

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION

COMMITTEE ON LABOR & EMPLOYMENT RELATIONS

Call to Order: By CHAIR CAROLYN SQUIRES on March 22, 1991, at 3:00 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: Eddy McClure, Legislative Council
Jennifer Thompson, Committee Secretary

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

HEARING ON HB 995

Presentation and Opening Statement by Sponsor:

REP. HAL HARPER, House District 44, Helena, said that he, Rep. Driscoll, and Rep. Glazier originally introduced a bill in the last special session to solve the unfunded liability problem in regard to Workers' Compensation. Part of the idea was adopted. The Fund was separated into two funds post July 1, 1990. The old fund, which is the unfunded liability, would borrow from the new fund. Bonding was the best, easiest, and cheapest way to solve the problem. HB 995 will authorize the Board of Investments to issue bonds to pay off the unfunded liability. The Legislature is "freeing up" an artificially low interest rate, by which the new fund is being subsidized for the money it loans to the old

fund. About \$117 million is being saved in payroll taxes over the course of retiring the debt. HB 995 will shorten the duration of the payroll tax to 25.5 years instead of 28 years and will save businesses an estimated \$116.9 million in payroll taxes. It will increase interest earnings of the State Workers' Compensation Mutual Fund by over \$79 million because of the interest differential, which is legislatively mandated at a rate of 7.5 percent of the old fund. This money can be invested at the market rate, which would be 9-9.5 percent. This bill will not increase the .28 percent payroll tax. The bonding in HB 995 will allow for the availability of up-front money to settle claims in a lump-sum fashion. Rep. Thomas's bill takes a different approach, and it is up to the Committee to decide what approach to use. The unfunded liability will be retired in the shortest period of time and at the least expense to Montana businesses. Workers' Compensation will certify how much money it will need in a given period of time. If the governor's budget director agrees, the request is sent to the Board of Investments. The Board of Investments would then decide what is the cheapest and most efficient way to finance that claim. If it was a small amount, maybe the money could be borrowed or loaned from a short-term investment pool. If it is a larger amount, bonds would probably be used. He presented amendments. **EXHIBIT 1.** The first amendment on Page 9, Section 6, Line 3, says that if the state obtains money from any other source, for example, if another form of tax revenue was passed, the .28 percent could be reduced. The second amendment on Page 9, Section 6, Line 7, says the Legislature may not increase the tax rate except upon a two-thirds vote of each house. It is not a constitutional amendment. It is just law. It inserts the very strong opinion that the raising of the rate is not a matter to be taken lightly. "I will give you my pledge right now that I would not intend to do that ever without a two-thirds vote and without very strong reasons."

Proponents' Testimony:

Scott Seacat, Legislative Auditor, presented and explained a report with spreadsheets. **EXHIBIT 2.** The key numbers are on the first page. The payroll tax under the current loan program would be approximately \$760 million. Under the bonding program the payroll tax would be \$643 million. Currently, the payroll tax duration under the loan program is 28 years. Under the bonding program, the duration would be about 25.5 years. One of the last benefits that was calculated in the legislation is summarized in the paragraph after the chart. Because the new Workers' Compensation business is loaning money to the old business at a specified rate of 7.5 percent by law, interest earnings are being lost in the new business, which is an additional cost to Montana businesses because future rate increases won't have the highest possible interest earnings available. On the last page of the spreadsheet there would be an additional \$79 million worth of earnings available assuming the Board of Investments would earn 9 percent on the new business

reserves. The first spreadsheet is the loan program; it is current law. The key items are on the lower right hand corner, there will be a significant amount of loans needed from the new business (the new reserves) to the old fund at 7.5 percent from now until 1997. The assumptions are the same on this sheet and the next page in terms of the payroll inflation rate of 5 percent and the payroll tax of .28 percent. Under the loan program and the bonding program, the payroll tax stays the same. The second spread sheet (third page) is the bonding proposal under the bill. The cost to capital on the right side of the sheet goes down to 6.75 percent. The old business will borrow money by selling bonds at a rate of approximately 6.75 percent; it may be even lower now, rather than the current rate of 7.5 percent. The others are the same. The beginning cash balance is the same. The differences would be under the bonding program once the Board of Investments sells bonds. The fund would first pay off the old loans at 7.5 percent. The rest of the money would be used to pay the past liability.

James Tutwiler, Montana Chamber of Commerce, said it is to the advantage of the State Fund and the employers paying the payroll tax to endorse this bill. There is a concern about the lump sums. If handled properly and fairly, the lump sums may offer the possibility of further shortening the time required for the payroll taxes and shortening the amount of money that might have to be borrowed. He urged the Committee to consider the provision in HB 997 concerning lump sums as an integral part of HB 995.

Dan Walker, Montana Self Insurers' Association, stated his support of HB 995 as amended on behalf of George Wood. It is a reasonable solution to funding the unfunded liability.

Don Judge, Executive Secretary, AFL-CIO, said HB 995 seems to provide a relatively low-cost method of paying off the unfunded liability.

Charles Brooks, Executive Vice President, Montana Retail Association, said the Montana Retail Association opposed this legislation previously because it had an unknown amount concerning the bonds and no ceiling on the payroll tax. HB 995 gives an amount in regard to the bonds, and there is the opportunity to at least have a two-thirds vote before the payroll tax is increased.

Dave Lewis, State Board of Investments, said the Board worked on this legislation in the Special Session and worked on some of the amendments. The Board was offered the opportunity to buy 10.24 percent equipment certificates from Delta Airlines that would have been a perfect investment for the new Fund. Because the money is currently being used to loan to the old Fund, only 7.5 percent is being earned. That amount of money is being lost for the new Fund. The schedule that Mr. Seacat presented is a conservative estimate. Mr. Seacat indicated that \$80 million would be lost based on the assumption that there is a spread

between the 9 percent earnings on the new reserves and the 7.5 percent that is now being earned. "We can make a lot more money for the new Fund if this bill passes, and we can use the cheaper money to pay the old claims."

Opponents' Testimony: None

Questions From Committee Members:

REP. JOHNSON asked Mr. Seacat if the current loan rate of 7.5 percent between the old and new Fund is a legislative ceiling. Mr. Seacat said yes. REP. JOHNSON asked if the Legislature could change it. Mr. Seacat said yes. REP. JOHNSON asked if it could be raised to 9 percent without bonding. Mr. Seacat said yes. REP. JOHNSON asked Mr. Seacat what is the total amount of the bonds that will be sold. Mr. Seacat said in the bill the Board of Investments would sell approximately \$220 million worth of bonds. REP. JOHNSON asked if that was the basis on which the chart was made. Mr. Seacat said technically the basis on the chart is on the second spreadsheet; the total bond proceeds are \$236 million. REP. JOHNSON asked what the difference was between the \$236 million and the \$220 million. "Are you going to sell \$220 million worth of bonds or \$236 million?" Mr. Seacat said the difference is the way the bill was drafted. John McMaster drafted the bill and included the \$220 million, which was a carry-over from the bill in the Special Session. It was then determined to leave it at \$220 million because that much authority wasn't needed at the present time. "Our analysis is, in fact, \$236 million." REP. JOHNSON asked if the new Fund incurs an additional liability, how would this be affected. Mr. Seacat said it would have no impact on the new business. REP. JOHNSON asked what the current situation the new fund is in since the Special Session. Mr. Seacat said it was determined that after the first quarter of revenues since the implementation of this act, premium income is coming in on target. About \$108 million worth of premium income would be needed, and it is about \$27-28 million.

REP. BENEDICT said Sen. Thayer was concerned about the flexibility of being able to get out of the bonding program if circumstances change. He asked Mr. Lewis to give some background on the program. Mr. Lewis said the original proposal in the Special Session was that an absolute pledge of the payroll tax dollars was needed in order to sell the bonds. The language in the bill has been developed with bond counsel that would allow the Legislature to substitute other revenues. The amendment by Rep. Harper addresses that as well. REP. BENEDICT asked if the bonds could be retired prematurely, for example, if the tax policy changed and there was another source of revenue. Mr. Lewis said if a lump sum was available, the bonds could be paid off. It would probably allow for the removal of the payroll tax -- he would have to look at the language to make sure. On Page 8, Line 25, it states that the payroll tax is needed to pay the bonds off except that the Legislature may forgive payment of the tax or

reduce the tax rate for any 12-month period if the Workers' Compensation bond repayment account contains enough money in it. The amendment on Page 9, Section 6, Line 3, inserts "regardless of the source" after the word "amount." It further clarifies that other funds can be substituted for the payroll tax to pay the bonds off.

