

1 *Hayes* *Hance* BILL NO. *234* *Sprick*
 2 INTRODUCED BY *MUTAR Johnson Gilligan Kelly*
 3 *Conroy, Bingham, Guly McFadden-Murray*
 4 A BILL FOR AN ACT ENTITLED: "AN ACT REGULATING THE FEES OF *Shubert*
 5 PRIVATE EMPLOYMENT AGENCIES; AMENDING SECTION 41-1422, *Bond*
 6 R.C.M. 1947, RELATING TO EMPLOYER INTERVIEW REQUESTS TO *TEASIE*
 7 PRIVATE EMPLOYMENT AGENCIES; AND AMENDING SECTION 41-1425, *Truple*
 8 R.C.M. 1947, RELATING TO BONDS FOR PRIVATE EMPLOYMENT *Dawinger*
 9 AGENCIES." *Zentlin*
 10 *Williams*
 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: *Suebeck*
 12 Section 1. (1) No employment agency shall impose a *menahan*

13 fee in excess of ten (10) percent of the first month's gross
 14 cash wages paid to any person placed for employment which
 15 lasts no longer than ninety (90) days.

16 (2) No employment agency shall impose a fee in excess
 17 of the percentage of the first month's gross cash wages paid
 18 to any person placed for employment which lasts longer than
 19 ninety (90) days as provided for in the following schedule:

Monthly Salary	Cash Wages
Less than \$301-----	-----10
\$301 to \$399.99-----	-----15
\$400 to \$499.99-----	-----20
\$500 or more-----	-----25

1 (3) Where an applicant for employees or employment who
 2 has paid a fee fails to secure or refuses to accept
 3 employees or employment, such fee shall be returned in cash
 4 within seven (7) days after demand. Where, due to no fault
 5 of such applicant or because the employee or employment is
 6 other than as represented by the employment agency,
 7 employment is discontinued within thirty (30) days, then all
 8 fees paid pursuant to subsection (1) and (2) of this section
 9 by such applicant in excess of the applicable maximum for
 10 the period worked shall be returned in cash within seven (7)
 11 days after demand.

12 Section 2. Section 41-1422, R.C.M. 1947, is amended to
 13 read as follows:

14 "41-1422. Bona fide request from employer required
 15 before sending applicant for interview. No employment agency
 16 shall send any applicant on an interview with a prospective
 17 employer without first having obtained, ~~either orally or~~ in
 18 writing, a bona fide request from such employer for the
 19 interview."

20 Section 3. Section 41-1425, R.C.M. 1947, is amended to
 21 read as follows:

22 "41-1425. Bond of licensee--cash deposit. Before
 23 conducting any business as an employment agency each
 24 licensee shall file with the director a surety bond in the
 25 sum of two thousand dollars (\$2,000) running to the state of

1 Montana, for the benefit of any person injured or damaged as
2 a result of any violation by the licensee or his agent of
3 any of the provisions of this act or of any rule or
4 regulation adopted by the director pursuant to section 7
5 ~~{41-1423}-{1}-of-this-act.~~

6 ~~In-lieu-of-the-surety-bond-required-by-this-section-the~~
7 ~~license-applicant-may-file-with-the-director-a-cash-deposit~~
8 ~~or-other-negotiable-security--acceptable-to-the-director,~~
9 ~~provided-however-if-the-license-applicant-has-filed-a-cash~~
10 ~~deposit--the-director-shall-deposit-such-funds-in-a-special~~
11 ~~trust-savings-account-in-a-commercial-bank--mutual-savings~~
12 ~~bank--or-savings-and-loan-association-and-shall-pay-annually~~
13 ~~to-the-depositor-the-interest-derived-from-such-account."~~

-End-

Approved by Committee on Labor & Employment Relations

HOUSE BILL NO. 234

INTRODUCED BY MULAR, JOHNSON, GILLIGAN, KELLY, CONROY, BENGTON, FINLEY, MCFADDEN, DUSSAULT, HARPER, LYNCH, JOHNSTON, BRAND, DRISCOLL, TEAGUE, TROPILA, DASSINGER, QUILICI, WILLIAMS, LUEBECK, MENAHAN, KIMBLE, MCKITTRICK

