / DDB		X
Robert O. Schulz	Parent		X
John BARRAGATO	Self		X
Bob Heiser	UFCW	X	
CURT CHISHOLM	PLI		X

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**HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER**

LABOR & EMPLOYMENT RELATIONS

COMMITTEE

BILL NO. HB 804

DATE 2/21/91

SPONSOR(S) Rep. Wm. "Red" Menahan

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Don Edwards POB 1244	OCAW	X	
1. Beth O'Halloran Hlma 54124	MFSE	X	
Dewey Hall		X	
Don Judge	MT. ST. AFL-CIO	X	
Jay Reiterman	Helen Big Sky Central Labor Council	X	
MARK LANGDORF	AFSCME	X	
Eng. Fenske	MT St Bly bodies	X	
Bob Heiser	UFCW	X	
Rep. Menahan		X	
John Malone	M.F.T.	X	
Tom Schneider	MPFA	X	
Terry Minow	MFSE	X	

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HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

LABOR & EMPLOYMENT RELATIONS

COMMITTEE

BILL NO. HB 339

DATE 2/21/91

SPONSOR(S) Bob Thoft

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Sam A. Lynch	SELF		X
Paddy Denny	Butte Carpenters Union		X
Crane Kuchter	Helena Carpenter Union		X
Duane S. Sore	Helena carpenter		X
Bill Leake	HELENA CARPENTERS		X
Sam Reimer	HELENA CARPENTER UNION		X
Mark Lorenz	HELENA CARPENTER LOCAL 153		X
ELDON O'NEIL	HELENA CARP. LOCAL 153		X
Sam Sorensen	Helena Carpenter		X
Gregg Miller	F. Helena Carpenter's Local #153		X
Don Halverson 1026 So. 5th St West MSLA	Plumbers & Pipefitters 459 Western Mt. Building Trades		X
James W. Martin Helena MT	GOLD RUSH ELEC INC		X
Elmer Bennett Helena MT	Carpenter #153		X
Robert J. Morrison Helena MT	Helena Carpenter #153		X

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HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

LABOR & EMPLOYMENT RELATIONS

COMMITTEE

BILL NO. HB 339

DATE 2/21/91

SPONSOR(S) Rep. Bob Thoft

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Don Edwards	OCBAW		X
LARS ERICSON	MT ST CARPENTERS		X
John Malee	M.F.T.-M.S.E		X
Don Judge	MT. STATE AFL-CIO		X
Tom Rommel	A&E Division	X	
Dewey Hall	Bricklayers		X
Mark Langdorf	AFSCME		X
Ken Dunham	MT Contractors' Assoc		X
Jay Reardon	Helena Big Sky Central Labor Council		X
Gay Fekken	MT St Bly Trade		X
Maureen Lerner			X
CHET CHISHOLM	D/F	X	
John Fekkan	MT-BUILDING TRADES		X
Johnny Monahan	IRONWORKERS 841		X

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**HOUSE OF REPRESENTATIVES
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Labo Employment COMMITTEE BILL NO. 339
DATE 2/2/91 SPONSOR(S) Tha

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Steven W. Wempsey	carpenters 153		X
Herb B. Baker	carpenter 153		X
Jim McHowan	Ironworkers 153		X
Raymond Donald	IBEW LD #623		X
Walter Jones	Lab. 1334		X
Al Rosanti	MT Elect JATC		X
Barbara McFarlan	conc citizen		X
Michael Mizenko	Plumber 201/130		X
NEC TREE	IBEW		X
Frank Lehmann	IBEW #44		X
Robert K. Murphy	IBEW #185		X
G. BRUCE MORRIS	CARPENTERS UNION		X
Larry Smith	Loc 1 #286		X
Kelly W Peterson	Loc. 185		X

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4 of 5

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

LABOR & EMPLOY. COMMITTEE BILL NO. 339
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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
William, P. Endres	Carpenter Local #28		X
BEN SEILMAN	BOILERMAKER 1912526		X
Jim HEWITT	BOILERMAKER 1557126		X
Alvin Solum	IBEW #768		X
MICHAEL MEEHAN	IBEW #768		X
Larry Krouse	#185 I.B.E.W.		X
William S. Timm	768 IBEW		X
PAUL MAZURE	LOCAL 768 IBEW		X

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Labour & Employment

COMMITTEE

BILL NO.

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
KEN DE VINE 1982457	Boiler Makers Local 11		X
DAVID RACHOR	IBEW 768		X
DICK JUVIK	IBEW 185		X
Russell McCormick	IBEW 768		X
Rusty Com	IBEW 286		X
Dan Badodine	CAPA LOCAL 153		X

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HOUSE OF REPRESENTATIVES
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LABOR & EMPLOYMENT RELATIONS COMMITTEE BILL NO. HB 961

DATE 2/21/91 SPONSOR(S) Rep. Roger Debruycker

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Beth O'Halloran POB 1246 Hlwa 551624	INFSE		✓
Don Edwards	OCBAW		X
George Hagerman	AFSCME		✓
Judy Hoffman	AFSCME		✓
CAES ERICSON	MT ST CARPENTERS		X
Keith L. Colbo	Galen Task Force		✓
Julie Lake	AFT		✓
Dewey Hall	UBL		✓
Don Judge	MT. ST. AFL-CIO		X
JAY REARDON	Helmut Big Sky (Inter) Librarian		X
Sup. Fend	MT ST Bldg. Trades		X
Bob Heiser	ILFCU		X
Dahn Malone	M.F.T.		
CUTZT CHISHOLM	D/I	X	

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HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

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LABOR & EMPLOYMENT RELATIONS

COMMITTEE

BILL NO.