REP. FAGG asked Mr. Seacat why the total projected liability decreased from \$99 million in 1991 to \$54 million in 1992. Mr. Seacat said from the actuary's work, the majority of the Workers' Compensation payments are received within about the first three or four years, which is the majority of the state's liability. Medical payments, for example, will be received within the first year or two. This data was generated by the actuary projecting the future payment of liability as a result of claims on the books as of the date of the separation. REP. FAGG asked if the bill isn't passed, will the payments of \$99 million in 1991 be made. Mr. Seacat said yes. The numbers are exactly the same on the spreadsheets; it is just a matter of financing. In the loan situation, those payments would be financed with borrowing money from the reserves of the new business. In this situation, those payments would be made with bond proceeds and pay off the bond proceeds with the payroll tax. REP. FAGG said, "you were talking about \$220 million in the bill, and you were talking about \$236 million to Rep. Johnson." On the second spreadsheet, which is the bond proposal, it says bond proceeds for 1992 are \$256 million. How does that relate? Mr. Seacat said the spreadsheet includes a \$20 million reserve account. He is working off a slightly different version; his spreadsheet included just bond issuance costs and the bond proceeds. REP. FAGG said above the bond proposal on the right hand side, it says the payroll tax will be .28 percent. He thought the payroll tax would be eliminated if the bond proposal route was used. Mr. Seacat said that is not correct. In both cases, the payroll tax would remain at .28 percent. REP. FAGG asked if it would be .28 for the next 25.5 years. Mr. Seacat said yes.

REP. JOHNSON asked Mr. Seacat what the cost of issuance on approximately \$256 million worth of bonds would be. Mr. Seacat said 2 percent. REP. JOHNSON asked how the issuance of \$256 million worth of bonds would affect the balance sheet of the State of Montana. Mr. Seacat said from an audit perspective, he doesn't have an official opinion. They are revenue bonds. There is a dedicated revenue source. He has received no concern from the affected parties in that regard. REP. JOHNSON asked if he was including Mr. Jones, who is the new fiscal person in the state. Mr. Seacat said he had not discussed the issue specifically with Mr. Jones. He referred the question to Karen Munro, Department of Administration. She said she had asked Malcolm Jones about HB 995. He said it depended on how the bonds were structured -- what dollar amount would be used and if it would be the \$200 million at once or a portion at a time. He said it would be like a limited obligation type of revenue bond, which would have a "half notch" lower credit rating than a regular G.O.

(general obligation) bond issuance. The rating agencies would look positively on Montana trying to deal with the unfunded liability and didn't have any negative comments on what the rating agencies would do for the state debt. **REP. JOHNSON** asked if this issue were \$50 million, what would Mr. Jone's opinion be. **Ms. Munro** said the answer would be the same. Since it has a dedicated revenue source pledged to it with the payroll tax, there isn't any concern by the rating agency.

REP. JOHNSON asked **Mr. Lewis** if \$256 million worth of bonds were issued at one time, how would that affect the credit rating of the State of Montana since it does become part of the balance sheet. **Mr. Lewis** said, "it would be a wash." There is a \$250 million unfunded liability that has to be disclosed in the financial statements of the State Fund. The liability would be substituted for \$250 million worth of bonds payable. The financial statement would not be affected dramatically. After the bonds are issued, the cash will offset the unfunded liability. Then there would be the debt to the bond holders. One debt has been substituted for another -- the debt to the unpaid claimants for the debt to the bond holders.

Closing by Sponsor:

REP. HARPER said this bill can save the businesses of Montana \$200 million. If the Committee sees favorably to accept **Rep. Thomas's** approach, he and **Rep. Thomas** will carry the bill.

HEARING ON HB 997

Presentation and Opening Statement by Sponsor:

REP. FRED THOMAS, House District 62, Stevensville, said in the last Special Session, the old fund and the new fund were separated. The new fund is going forward with its premiums and paying its bills. It has reserves because it has no old liabilities. The old fund has those liabilities and is borrowing money from the new fund to pay for those at 7.5 percent. HB 995 is a good bill. There is less money paid on the bonds because of the interest rate, and more money is earned on the new reserves because the market will pay more than 7.5 percent. HB 997 adds to HB 995 in the following way: 1. It provides a window of opportunity for lump sums on Page 12, Section 8. 2. There is \$50 million worth of bonding in the bill. When many claims are paid in lump sums, cash is needed to pay for them. If the \$50 million could be turned into \$100 million worth of reserves, that would possibly get Montana out of the hole. He presented lump-sum data from the State Compensation Mutual Insurance Fund. **EXHIBIT 3**. It concerns the window of opportunity that was passed in the last Special Session on Workers' Compensation. The claims settled under the window of opportunity had reserves of \$20 million (column No. 1). The "Expected Ultimate" payment on those claims by the actuary was \$32.5 million (column No. 3). If the "Expected Ultimate" payments were discounted, the present value

is \$24.6 million (column No. 4). The "Discounted Ultimate" is the present value of the "Expected Ultimate." Column No. 5 shows that \$11.6 million was paid out in settlements, which were agreed lump-sum settlements. If the "Settlement" revenue paid out is subtracted from the "Discounted Ultimate" payments, \$13 million is saved on the reserves, which is present value. The window of opportunity was a success. Lump-sum settlements are legal under state law; the problem in the past has been the demand for cash. The cash flow has been low. The idea is to retry the window of opportunity. There is \$50 million worth of bonding in the bill. This window of opportunity creates a new deadline of September 30, 1992, which is three months before the next session and gives time to review and analyze the progress. The deadline is artificial. It provides an incentive. He presented an amendment to insert the window of opportunity into HB 995. **EXHIBIT 4**

Proponents' Testimony: None

Opponents' Testimony: None

Questions From Committee Members:

REP. BENEDICT asked REP. THOMAS how much money was paid out and how much money was saved in the last window of opportunity. REP. THOMAS referred to the Settlement Savings document (Exhibit 3). REP. BENEDICT asked where the \$20 million came from. REP. THOMAS said it came from the current premium dollars that were active in the cash flow of the State Fund. When more money is settled in lump sums, there is less cash flow. The State Fund doesn't have reserves like a regular insurance company, which has a big reserve and can make lump-sum settlements easily. The advantage is that there is \$50 million worth of bonds in the bill; cash is needed to make lump-sum settlements.

REP. WHALEN asked REP. THOMAS what was the incentive of the window of opportunity. REP. THOMAS said the incentive is to aggressively settle on a lump-sum basis. REP. WHALEN asked what incentive does an employer and employee have. REP. THOMAS said, "our incentive is to try and reduce the overall debt." Even with Speaker Harper's proposal, there may be more potential to settle old claims more rapidly with the fuller bonding capacity. The incentive for the worker is to settle his claim. REP. WHALEN asked how does HB 997 interact with HB 995. REP. THOMAS said he wouldn't pass both bills. He suggested inserting his amendment (Exhibit 4) into HB 995. Essentially the rest of the language of the two bills is identical except for the limit of bonding authority. The limit of HB 997 is \$50 million. The limit of HB 995 is to address the full unfunded liability.

REP. JOHNSON asked Pat Sweeney, State Fund, to comment on the new fund and its future. Mr. Sweeney said the only assurances he could give is that the new Fund will be operated in an actuarially-sound basis. Rates recommended by the actuaries will be adopted.

Closing by Sponsor:

REP. THOMAS closed the hearing on HB 997.

HEARING ON HB 1005Presentation and Opening Statement by Sponsor:

REP. MARY ELLEN CONNELLY, House District 8, Kalispell, said HB 1005 authorizes the renovation projects of up to \$25,000 by the residents of the facilities of the Department of Institutions -- namely the prison. It also authorizes certain construction and renovation projects in excess of \$25,000. It limits the projects to inmate labor that would be approved by this Legislature. It would exempt projects using inmate labor from the laws relating to public bidding, bonding, Workers' Compensation, and wage laws. The amendments on the bottom of Page 2 and the top of Page 3 limit the projects to facilities or areas used for the custody, treatment, training, or rehabilitation of adult criminal offenders. This would be done only on the prison property itself. All the projects that were proposed in the Long Range Planning Committee would have cost \$600 million if everything was done that was needed across the state. There is a very limited amount of money. One of the projects that needs to be done immediately is the roof at the Board of Pardons and the warehouses. The cost with inmate labor is \$30,000 and without inmate labor it would cost \$66,915. The other project was to seal the prison building, expand the industry's facilities, and expand the prison. It would cost \$20,238,245 with inmate labor, and it would cost \$21,908,710 without inmate labor. The difference is \$1,670,465. The interest adds another 1.4 million because it would have to be done with bonds at a rate of 7 percent. The total cost would be \$3,428,641. That money will come from the taxpayers. The construction on the prison is only about 2 percent actual labor cost. The rest is for material, etc. It was discussed in the Committee that millions of dollars worth of jobs are provided to the construction industry across the state. HB 1005 is asking for the authorization to use inmate labor on this particular project at a savings of about \$4 million to the taxpayers. If this is not done, a project would have to be cut out of the Capitol Projects Budget. It would have to be added to bonding, and that would increase the bonding that has been authorized up to \$66 million.

Proponents' Testimony:

Tom O'Connell, Administrator, Architecture and Engineering Division, said this biennium there is over \$300 million worth of needs and nowhere near that money to pay for it. Using inmate labor is one way to build and take care of facilities. There is \$111 million that is being recommended to the Legislature. Less than 2 percent of the total recommended program would be using inmate labor. \$1 million would be spent on building materials and supplies. The other \$1 million would include supervisor's

wages and wages for inmates. The construction industry is not being jeopardized.