A BILL FOR AN ACT ENTITLED: "AN ACT REGULATING THE FEES OF PRIVATE EMPLOYMENT AGENCIES; AMENDING SECTION 41-1422, R.C.M. 1947, RELATING TO EMPLOYER INTERVIEW REQUESTS TO PRIVATE EMPLOYMENT AGENCIES; AND AMENDING SECTION 41-1425, R.C.M. 1947, RELATING TO BONDS FOR PRIVATE EMPLOYMENT AGENCIES."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. (1) No employment agency shall impose a fee in excess of ten (10) percent of the first month's gross cash-wages INCOME paid to any person placed for employment which lasts no longer than ninety (90) days- IF EMPLOYMENT IS TERMINATED BY THE EMPLOYER THROUGH NO FAULT OF THE APPLICANT. IF THE APPLICANT RESIGNS AFTER STARTING EMPLOYMENT OR IS DISCHARGED THROUGH HIS OWN FAULT AFTER THIRTY (30) DAYS OF EMPLOYMENT THE APPLICANT SHALL PAY THE FULL FEE PROVIDED THAT AN ADJUSTMENT IS NOT REACHED WITHIN FIFTEEN (15) DAYS FROM THE LAST DAY WORKED. IF THE APPLICANT RESIGNS OR TERMINATES WITHIN THIRTY (30) DAYS, THE

APPLICANT SHALL NOT PAY IN EXCESS OF TEN PERCENT (10%) OF THE TOTAL GROSS INCOME RECEIVED.

(2) No employment agency shall impose a fee in excess of the percentage of the ANNUAL INCOME BASED ON THE first month's gross cash--wages-paid INCOME to any person placed for employment which-lasts-longer-than-ninety-(90)--days as provided for in the following schedule:

<u>Monthly-Salary</u>	<u>Percent-of-First-Full-Month's</u>
<u>-----Cash-Wages-----</u>	
<u>less-than-\$301-----</u>	<u>10</u>
<u>\$301-to-\$399,99-----</u>	<u>15</u>
<u>\$400-to-\$499,99-----</u>	<u>20</u>
<u>\$500-or-more-----</u>	<u>25</u>

SCHEDULE OF PLACEMENT FEES

<u>MONTHLY INCOME</u>	<u>PERCENT OF FIRST FULL MONTH'S</u>
	<u>GROSS INCOME</u>
<u>LESS THAN \$200</u>	<u>30%</u>
<u>\$200 TO \$224</u>	<u>35%</u>
<u>\$225 TO \$299</u>	<u>40%</u>
<u>\$300 TO \$349</u>	<u>50%</u>
<u>\$350 TO \$499</u>	<u>60%</u>
<u>\$500 TO \$649</u>	<u>65%</u>
<u>\$650 TO \$799</u>	<u>70%</u>
<u>\$800 AND UP</u>	<u>75%</u>

COST OF GOING BUSINESS INCREASES ARE TO BE REVIEWED BY

1 THE DEPARTMENT OF LABOR BIANNUALLY AND ANY ADJUSTMENTS IN
2 RATES MAY BE APPROVED BY THE DEPARTMENT ACCORDINGLY.

3 (3) Where an applicant for employees or employment who
4 has paid a fee fails to secure or refuses to accept
5 employees or employment, such fee shall be returned in cash
6 within seven (7) days after demand. Where, due to no fault
7 of such applicant or because the employee or employment is
8 other than as represented by the employment agency,
9 employment is discontinued within thirty (30) days, then all
10 fees paid pursuant to subsection (1) and (2) of this section
11 by such applicant in excess of the applicable maximum for
12 the period worked shall be returned in cash within seven (7)
13 days after demand.