HB 961

DATE 2/21/91

SPONSOR(S) Rep. Roger Debruycker

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Eleanor Johnson	Galen		✓
Eunice Connolly	Galen		✓
Jodynn Tracy	Galen		✓
Beth A. J. A.	AFSCME		✓✓
Quentin Weiss	AFSCME		✓
Mike Weist	Galen		✓
Vickie Dahler	AFT		✓
Shirley Kelly	Galen		✓
John Shontz	mental Health Assn of Ind		x
Mike McGrath	MT CNTY ATTYS ASSOC		x

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**HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER**

LABOR & EMPLOYMENT RELATIONS COMMITTEE BILL NO. HB 812

DATE 2/21/91 SPONSOR(S) Rep. David Wanzenried

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Ben Hovden	Motor Carriers Assn	X	
Don Edwards	OCAW	X	
John King	State Fund	X	
Chuck Hunter	Dept. of Labor & Ind.	X	
Don Judge	MT ST AFL-CIO	X	
Dewey Hall	Bricklayers	X	
Longwood	Int Self Insur Assoc	X	
Ernie Fenn	Int Mt St Bldg Trade	X	
Bob Heiser	UFCW	X	
John Malee	M. F. T.	X	
Leon Stalcup	Mont Restaurant Assoc	X	
Marqueline N. Arrell	Am. Ins. Assoc.	X	
John R. Olson	MT. Logging Assn	X	
Bob Hullen	Dept Labor & Industry	X	

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**HOUSE OF REPRESENTATIVES
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LABOR & EMPLOYMENT RELATIONS

COMMITTEE

BILL NO. HB 712

DATE 2/21/91

SPONSOR(S) Rep. Carolyn Squires

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
JAMES L. SCHMAUCH JR Box 358 COLUMBIA Falls MT 59912	ALUMINUM WORKERS TRADES COUNCIL	X	J.S.
TERRY L. Smith 700 Rt. View Ln Kal. 59901	Local 300 A.B.C.W.	✓	
Don Edwards	AFLW	X	
Serge Hagerman	AFSCME	✓	
Don Edwards	MT 300 A.B.C.W.	X	
Don Judge	MT, ST, AFL-CIO	✓	
Dewey Hall	Bricklayers	X	
MARK LANKDORF	AFSCME	X	
Don Allen	MT Wood Products Assoc.		X
Jay Rendon	Hepworth Big Sky Central Labor Council	X	
Eug. Fench	MT St Bg Lbr		
Bob Heiser	UFCW	X	
Tom Schneider	MPBA	X	
Don Edwards	MT 300 A.B.C.W.	X	

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LARS ERICSON

MT ST CARPENTERS

X

**HOUSE OF REPRESENTATIVES
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LABOR & EMPLOYMENT RELATIONS

COMMITTEE

BILL NO. HB 875

DATE 2/21/91

SPONSOR(S) Rep. Tim Whalen

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Bern O'Halloran ^{POB 1246} Hing 591024	MFSE	✓	
DAN EDWARDS	ACTU	X	
George Gagerman	AFSCME	✓	
Don Judge	MT STATE AFL-CIO	X	
DEWEY HALL	BRICKLAYERS	X	
MAXX LANGDORF	AFSCME	X	
Tom Schneider	MPBA	X	
Engel Fend	MT Bly train	X	
Bob Heiser	UFCW	X	
Terry Minors	MFSE	✓	

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**HOUSE OF REPRESENTATIVES
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LABOR & EMPLOYMENT RELATIONS

COMMITTEE

BILL NO. HB 729

DATE 2/21/91 SPONSOR(S) Rep. Angela Russell

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
DAN EDWARDS	OCBAW	X	
LARS ERICSON	MT ST CARPENTERS	X	
Dan Jucke	MT ST ALL-CIO	X	
Al Zales	MT CHAMBER		X
Dewey Hall	Bricklayers	X	
MARIC LANGDORF	AFSCME	X	
JAY REARDON	Helmitt Big Sky Center / Labor Council	X	
Angela Russell	HD 99	X	
Erny Ferrer	MT Labor Union	X	
Tootie Welker	MAPP	X	
Scotts AFB	Scotts AFB		X
Bob Heiser	UFCW	X	
Laurie Shaton	Bozeman Chamber		X

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**HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER**

LABOR & EMPLOYMENT RELATIONS COMMITTEE BILL NO. HB 882
DATE 2/21/91 SPONSOR(S) Rep. Angela Russell

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
JIM BAKER ^{3163 B Uigulente} Helena, MT 59601	SELF	X	
DAN EDWARDS	OCHW	X	
LARS ERICSON	MT ST. CARPENTERS	X	
DEWEY HALL	Bricklayers	X	
Angela Russell	HB 99	X	
Angela Russell	HB 99	X	
GARY FOSTER		X	
Robby Little		X	
Eugene	MT St Bldg Truss	X	
Tooth Welker	MAPP	X	
Thorne	Thorne		X

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