Curt Chisholm, Department of Institutions, said substantive law was needed to authorize the Department to use inmate labor only in those instances that are authorized by the legislature within certain restrictions. HB 1005 is amending the enabling acts of institutional industries endeavors to allow this Legislature and future sessions to authorize, subject to legislative approval, certain specific projects that may be appropriate for the use of inmate labor. It is a very small percentage of the total money being spent on projects throughout Montana. If the building projects are approved that are in the Long Range Building bills, there will be millions of dollars worth of construction projects available for the construction industry. The majority of Montana citizens would expect the inmates to do some projects. Even if they are minimal, they do help offset the cost of the expensive building projects to accommodate the increasing number of inmates being sent to prison. The intent is not to take anything away from organized labor. It would reduce costs and give the inmates positive training. Inmate labor would not be used for highway projects or to re-roof the Capitol. It is only the projects at Montana State Prison.

Bob Marks, Director, Department of Administration, said the savings would allow for other construction projects. The bill is narrowly drawn. The public opinion poll, taken by Eastern Montana College, indicated strong support of inmate labor on a limited basis.

Opponents' Testimony:

Gene Fenderson, Montana State Building and Construction Trades Council, said, "when the prison issue first came up this legislative session, we offered to sit down with this administration through the Department of Administration or the Department of Institutions to negotiate with them what the building tradesmen of Montana would accept on an agreement on the use of prison labor and the construction of the prison." That offer, to this day, has been turned down. "One day we thought we would meet with the Department of Institutions to negotiate on how prisoners could be used, how journeymen could be used, and how training programs could be set up." It ended up being a Long Range Building hearing. It's hard to say to the unemployed worker in the union hall or at the unemployment office that the work was given to inmate labor. Convict labor has been wrong for 2,000 years and is wrong today.

Ken Dunham, Montana Contractor's Association, said the state budget problems can't be solved by taking work away from the people who pay taxes in Montana. There are concerns that the best possible work will not be done by using inmate labor even under the best of supervision. There is no real incentive for quality work. There is concern about insurance and bonding.

Ultimately it will cost the people of Montana more to correct the problems that are created by using inmate labor than it would have to contract the job correctly in the first place.

Don Judge, Executive Secretary, AFL-CIO, presented written testimony. EXHIBIT 5

Terry Minow, Montana Federation of Teachers and Montana Federation of State Employees, said HB 1005 is bad public policy.

John Caldwell, Operating Engineers, Local 400, stated his opposition.

Bob Heiser, United Food and Commercial Workers' Union, said his organization has 3,000 members in Montana. When the construction workers are working, the money is being spent in the retail places that his organization represents.

George Hagerman, Director, Montana Council 9, American Federation of State, County, and Municipal Employees (AFSCME), stated his opposition.

John Allen, owner, Allen Electric, said Allen Electric was the electrical contractor of the phase 3 renovation at the Montana State Prison. The electrical contract was for \$1.2 million, and he would like the chance to contract work at the prison again. Mr. O'Connell said that most of the materials were purchased in the State of Montana: the majority of the electrical material purchased for that project was purchased from wholesale firms totally controlled by out-of-state businesses.

Questions From Committee Members:

REP. DRISCOLL asked Mr. O'Connell if there was \$111 million worth of construction in HB 5. Mr. O'Connell said yes. REP. DRISCOLL asked what the estimated date was to start the \$1.6 million worth of construction using inmate labor. Mr. O'Connell said the portion of the work that will be done using prisoners would not be started until the design was completed for the prison in general. It would probably be next spring or summer. REP. DRISCOLL asked if the date would be about May, 1992. Mr. O'Connell said yes. REP. DRISCOLL said the bill contains \$20 million worth of work for contractors at the prison. Mr. O'Connell said that is correct. REP. DRISCOLL asked what the estimated start of construction on that job was. Mr. O'Connell said work done by the prisoners would not start at a different date than the work that would be contracted to the private sector. The design professional would have to provide plans and specifications for the entire project. REP. DRISCOLL asked if both jobs would start about in May, 1992. Mr. O'Connell said on an optimistic schedule, that could be correct. REP. DRISCOLL asked how much money would be paid to the architects and engineers. Mr. O'Connell said typically, the consultant contracts average about 8 percent of a project, whether they are

mechanical, electrical, structural, etc. REP. DRISCOLL asked if it would be \$9 million. Mr. O'Connell said \$8-9 million.

REP. DRISCOLL asked REP. CONNELLY how much money is in the Long Range Building for bond payments this biennium. REP. CONNELLY said she didn't have that figure. REP. DRISCOLL said if \$111 million worth of bonds were sold for these projects contained in HB 5, about \$6 million per year would be needed to pay them back. REP. CONNELLY said a great deal of that is part of the cash program. In that particular bill, there is \$50,785,000 in bonds. REP. DRISCOLL asked where the other \$61 million came from. REP. CONNELLY said \$8 million is from the Capitol Projects program. The prison expansion is \$20 million in bonds, MSU Engineering Physical Science building is \$22 million, UM Business building is \$50 million, etc.

REP. THOMAS asked REP. CONNELLY if this bill were to pass, prison projects would be authorized by the Long Range Building Committee. REP. CONNELLY said no; they are already authorized. The subcommittee has approved them, but they haven't been voted on in the full committee. REP. THOMAS asked if this bill were to pass, would the savings be placed toward other projects or will it be left in the Long Range Building Fund. REP. CONNELLY said there would be \$1.9 million available for other projects. By not having to use bonds to pay that amount, there would be a savings on the interest of the bonds. REP. THOMAS said with the savings, the Committee would authorize other projects. REP. CONNELLY said yes.

REP. THOMAS said he appreciated and understood the point of view of Mr. Fenderson's previous testimony, but Mr. Marks said that the savings would be put toward other projects. He asked Mr. Fenderson where is the loss of jobs. Mr. Fenderson said that section of the law is protection for society. The cattle and milk are sold elsewhere. In regard to the manufacturing of furniture, the furniture dealers supported organized labor for years and opposed inmates doing that type of work. Then the Department and the furniture dealers determined how they would be protected so the inmates could make the furniture. Citizens can buy it through a local furniture dealer, so he can receive his share. It is protectionism. That section of the law protects everybody except the worker because he is an individual. If there is going to be prison labor, then the cattle should be sold to the local markets, the milk to the local dairies, and let the citizens of Montana buy oak desks at very low costs. The workers should receive the protection too. REP. THOMAS asked, "Is there some middle ground that we could reach on this issue?" Mr. Fenderson said he hoped there still is. "When this whole issue came up, I went to the leadership of the Building Trades Council and said this will be a controversial issue before the session. We have to show cooperation and some compromise. They didn't like that very much and told me that I was a sell-out. They finally agreed and came up here. Then the thing fell apart, and everyone said 'I told you so, Fenderson.'" If there is an offer,

he hopes that an agreement can be made. If HB 1005 is passed with the current language, inmate labor could be used on all \$20 million worth of projects. It doesn't say only \$1.6 million; it says for places that incarcerate prisoners.

REP. BECK said the Job Corps is successful in Anaconda. He asked Mr. Fenderson when he made an offer to reach an agreement, was the idea to have something similar to the Job Corp where there is meaningful training by competent people. Mr. Fenderson said that is the idea that he had in mind. True apprenticeship programs in the skilled building trades are only learned through classroom instruction with the knowledge of a great deal of math and working with the journeymen to get the experience. Those two components are essential. The Building Trades Council was trying to reach a compromise. A pre-apprenticeship training program could be provided to the prisoners that may be getting out of prison soon. Then they could possibly get a job in the construction industry. Nowhere in the legislation does either Department mention anything about training.

Closing by Sponsor:

REP. CONNELLY said the title limits the bill to projects that are approved by the Legislature. The inmates can't do other jobs without being approved. Page 4, Subsection 5, says the construction job terminates July 1, 1991. The authority is only for these projects. Because of the savings, other jobs would be available to be contracted by the private sector. Extra security would be provided when there are contractors going into the prison. The bonding companies said inmate labor would not affect the sale of the bonds because the security would have to be provided. The contractor would have qualified people as supervisors and they would oversee the construction. It would be a training program as well as a savings to the taxpayers. The \$4.8 million that is saved by using inmate labor could fund other projects.

EXECUTIVE ACTION ON HB 669

Discussion:

REP. VICKI COCCHIARELLA, House District 59, Missoula, said HB 669 addresses the commitment that Montana needs to make to Galen. There was a great fear in her district that the people being served in Galen will not be able to afford the services themselves nor will the state be able to pay for those people if Galen doesn't exist. Services are not available for the people that would end up in Missoula. A constituent had told her that this was tried in another state. Those people eventually ended up on the streets. She attended a hospital association meeting in Missoula at St. Patrick's Hospital where Providence Center is located. At Providence Center people receive care for substance abuse, recuperation, and some of the same conditions that are treated at Galen. At the meeting she found out that the people

who go to Galen will most likely not be accepted by Providence Center because of their strict requirements. The state would only be able to pay about one-third of the cost of that program. It is not a good idea to close Galen for the sake of the citizens receiving treatment, the citizens living in the communities, and for the businesses that take care of people in the private sector. This topic has been addressed several times. Due to other legislation, she made the following motion:

Motion/Vote: REP. COCCHIARELLA MOVED HB 669 BE TABLED. Motion carried 13 to 5. EXHIBIT 6

EXECUTIVE ACTION ON HB 995

Motion: REP. THOMAS MOVED HB 995 DO PASS.