14 Section 2. Section 41-1422, R.C.M. 1947, is amended to
15 read as follows:

16 "41-1422. Bona fide request from employer required
17 before sending applicant for interview. ~~No employment agency
18 shall send any applicant on an interview with a prospective
19 employer without first having obtained, either orally or in
20 writing, a bona fide request from such employer for the
21 interview.~~ PRIOR TO REFERRING AN APPLICANT WITH THE
22 PROSPECTIVE EMPLOYER FOR EMPLOYMENT, THE EMPLOYMENT AGENCY
23 SHALL RECONFIRM THAT THE JOB OPENING DOES STILL EXIST AND
24 DOCUMENTS THIS ON THE JOB ORDER.

25 Section 3. Section 41-1425, R.C.M. 1947, is amended to

1 read as follows:

2 "41-1425. Bond of licensee--cash deposit. Before
3 conducting any business as an employment agency each
4 licensee shall file with the director a surety bond in the
5 sum of two thousand dollars (\$2,000) running to the state of
6 Montana, for the benefit of any person injured or damaged as
7 a result of any violation by the licensee or his agent of
8 any of the provisions of this act or of any rule or
9 regulation adopted by the director pursuant to section 7
10 ~~{41-1423}-{1}-of-this-act.~~

11 ~~In lieu of the surety bond required by this section the
12 license applicant may file with the director a cash deposit
13 or other negotiable security acceptable to the director
14 provided, however, if the license applicant has filed a cash
15 deposit, the director shall deposit such funds in a special
16 trust savings account in a commercial bank, mutual savings
17 bank, or saving and loan association and shall pay annually
18 to the depositor the interest derived from such account."~~

19 SECTION 4. FILING OF COMPLAINTS. ANY COMPLAINTS FILED
20 WITH THE DEPARTMENT OF LABOR SHALL BE SENT TO THAT PRIVATE
21 EMPLOYMENT AGENCY INVOLVED, OR TO THE MONTANA PRIVATE
22 EMPLOYMENT AGENCY ASSOCIATION.

-End-

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 2 INTRODUCED BY MULAR, JOHNSON, GILLIGAN, KELLY, CONROY,
 3 BENGTONSON, FINLEY, MCFADDEN, DUSSAULT, HARPER, LYNCH,
 4 JOHNSTON, BRAND, DRISCOLL, TEAGUE, TROPILA, DASSINGER,
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 10 PRIVATE EMPLOYMENT AGENCIES; AND AMENDING SECTION 41-1425,
 11 R.C.M. 1947, RELATING TO BONDS FOR PRIVATE EMPLOYMENT
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 14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
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 16 fee in excess of ten (10) percent of the first month's gross
 17 cash-wages INCOME paid to any person placed for employment
 18 which lasts no longer than ninety (90) days; IF EMPLOYMENT
 19 IS TERMINATED BY THE EMPLOYER THROUGH NO FAULT OF THE
 20 APPLICANT. IF THE APPLICANT RESIGNS AFTER STARTING
 21 EMPLOYMENT OR IS DISCHARGED THROUGH HIS OWN FAULT AFTER
 22 THIRTY (30) DAYS OF EMPLOYMENT THE APPLICANT SHALL PAY THE
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 24 WITHIN FIFTEEN (15) DAYS FROM THE LAST DAY WORKED. IF THE
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 2 THE TOTAL GROSS INCOME RECEIVED.

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 5 month's gross ~~cash--wages-paid~~ INCOME to any person placed
 6 for employment ~~which lasts longer than ninety (90) days~~ as
 7 provided for in the following schedule:

	<u>Percent-of-First-Full-Month's</u>
<u>Monthly-Salary</u>	<u>-----Cash-Wages-----</u>
less than \$301 -----	10
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SCHEDULE OF PLACEMENT FEES

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~~In lieu of the surety bond required by this section the license applicant may file with the director a cash deposit or other negotiable security acceptable to the director, provided, however, if the license applicant has filed a cash deposit, the director shall deposit such funds in a special trust savings account in a commercial bank, mutual savings bank, or saving and loan association and shall pay annually to the depositor the interest derived from such account."~~

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-End-