Motion: REP. WHALEN moved Rep. Harper's first amendment (Exhibit 1).

Discussion:

REP. WHALEN said if some other funding source becomes available, the first amendment inserts language to allow that money to be used to pay off the bonds. He opposes the second amendment. The second amendment inserts two-thirds vote of each house of the Legislature. It is a useless action because this Legislature cannot bind future legislatures on the number of votes needed to pass a piece of legislation. Because it is not a constitutional matter, it is a waste of time and is confusing in the statute.

Vote: REP. HARPER'S FIRST AMENDMENT. Motion carried unanimously.

Motion: REP. WHALEN moved Rep. Thomas's amendment (Exhibit 4).

REP. WHALEN said the amendment requested by Rep. Thomas would negate the necessity for HB 997 and would insert the one-year window of opportunity on the lump sums. It would also put the Legislature in a position where it could evaluate the progress three months prior to the next session.

Vote: REP. THOMAS'S AMENDMENT. Motion carried unanimously.

Motion: REP. KILPATRICK moved Rep. Harper's second amendment.

Discussion:

REP. DRISCOLL said that Rep. Whalen was correct. This Legislature cannot bind what a future legislature does. It would take two bills. The first bill would repeal this section. The second bill would be to increase the tax. The amendment may make people feel more comfortable. It would appear on the surface that a two-thirds vote would be needed to raise the tax. The employers are afraid that the Legislature will raise the tax. If

there was financial trouble in the future and the .28 percent was not enough to pay off the bonds, the Legislature would have to raise the two-thirds vote or introduce two bills. If it means the passage this bill, the amendment should be inserted. REP. WHALEN said it won't provide comfort to the business community. This bill shouldn't have a problem passing because everyone recognizes the severity of the problem.

Vote: REP. HARPER'S SECOND AMENDMENT. Motion fails 7 to 11 with Reps. Kilpatrick, Wanzenried, Johnson, Fagg, Hanson, Driscoll, and Squires voting aye.

Motion: REP. WHALEN MADE A SUBSTITUTE MOTION THAT HB 995 DO PASS AS AMENDED. EXHIBIT 7. Motion carried 14 to 4 with Reps. Fagg, Hanson, Johnson, and Wanzenried voting no.

EXECUTIVE ACTION ON HB 997

Motion/Vote: REP. THOMAS MOVED TABLE HB 997 BE TABLED. Motion carried 16 to 2 with Reps. Driscoll and Wanzenried voting no.

EXECUTIVE ACTION ON HB 803

Motion/Vote: REP. SOUTHWORTH MOVED HB 803 DO PASS. Motion carried 11 to 7 with Reps. Benedict, Fagg, Hanson, Hoffman, Johnson, Lee, and Thomas voting no.

EXECUTIVE ACTION ON SB 349

Motion: REP. THOMAS MOVED SB 349 BE CONCURRED IN.

Discussion:

REP. WHALEN said there are some amendments, but there is no way to correct this bill. Insurance defense lawyers are limited to \$90 per hour; they get paid for every hour of time they spend on the case. Claimants' lawyers are limited to \$90 per hour but only paid if they win, which means they will not take any cases except "sure bets." The injured worker that has a "bloody stump" will get a lawyer because his case will be a "sure bet," and the injured worker that has soft tissue injury will not be able to get a lawyer because that case is harder to prove. Those people will be cut out of the system.

Motion/Vote: REP. WHALEN MADE A SUBSTITUTE MOTION TO TABLE SB 349. Motion failed 9 to 9. EXHIBIT 8

Motion: REP. FAGG moved to amend SB 349.

Discussion:

REP. FAGG said the amendment would increase the \$90 per-hour fee on a yearly basis pursuant to the consumer price index.

Vote: REP. FAGG'S AMENDMENT. Motion failed 7 to 11 with Reps. Benedict, Fagg, Hanson, Johnson, Lee, Pavlovich, and Thomas voting aye.

Motion: REP. DRISCOLL moved to amend SB 349. EXHIBIT 9

Discussion:

REP. DRISCOLL said the intent of the amendment is to use contingency fees for plaintiff attorneys. If they didn't have to go to court and could settle the case with a claims examiner, the fee would be 15 percent. If they had to go to court, the fee would be 25 percent.

Ms. McClure said the second amendment uses most of the rules that the Department of Labor follows. An additional sentence needs to be added to the amendment to say if the case goes to the Workers' Compensation Court or the Supreme Court, the fee would be limited to 25 percent. If attorneys' fees are going to be limited, it must be in statute.

REP. DRISCOLL asked Ms. McClure if an attorney could legally ask for a 40 percent fee under the present law. Ms. McClure said the rules have been declared invalid so they can't be followed.

REP. FAGG referred Rep. Driscoll's question to John Whiston, Attorney. Mr. Whiston said the practice is that plaintiff attorneys submit their retainer agreement on a form provided by the Employment Relations Division from the Department of Labor and Industry, which currently calls for contingency fees of 20 percent on settlements and 25 percent if the case goes to court whether it is the Workers' Compensation or Supreme Court. Ms. McClure said the 1988 opinion from the District Court, dealing with the rules of the Department of Labor, said that it was needed in statute. Mr. Whiston said there was a subsequent reworking of the rules by the Department of Labor to address the problems of the District Court ruling.

REP. WHALEN said it was his understanding that the attorney fee is applied to the amount of the settlement that was recovered by the lawyer on behalf of the injured claimant. Mr. Whiston said he was correct. Under the statute and under the rules promulgated by the Department of Labor and the Code of Professional Conduct, an attorney can't charge a contingency fee on moneys that he didn't obtain through his efforts. His fees are charged at 20 percent of what he obtained for that person -- plus expenses.

REP. BENEDICT asked Ms. McClure if the bill is passed as amended, the Department would then write their rules based on the statute. Ms. McClure said yes. They would need to write rules that fit with the statute. REP. BENEDICT said the Court was asking to get this into statute and out of rules. Ms. McClure said yes.

REP. DRISCOLL said his previous question wasn't answered. Are the fees of 20 percent and 25 percent properly adopted. Mike Sherwood, Montana Trial Lawyers, said he hadn't read the case since 1989. The concerns that were addressed in that case were the propriety of the rule making adopted by Mr. Robinson, who was the head of the appropriate division. All of those concerns were addressed by the Department in drafting the rules now. They haven't been challenged and are valid. In 1988 there was a challenge because there wasn't any propriety. They didn't have public hearings; they just adopted this policy. That is why it was challenged. The new rules are valid because the rulemaking was done in an appropriate fashion.

REP. BENEDICT asked if the bill was passed, then it supersedes the Department's rules. Mr. Sherwood said when the Legislature passes a statute that is inconsistent with a rule then the statute effectively overrules the rule.

REP. FAGG said he opposed the amendment because it takes away the purpose of SB 349. Before 1985 if a claimant got a \$50,000 lump sum, which is an average lump sum according to Mr. Whiston, the attorney's fee would be 25 or 30 percent depending on what stage it is in the proceeding. The fee would come on top of the \$50,000. The insurance company would pay \$50,000 to the worker and then would pay another \$10,000 to the attorney. After 1985, the laws were tightened. Now the fee is deducted from the claimants award, unless the insurance company unreasonably withholds the payment. So the claimant would get the \$50,000 minus the \$10,000 fee. This bill in the long run will help workers. The worker is going to get the full amount of his lump sum, which right now he doesn't. The worker will not have a harder time finding an attorney because there are still many attorneys that would be willing to take a case for \$90 per hour. Mr. Whiston said in over 80 percent of his cases, he will get a settlement from the insurance company. There is the risk that 20 percent of the cases will be lost and the lawyer will recover nothing. Some attorneys are willing to take that risk. This bill will help the system keep costs down and will help the worker retain more of his compensation.

CHAIR SQUIRES opposed the amendments and Rep. Fagg's statement. If she was injured, she would have to borrow the money. Some people do not make as much money as other people. What happens to the people who are unemployed for six to eight weeks before they can get into the system? No one should be deprived of services. She is fearful that trustworthy lawyers will disappear, and people will be left with "fly-by-night" attorneys who will rape and pillage the worker.

REP. WHALEN said he appreciated Chair Squire's comments. Rep. Fagg's comments were inaccurate. Maybe it is true that in Mr. Whiston's practice, 20 percent of his claimants end up with nothing. It doesn't address the situation where an attorney may spend 100 hours trying to obtain \$5,000 additional for a

attorney be entitled to under the rules that are adopted -- 20 percent of \$40,000 or 20 percent of \$36,000. Mr. Alke said he didn't know because he doesn't do claimants work or Workers' Compensation. REP. DRISCOLL referred the question to Mr. Whiston. Mr. Whiston said the basic principle under the Code of Ethics is that the contingency fee has to be assessed at the present value of the settlement. If a case is settled that will pay \$10,000 per year for the next ten years, the present value is \$70,000. The fee is based on the \$70,000, not on the \$100,000. Prior to 1987, settlements of this order for permanent-partial disability were not officially discounted to present value. When there are successive attorneys, the Rules of Professional Conduct say that when an attorney is discharged, he is entitled to the reasonable value of his labor. There are many ways of calculating what is the reasonable value of his labor. The classic way is on an hourly basis. It can be done on a contingency basis, like the example of the 20 percent of the \$36,000. The maximum, in any event, that a claimant would have to pay would be 20 percent of the ultimate discounted value under the Professional Code of Responsibility.

REP. THOMAS referred to the previous statement that 80 percent of the cases are won. He asked Mr. Alke why aren't those cases handled on an hourly basis because they are "cut and dried" cases, for example, the case where the injured worker has a "bloody stump" versus the person who has a back injury. Mr. Alke said to correct the problem would be to require a disclosure that the client was told that the lawyer will take the case on an hourly basis or on a contingent-fee basis. If a client said he wanted to pay an attorney \$90 per hour to take the case and if the attorney suggests he will only take the case on a contingent fee basis, it is not appropriate. The person should report that attorney to the Commission on Practice and get another attorney. REP. THOMAS said the problem in his friend's case was that all the subsequent lawyers said the same thing.

Motion: REP. DRISCOLL withdrew his amendment.

REP. DRISCOLL said that until someone changes his mind, the Committee might as well quit discussing this bill.

Motion: REP. THOMAS WITHDREW HIS MOTION THAT SB 349 DO PASS.

CHAIR SQUIRES ANNOUNCED THAT NO FURTHER ACTION WOULD BE TAKEN ON SB 349 AT THIS TIME.

EXECUTIVE ACTION ON HB 824

Motion: REP. WHALEN MOVED HB 824 DO PASS.

REP. WHALEN said HB 995 amends the same sections of statute that his amendments address. They are in conflict, so his amendments need to be in a new code section. EXHIBIT 10. HB 824 increases the employer's tax by one-tenth of one percent and places the

HOUSE LABOR & EMPLOYMENT RELATIONS COMMITTEE

March 22, 1991

Page 19 of 19

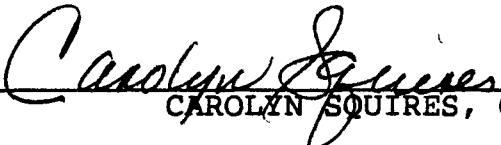
funds into the Uninsured Employers' Fund. It was clear that the concept wasn't going to pass this Committee, so he worked on the amendments. They impose the one-tenth of one percent employers' payroll tax only upon Plan 1 and Plan 2 employers. The money is given to the State Fund to be distributed evenly so there would be a subsidy available to the Plan 3 insureds. By removing the self insureds and those that are able to buy in the private market, marginal employers, who could easily go out of business as a result of an inordinate increase in Workers' Compensation, and high-risk employers are left in the State Fund. The money would be used to subsidize those employers that need it the most.

REP. PAVLOVICH asked REP. WHALEN what the amendments do. REP. WHALEN said the payroll tax is placed upon self insured and private employers that buy insurance in the private market. That money is given to the State Fund and distributes it evenly over all classes so that their rates will be subsidized and go down.

Motion/Vote: REP. THOMAS MOVED TO TABLE HB 824. Motion carried 16 to 2 with Reps. Whalen and O'Keefe voting no.

ADJOURNMENT

Adjournment: 6:20 p.m.


CAROLYN SQUIRES, Chair


JENNIFER THOMPSON, Secretary

CS/jt

HOUSE OF REPRESENTATIVES

LABOR AND EMPLOYMENT RELATIONS COMMITTEE

ROLL CALL

DATE 3/22/91

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	✓		

TABLED BILL

LABOR & EMPLOYMENT RELATIONS
Name of Committee

3/22, 1991
Date

The following bill HB 669
was TABLED, by motion, on 3/22, 1991.

Jennifer Thompson
For the Committee

B. J. Haver
For the Chief Clerk

CS-04
1991

8:30 am
Time
3-23-91
Date

HOUSE STANDING COMMITTEE REPORT

March 23, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Labor report that House Bill 995 (first reading copy -- white) do pass as amended.

Signed: Carolyn Squires, Chairman

And, that such amendments read:

1. Title, line 8.

Following: "DEBT;"

Insert: "ALLOWING MUTUALLY AGREEABLE LUMP-SUM SETTLEMENTS;"

2. Page 5.

Following: line 2

Insert: "NEW SECTION. Section 3. Mutually agreeable lump-sum settlements. During the period beginning October 1, 1991, and ending September 30, 1992, a workers' compensation claimant and the state fund may, regardless of the lump-sum law in effect on the date of the injury, mutually agree to a lump-sum settlement of a claim. If a mutual agreement is not reached, the lump-sum law in effect on the date of the injury applies."

Renumber: subsequent sections

3. Page 9, line 3.

Following: "amount"

Insert: ", regardless of the source,"

4. Page 12, line 24.

Page 13, line 2.

Following: "1"

Strike: "and 2"

Insert: "through 3"

TABLED BILL

LABOR & EMPLOYMENT RELATIONS
Name of Committee

3/23/, 1991
Date

The following bill HB 997

was TABLED, by motion, on 3/22, 1991.

Jennifer Thompson
For the Committee

BO Zeren
For the Chief Clerk

8:30 am
Time

CS-04
1991

3 23-91
Date

8:30

3-23-91

JDR

HOUSE STANDING COMMITTEE REPORT

March 23, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Labor report that House
Bill 803 (first reading copy -- white) do pass .

Signed: Carolyn Squires
Carolyn Squires, Chairman

TABLED BILL

~~LABOR & EMPLOYMENT RELATIONS~~
Name of Committee

Date 3/23/, 1991

The following bill HB 824

was TABLED, by motion, on 3/22, 1991.

Jennifer Thompson
For the Committee

B. J. Lavin
For the Chief Clerk

1:30 am
Time

3.23.91
Date

CS-04
1991

EXHIBIT 1
DATE 3/22/91
HB 995

H.B. 995 is amended as follows:

On page 9, Section 6 line 3, insert after the word "amount" the following: ",
regardless of the source,"

On page 9, Section 6, line 7, insert after the word "bonds." the following : "The
legislature may not increase the tax rate except upon a two-thirds vote of each house
thereof."

TO: SCOTT SEACAT, LEGISLATIVE AUDITOR

FROM: JOHN FINE, AUDIT SENIOR

RE: STATE COMPENSATION MUTUAL INSURANCE FUND
SAVINGS ASSOCIATED WITH FUNDING PRE JULY 1, 1990
CLAIMS WITH 6.75% TAX FREE BONDS VS. FUNDING WITH
7.5% LOANS FROM THE NEW FUND

DATE: JANUARY 29, 1991 91L-34

The attached spreadsheets show the costs associated with financing the pre- July 1, 1990 claims liability of the State Fund.

- 1) Attachment 1 calculates the costs of financing the claims liability with 7.5% loans from the assets of the new State Fund established by House Bill 2.
- 2) Attachment 2 calculates the costs of financing the claims liability with 6.75% tax exempt bonds. The scenario assumes the bonds will be sold at the end of fiscal year 1991-92. The loans from the New Fund will be repaid at the time the bonds are sold. We do not include the repayment in the calculated debt service cost so as not to count this item twice.

In both attachments, we assumed a payroll tax of .28% and a growth in covered payroll of 5% per year. The table below compares certain cost categories between the two scenarios.

	ATTACHMENT 1 LOAN FINANCED	ATTACHMENT 2 BOND FINANCED
Projected debt service	\$554,256,785	\$693,821,960
Less refinanced loans		80,106,160
	-----	-----
Net debt service cost	\$554,256,785	\$613,715,800
Payroll Tax	\$760,246,277	\$643,320,539
Payroll Tax Duration	28 years	25.5 years

Attachment 3 shows \$79,255,157 in increased interest earnings for the State Compensation Mutual Insurance Fund if the State Fund finances the Pre-July 1, 1990 claims liability with bonds rather than with loans. The increase results from investing the New Fund assets at a 9% market rate of return rather than at the 7.5% rate set for loans by law.

Debt service reserves and issuance costs may necessitate bond sales beyond the amount needed to cash flow the project of 10% and 2% respectively. Amounts required for reserves and costs can be provided from sources other than bond proceeds as set by issuer. Attachment 2 covers issuance costs and debt service reserves in the amount of bonds sold.

PAYROLL TAX (ANNUAL) \$13,283,000
COVERED PAYROLL \$4,427,666,667

91L-04
11:17 AM
01/25/91

HEUDLE OF PROJECTED LIABILITY PAYMENTS AND CASH NEEDS

SCAL YEAR	TOTAL PROJECTED LIABILITY PAYMENTS	PROJECTED ADMIN EXPENSES	PROJECTED DEBT SERVICE EXPENSES	TOTAL PROJECTED LIABILITY + EXPENSES	PAYROLL TAX INCOME	PROJECTED END OF YEAR CASH	PROJECTED INTEREST EARNINGS
1991	\$99,077,000	\$4,000,000	\$0	\$103,077,000	\$13,017,340	\$440,340	\$33,026
1992	\$54,473,000	\$3,500,000	\$0	\$57,973,000	\$13,668,207	\$535,556	\$40,167
1993	\$46,246,000	\$2,713,000	\$0	\$48,959,000	\$14,351,617	\$968,340	\$72,626
1994	\$35,396,000	\$2,054,000	\$0	\$37,450,000	\$15,069,198	\$660,164	\$49,512
1995	\$26,129,000	\$1,587,000	\$0	\$27,716,000	\$15,822,658	\$816,334	\$61,225
1996	\$22,554,000	\$1,396,000	\$0	\$23,950,000	\$16,613,791	\$541,350	\$40,601
1997	\$17,317,000	\$1,123,000	\$0	\$18,440,000	\$17,444,481	\$586,432	\$43,982
1998	\$14,180,000	\$957,000	\$3,000,000	\$18,137,000	\$18,316,705	\$810,119	\$60,759
1999	\$11,305,000	\$837,000	\$7,000,000	\$19,142,000	\$19,232,540	\$961,418	\$72,106
2000	\$10,322,000	\$802,000	\$9,000,000	\$20,124,000	\$20,194,167	\$1,103,691	\$82,777
2001	\$8,755,000	\$711,000	\$12,000,000	\$21,466,000	\$21,203,875	\$924,343	\$69,326
2002	\$8,020,000	\$673,000	\$13,000,000	\$21,693,000	\$22,264,069	\$1,564,738	\$117,355
2003	\$7,616,000	\$652,000	\$16,000,000	\$24,268,000	\$23,377,272	\$791,366	\$59,352
2004	\$6,906,000	\$600,000	\$17,000,000	\$24,506,000	\$24,546,136	\$890,854	\$66,814
2005	\$6,094,000	\$529,000	\$19,000,000	\$25,623,000	\$25,773,443	\$1,108,111	\$83,108
2006	\$5,142,000	\$446,000	\$21,000,000	\$26,588,000	\$27,062,115	\$1,665,334	\$124,900
2007	\$4,131,000	\$358,000	\$24,000,000	\$28,489,000	\$28,415,221	\$1,716,455	\$128,734
2008	\$3,103,000	\$268,000	\$27,000,000	\$30,371,000	\$29,835,982	\$1,310,171	\$98,263
2009	\$2,044,000	\$176,000	\$29,000,000	\$31,220,000	\$31,327,781	\$1,516,214	\$113,716
2010	\$1,026,000	\$87,000	\$32,000,000	\$33,113,000	\$32,894,170	\$1,411,100	\$105,833
2011	\$52,000	\$2,000	\$34,000,000	\$34,054,000	\$34,538,878	\$2,001,811	\$150,136
2012	\$48,000	\$2,000	\$36,000,000	\$36,050,000	\$36,265,822	\$2,367,769	\$177,583
2013	\$44,000	\$2,000	\$38,000,000	\$38,046,000	\$38,079,113	\$2,578,465	\$193,385
2014	\$42,000	\$2,000	\$40,000,000	\$40,044,000	\$39,983,069	\$2,710,919	\$203,319
2015	\$0	\$0	\$42,000,000	\$42,000,000	\$41,982,223	\$2,896,461	\$217,235
2016	\$0	\$0	\$44,000,000	\$44,000,000	\$44,081,334	\$3,195,029	\$239,627
2017	\$0	\$0	\$47,000,000	\$47,000,000	\$46,285,400	\$2,720,056	\$204,004
2018	\$0	\$0	\$44,256,785	\$44,256,785	\$48,599,670	\$7,266,946	\$545,021
2019	\$0	\$0	\$0	\$0			
2020	\$0	\$0	\$0	\$0			
2021	\$0	\$0	\$0	\$0			
	\$390,022,000		\$554,256,785		\$760,246,277		\$3,454,491

THIS SPREADSHEET PREPARED WITH
THE FOLLOWING ASSUMPTIONS:

COST OF CAPITAL--> 7.5000%
PAYROLL INFLATION RATE--> 5.0000%
PAYROLL TAX OF--> 0.2800%
BEGINNING CASH BALANCE--> \$58,500,000

BOND PROCEEDS-->1991 \$0
BOND PROCEEDS-->1994 \$0
BOND PROCEEDS-->1997 \$0

TOTAL BOND PROCEEDS \$0
=====

THIS SPREADSHEET CALCULATED THE
FOLLOWING FINANCIAL RELATED DATA:
DEBT SERVICE EXPENSE \$554,256,785
YEAR PAYROLL TAX ENDS 2018
NET INTEREST EXPENSE \$400,856,785

AMOUNT BORROWED \$153,400,000

AMOUNT OWED AT TIME
OF FIRST PAYMENT \$216,340,567

OFFICE OF THE LEGISLATIVE AUDITOR

SCHEDULE OF PROJECTED LIABILITY PAYMENTS AND CASH NEEDS

ATTACHMENT 2- PRE JULY 1, 1990 CLAIMS FINANCED WITH 6.75% TAX EXEMPT BONDS

91L-34RH
08:30 AM
01/31/91

COVERED PAYROLL \$4,427,666,667
6.75% BONDS-NEW FUND PAYBACK IN 1992
PAYROLL TAX SUNSETS SECOND QUARTER FY 201

SCAL YEAR	TOTAL PROJECTED LIABILITY PAYMENTS	PROJECTED ADMIN EXPENSES	PROJECTED DEBT SERVICE EXPENSES	TOTAL PROJECTED LIABILITY + EXPENSES	PAYROLL TAX INCOME	PROJECTED END OF YEAR CASH	PROJECTED INTEREST EARNINGS	PAYROLL INFLATOR OF 5% USED AS REQUESTED BY LEGISLATORS	THIS SPREADSHEET PREPARED WITH THE FOLLOWING ASSUMPTIONS:
1991	\$99,077,000	\$4,000,000	\$0	\$103,077,000	\$13,017,340	\$440,340	\$29,723		
1992	\$54,473,000	\$3,500,000	\$80,106,160	\$138,079,160	\$13,668,207	\$188,203,405	\$12,084,018		
1993	\$46,246,000	\$2,713,000	\$21,876,075	\$70,835,075	\$14,351,617	\$142,284,849	\$10,564,902		
1994	\$35,396,000	\$2,054,000	\$17,286,075	\$54,736,075	\$15,069,198	\$110,660,339	\$8,042,368		COST OF CAPITAL--> 6.7500%
1995	\$26,129,000	\$1,587,000	\$17,286,075	\$45,002,075	\$15,822,658	\$87,799,110	\$6,318,188		PAYROLL INFLATION RATE--> 5.0000%
1996	\$22,554,000	\$1,396,000	\$17,286,075	\$41,236,075	\$16,613,791	\$68,141,413	\$4,964,586		PAYROLL TAX OF--> 0.2800%
1997	\$17,317,000	\$1,123,000	\$17,286,075	\$35,726,075	\$17,444,481	\$53,739,183	\$3,879,365		BEGINNING CASH BALANCE--> \$58,500,000
1998	\$14,180,000	\$957,000	\$17,286,075	\$32,423,075	\$18,316,705	\$42,704,157	\$3,071,345		
1999	\$11,305,000	\$837,000	\$17,286,075	\$29,428,075	\$19,232,540	\$34,984,483	\$2,475,860		BOND PROCEEDS-->1992 \$256,090,000
2000	\$10,322,000	\$802,000	\$17,286,075	\$28,410,075	\$20,194,167	\$28,802,940	\$2,034,366		
2001	\$8,755,000	\$711,000	\$17,286,075	\$26,752,075	\$21,203,875	\$24,971,517	\$1,716,777		BOND PROCEEDS COVER 2% ISSUANCE COSTS
2002	\$8,020,000	\$673,000	\$17,286,075	\$25,979,075	\$22,264,069	\$22,784,116	\$1,527,605		
2003	\$7,616,000	\$652,000	\$17,286,075	\$25,554,075	\$23,377,272	\$22,044,060	\$1,436,747		BOND PROCEEDS COVER RESERVE
2004	\$6,906,000	\$600,000	\$18,286,075	\$25,792,075	\$24,546,136	\$22,219,136	\$1,421,015		FOR DEBT SERVICE OF \$20,000,000
2005	\$6,094,000	\$529,000	\$20,218,575	\$26,841,575	\$25,773,443	\$22,590,679	\$1,439,674		
2006	\$5,142,000	\$446,000	\$23,016,075	\$28,604,075	\$27,062,115	\$22,496,993	\$1,448,275		THIS SPREADSHEET CALCULATED THE
2007	\$4,131,000	\$358,000	\$25,611,075	\$30,100,075	\$28,415,221	\$22,248,784	\$1,436,645		FOLLOWING FINANCIAL RELATED DATA:
2008	\$3,103,000	\$268,000	\$28,003,575	\$31,374,575	\$29,835,982	\$22,135,218	\$1,425,027		DEBT SERVICE EXPENSE \$693,821,960
2009	\$2,044,000	\$176,000	\$30,193,575	\$32,413,575	\$31,327,781	\$22,482,594	\$1,433,170		YEAR PAYROLL TAX ENDS 2016
2010	\$1,026,000	\$87,000	\$33,181,075	\$34,294,075	\$32,894,170	\$22,528,643	\$1,445,954		NET INTEREST EXPENSE \$361,438,912
2011	\$52,000	\$2,000	\$35,898,575	\$35,952,575	\$34,538,878	\$22,563,149	\$1,448,203		
2012	\$48,000	\$2,000	\$37,346,075	\$37,396,075	\$36,265,822	\$22,893,119	\$1,460,222		LOANS FROM NEW FUND OTHER FUNDS
2013	\$44,000	\$2,000	\$39,591,075	\$39,637,075	\$38,079,113	\$22,802,937	\$1,467,780		FY 1990-91 \$32,000,000 \$0
2014	\$42,000	\$2,000	\$41,566,075	\$41,610,075	\$39,983,069	\$22,634,891	\$1,458,961		FY 1991-92 \$44,000,000
2015	\$0	\$0	\$43,271,075	\$43,271,075	\$41,982,223	\$22,805,373	\$1,459,334		FY 1992-93
2016	\$0	\$0	\$42,796,075	\$42,796,075	\$22,040,667	\$2,852,904	\$802,940		FY 1993-94
2017	\$0	\$0	\$0	\$0					FY 1994-95
2018	\$0	\$0	\$0	\$0					FY 1995-96
2019	\$0	\$0	\$0	\$0					FY 1996-97
2020	\$0	\$0	\$0	\$0					FY 1997-98
2021	\$0	\$0	\$0	\$0					FY 1998-99
									FY 1999-2000
	\$390,022,000		\$693,821,960		\$643,320,539		\$76,293,048		FY 2000-01

EXHIBIT 2
DATE 3/22/91
HB 995

OFFICE OF THE LEGISLATIVE AUDITOR

OPORTUNITY COST TO NEW FUND OF LOANS TO OLD FUND AT 7.5%
 WHEN THE MARKET RATE OF INTEREST IS 9%

91L-04,34
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ICAL YEAR	NEW FUND LOAN INTEREST AT 7.5% RATE	NEW FUND INVESTMENTS AT 9% RATE OF RETURN	INTEREST EARNINGS INCREASE MARKET VS. LOAN RATE
1991	\$480,000	\$576,000	\$0
1992	\$4,101,000	\$4,921,200	\$0
1993	\$7,386,075	\$8,863,290	\$1,477,215
1994	\$10,077,531	\$12,093,037	\$2,015,506
1995	\$12,108,345	\$14,530,015	\$2,421,669
1996	\$13,728,971	\$16,474,766	\$2,745,794
1997	\$15,058,644	\$18,070,373	\$3,011,729
1998	\$16,225,542	\$19,470,651	\$3,245,108
1999	\$17,217,458	\$20,660,950	\$3,443,492
2000	\$17,983,768	\$21,580,521	\$3,596,754
2001	\$18,657,550	\$22,389,060	\$3,731,510
2002	\$19,156,866	\$22,988,240	\$3,831,373
2003	\$19,618,631	\$23,542,358	\$3,923,726
2004	\$19,890,029	\$23,868,034	\$3,978,006
2005	\$20,106,781	\$24,128,137	\$4,021,356
2006	\$20,189,789	\$24,227,747	\$4,037,958
2007	\$20,129,024	\$24,154,828	\$4,025,805
2008	\$19,838,700	\$23,806,440	\$3,967,740
2009	\$19,301,603	\$23,161,923	\$3,860,321
2010	\$18,574,223	\$22,289,068	\$3,714,845
2011	\$17,567,290	\$21,080,748	\$3,513,458
2012	\$16,334,837	\$19,601,804	\$3,266,967
2013	\$14,859,949	\$17,831,939	\$2,971,990
2014	\$13,124,446	\$15,749,335	\$2,624,889
2015	\$11,108,779	\$13,330,535	\$2,221,756
2016	\$8,791,937	\$10,550,325	\$1,758,387
2017	\$6,151,333	\$7,381,599	\$1,230,267
2018	\$3,087,683	\$3,705,219	\$617,537
2019	(\$0)	(\$0)	(\$0)
2020	(\$0)	(\$0)	(\$0)
2021	(\$0)	(\$0)	(\$0)
	\$400,856,785	\$481,028,142	\$79,255,157

ASSUMPTIONS -NEW FUND LOANS @ 7.5%
 -MARKET INTEREST RATE @ 9%
 -NEW FUND LOANS RETIRED
 WITH BOND PROCEEDS
 AT THE END OF FY 1992

State Compensation Mutual Insurance Fund

Settlement Savings

Year	(1) Reserves	(2) Anticipated Development	(3) Expected Ultimate	(4) Discounted Ultimate(a)	(5) Settlements	(6) Savings
			(1) * (2)			(4) - (5)
1976	83,116	1.000	83,116	68,928	43,877	25,05
1980	438,300	1.000	438,300	363,482	161,102	202,380
1981	703,471	1.005	706,988	565,237	264,386	300,851
1982	1,537,337	1.045	1,606,517	1,247,782	595,344	652,43
1983	1,680,533	1.159	1,947,738	1,490,409	615,171	875,238
1984	2,366,731	1.362	3,223,488	2,448,239	1,199,801	1,248,43
1985	3,473,055	1.515	5,261,678	3,960,463	1,900,055	2,060,41
1986	3,867,539	1.956	7,564,906	5,669,141	2,371,748	3,297,393
1987	4,150,023	1.910	7,926,544	5,967,102	2,782,556	3,184,54
1988	1,193,105	1.842	2,197,699	1,667,395	1,113,815	553,58
1989	300,254	2.778	834,106	633,003	255,342	377,661
1990	269,058	2.802	753,901	563,239	329,489	233,75
Total	20,062,522		32,544,981	24,644,422	11,632,686	13,011,736

11,632,686

(a) Discounted at 7%.

Source: Bob Meyer, consulting actuary to State Fund
Tillinghast a Towers-Perrin company

Amendments to House Bill No. 995
First Reading Copy

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

Prepared by Eddye McClure
March 21, 1991

1. Title, line 8.

Following: "DEBT;"

Insert: "ALLOWING MUTUALLY AGREEABLE LUMP-SUM SETTLEMENTS;"

2. Page 5.

Following: line 2

Insert: "NEW SECTION. Section 3. Mutually agreeable lump-sum settlements. During the period beginning October 1, 1991, and ending September 30, 1992, a workers' compensation claimant and the state fund may, regardless of the lump-sum law in effect on the date of the injury, mutually agree to a lump-sum settlement of a claim. If a mutual agreement is not reached, the lump-sum law in effect on the date of the injury applies."

Renumber: subsequent sections

3. Page 12, line 24.

Page 13, line 2.

Following: "1"

Strike: "and 2"

Insert: "through 3"



EXHIBIT 5
DATE 3/22/91
HB 1005

DONALD R. JUDGE
EXECUTIVE SECRETARY

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

(406) 442-1708

**STATEMENT OF THE DONALD R. JUDGE,
EXECUTIVE SECRETARY OF THE MONTANA STATE AFL-CIO**

**BEFORE THE
HOUSE LABOR AND EMPLOYMENT RELATIONS COMMITTEE
MARCH 22, 1991**

Madam Chair, members of the committee, my name is Don Judge, and I'm here representing the Montana State AFL-CIO, which is absolutely opposed to House Bill 1005 -- or any other legislation that would cause tax-paying workers in this state to lose their jobs or job opportunities because of inmate labor.

It was only 10 months ago to this day that we were up here testifying before a joint House-Senate labor committee against the use of inmate labor. Across the country, as well as here in Montana, trade unionists find themselves more and more frequently having to argue against the use of inmate labor.

Why is that?

Why should we have to stand up here and make what should be an obvious point: that inmates are in prison to be punished, not to take away our jobs.

Inmates are in prison to be punished for their crimes and to be rehabilitated. We support and have participated in efforts to retrain inmates so that they can fit in to society and function in today's workplace upon their release. But when inmate training is used to take contracts away from local businesses and jobs away from local workers, then workers and businesses are the ones being punished, not the prisoners.

The use of inmate labor virtually eliminates the economic benefits of public construction projects, except for material purchases. Whether inmates are going to be substituted for public employees or private sector employees, the bottom line is that virtually no value-added income is going to be generated from the work done by inmates.

As you know, the wages paid to workers roll over in the economy many times, providing economic benefits that ripple out to a wide variety of businesses and individuals not only in the local area, but across the state. That positive economic ripple absolutely won't happen if public building work is done by inmate labor.

Inmate labor is essentially a no-bid, no-competition, no-rules private contract for a public construction project. Inmate labor uses an untrained, unskilled and unreliable workforce to construct and repair public facilities with taxpayer dollars.

Inmate labor avoids the very basic minimum guarantee of competence and responsibility that comes from using bonded contracting companies and skilled craftsmen.

Montana's business, contracting and labor laws are for the benefit and protection of all, including business, labor and government. Montana law is clear and unequivocal on the state's dedication to using solid, professional contractors who pay fair wages and compete among their peers for state work.

Allowing prison inmates to engage in full-scale construction and renovation projects will effectively gut those sections of Montana law, at least on a project-by-project basis. If that's what this Administration wants, if that's what you as Legislators want, then let's have a debate over that issue. Let's not back-door it by simply exempting certain work from those long-standing laws.

We believe the use of inmate labor last year and the request for more inmate labor that this bill carries signals a return to the chain-gang mentality that was so prevalent in some states in years past -- a mentality that has been rejected time and again in our supposedly more "civilized" age.

Montana's Constitution for years prohibited inmate labor in order to protect against just such a situation as this. When the Constitution was rewritten in 1972, that provision was dropped. It was widely believed that Montana had progressed to the point where such restrictions were made moot by the collective societal bias against chain gangs and slave labor.

We don't believe anything has happened to change Montanans' position on the use of chain gangs. We believe they still abhor the idea. They want prisoners punished and even put to work while they're in prison, but they don't want to lose their jobs over it.

The Montana State AFL-CIO, backed up by workers and families all over the state, is flat-out opposed to giving jobs to convicted felons at the expense of law-abiding, tax-paying businesses and workers. We hope you are, too, and will vote against this bad legislation. Please give House Bill 1005 a "do not pass" recommendation.

EXHIBIT 6
DATE 3/22/91
HB 669

HOUSE OF REPRESENTATIVES

LABOR AND EMPLOYMENT RELATIONS COMMITTEE

ROLL CALL VOTE

DATE 3/22/91 BILL NO. 669 NUMBER

MOTION: Tabled

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	13	5

Amendments to House Bill No. 995
First Reading Copy

For the House Committee on Labor and Employment Relations

Prepared by Eddy McClure
March 23, 1991

1. Title, line 8.

Following: "DEBT;"

Insert: "ALLOWING MUTUALLY AGREEABLE LUMP-SUM SETTLEMENTS;"

2. Page 5.

Following: line 2

Insert: "NEW SECTION. **Section 3. Mutually agreeable lump-sum settlements.** During the period beginning October 1, 1991, and ending September 30, 1992, a workers' compensation claimant and the state fund may, regardless of the lump-sum law in effect on the date of the injury, mutually agree to a lump-sum settlement of a claim. If a mutual agreement is not reached, the lump-sum law in effect on the date of the injury applies."

Renumber: subsequent sections

3. Page 9, line 3.

Following: "amount"

Insert: ", regardless of the source,"

4. Page 12, line 24.

Page 13, line 2.

Following: "1"

Strike: "and 2"

Insert: "through 3"

EXHIBIT 8DATE 3/22/91HB SB 349

HOUSE OF REPRESENTATIVES

LABOR AND EMPLOYMENT RELATIONS COMMITTEE

ROLL CALL VOTE

DATE 3/22/91 BILL NO. SB 349 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	9	9

Amendments to Senate Bill No. 349
Third Reading Copy (Blue)

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

Prepared by Eddy McClure
March 22, 1991

1. Page 3, line 3.

Following: "to"

Strike: "the"

Insert: "a"

Following: "party"

Insert: ", other than a claimant,"

2. Page 3, line 4.

Following: "hour."

Insert: "The fee charged to a claimant by his attorney may not exceed 15% of the amount of compensation payments the claimant receives due to the efforts of the attorney on cases settled without a court order or without an order of the workers' compensation judge or the supreme court if a contingent percentage fee arrangement is used. Use of a fee system based on time at an hourly rate, not exceeding \$90 an hour, may be used in lieu of a contingent percentage fee arrangement, but the total fee charged may not exceed 15% of the amount of compensation payments the claimant receives due to the efforts of the attorney."

Amendments to House Bill No. 824
First Reading Copy

Requested by Rep. Whalen
For the House Committee on Labor

Prepared by John MacMaster
March 6, 1991

EXHIBIT 10
DATE 3/22/91
HB 824

1. Title, line 5.

Strike: "BY 0.1"

Insert: "FOR PRIVATELY INSURED AND SELF-INSURED EMPLOYERS FROM
0.28 PERCENT TO 0.38"

2. Title, lines 5 and 6.

Strike: "FUND THE UNINSURED EMPLOYERS'"

Insert: "SUBSIDIZE THE PREMIUMS OF EMPLOYERS INSURED WITH THE
STATE "

3. Title, line 6.

Strike: "39-71-504,"

4. Page 1, line 11 through page 2, line 23.

Strike: section 1 in its entirety

Renumber: subsequent sections

5. Page 3, line 7.

Following: "week"

Insert: , and except that the tax imposed on an employer that
carries workers' compensation insurance through the state fund is
0.28%

Strike: "39-71-504"

Insert: "39-71-2504(2)"

6. Page 3, line 19.

Strike: "Except as provided in 39-71-504, all"

Insert: "All"

7. Page 4, lines 10 and 11.

Strike: "Except as provided in 39-71-504, the"

Insert: "The"

8. Page 6, line 1.

Strike: "Except as provided in 39-71-504, all"

Insert: "All"

9. Page 6, line 14.

Following: "fund"

Insert: ", all of the tax imposed on employers insured with the
state fund and 65% of the tax imposed on all other
employers"

10. Page 6, line 17.

Following: "1990"

Insert: ", and 35% of the tax imposed on employers not insured

with the state fund to be used to give each employer insured
with the state fund the same percentage reduction in the
premiums calculated under 39-71-2311 and 39-71-2316"

11. Page 6, line 20.

Strike: "39-71-504"

Insert: "39-71-2504(2)"

12. Page 7, line 1.

Following: "revenue"

Insert: "dedicated to the payment of those claims"

**HOUSE OF REPRESENTATIVES
VISITOR REGISTER**

LABOR & EMPLOYMENT RELATIONS

COMMITTEE

BILL NO. HB 995

DATE 3/22/91

SPONSOR(S) Rep. Hal Harper

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
IAN WALKER	MT SELF INSURERS ASSN	X	
Jim Twitler	MT Chamber Com	✓	
Dave Jones	Board of Investments	✓	
SCOTT SEARAT	Legislative Auditor		
FENDERSON	MT ST Bldg TRADE	X	
Dor Judge	MT STATE APK-CIO	X	
Bob Heiser	UFCW	X	
Charles R. Brooks	MT Ref. Assoc	X	
John Caldwell	Local 400	X	
DAW EDWARDS	OCPW	X	
Jacqueline N. Orrell	Am. Ins. Assoc.	X	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

**HOUSE OF REPRESENTATIVES
VISITOR REGISTER**

LABOR & EMPLOYMENT RELATIONS

COMMITTEE

BILL NO. HB 997

DATE 3/22/91

SPONSOR(S) Rep. Fred Thomas

PLEASE PRINT

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
DAN WALKER	MT SELF INSUREDS ASSN	X	
JAMES TUTTLE	Ut. Chamber Com	✓	
SCOTT SORACET	Legislative Auditor		
Charles R. Brooks	MT Retail Assoc	✓	
Marguerite N. Berrell	Am. Ins. Assoc.	✓	

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**HOUSE OF REPRESENTATIVES
VISITOR REGISTER**

LABOR & EMPLOYMENT RELATIONS

COMMITTEE

BILL NO.

HB 1005

DATE 3/22/91

SPONSOR(S) Rep. Mary Ellen Connelly

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
FENDERSON	MT ST BLDG TRADES		X
CLIM WHALEY	ARCHITECTURE & ENGINEER	X	
JOHN ALLEN	GOVERNOR OF THE MONTANA CHAPTER NATL ELEC. CONTRACTORS		X
Tom Connelly	XFE Division	X	
Terry Morrow	MFT/MFSE		X
Dore Judge	MT STATE AFL-CIO		X
Bob Heiser	UFCW		X
John Caldwell	Local 400		X
Ken Dunham	MT Contractors Assoc		✓
Dan Edwards	OCBW		X
George Hagerman	AFSCME		X
Bob Marsh	Dept / Administration	X	

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**HOUSE OF REPRESENTATIVES
VISITOR REGISTER**

LABOR & EMPLOYMENT RELATIONS

COMMITTEE

BILL NO. HB 669

DATE 3/22/91 SPONSOR(S) Rep. Vicki Cocchiarella

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
FENDERSON	MT ST BLG TRADES	X	
Bob Heiser	UFCW	X	
John Caldwell	Local 400	X	
Dan Edwards	DLB	X	
Terry Minow	MFT/MFSE	X	
Robbie G. Ford	AFSCME	X	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.