

Approved Tuesday, March 15, 1988
Date

MINUTES OF THE SENATE COMMITTEE ON LABOR, INDUSTRY AND SMALL BUSINESS

The meeting was called to order by Senator Dan Thiessen at
Chairperson

1:30 a.m./p.m. on Monday, February 29, 1988 in room 527-S of the Capitol.

All members were present except:
Senator Jack Steineger

Committee staff present:

Marion Anzek, Committee Secretary
Jerry Ann Donaldson, Research Department
Gordon Self, Revisor's Office

Conferees appearing before the committee:

Paul Bicknell, Unemployment Insurance Contribution, Dept. of Human Resources
Bill Clawson, Unemployment Insurance Benefits, Dept. of Human Resources
Ray Siehndel, Labor Management Relations & Employment Standards, DHR

Chairman Thiessen called the meeting to order at 1:30 p.m. asking the members for approval of the minutes of February 22, 1988.

Senator Morris moved to approve the minutes of February 22, 1988, seconded by Senator Daniels. Motion to approve the minutes carried.

Chairman Thiessen said we would be hearing HB2764 and recognized Paul Bicknell, Department of Unemployment Insurance Contributions, DHR as a proponent.

HB2764: An act concerning the employment security law; relating to certain contributions, payment in lieu of contributions and other amounts payable thereunder and the collection thereof.

Paul Bicknell told the committee members that the Department of Human Resources was in favor of passage of the bill as amended by the House Committee. Mr. Bicknell said the Department of Labor has some new standards in charging and is a much better system, pointing out and explaining the amendments on page 4 and 6 of HB2764, and stated these amendments would change certain provisions in the law regarding the functions of the Division of Accounts and Reports, and any accounts receivable that were payable to the Secretary of Human Resources, then written off and assigned to the director of accounts and reports, and then determined to be collectable shall be reinstated and reassigned to the Secretary of Human Resources, upon request. The bill also amends the employment security act to allow certain employers accounts to be charged for unemployment benefits paid under a wage combining plan. This provision would bring state law into conformity with federal law, by October 1, 1989 or will be out of conformity.

Bill Clawson, Chief of Benefits said government entities generally have set aside a personnel office, as opposed to many of the target for profits. All of the state agencies have been through the Department of Human Resources type of training on how to deal with unemployment insurance, and they know how to respond and what to respond with, as to what we need to work a claim. I would say the larger private for profit employers do have considerable time in their regular routine to work unemployment and insurance claims, and a lot of the smaller one's simply have CPA's, and a lot of them may contract with the state services, but as far as one being better than the other on a day to day basis, I think they are all doing a pretty good job.

Senator Werts said as a private employer, if there is a termination in my business, and it is a voluntary quit, and it is not covered, my view under the law, is that person is not qualified to receive benefits, yet I receive from your office a statement that it is determined that this person should get benefits. As a private employer, who's rate depends upon the resources in my account, I want to make certain that this is right, so I am an opposing employer.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON LABOR, INDUSTRY AND SMALL BUSINESS,
room 527-S, Statehouse, at 1:30 ~~a.m.~~/p.m. on Monday, February 29, 1988.

Bill Clawson said each state account is busted down by every entity there is, within the state government, each of these entities are to include in their annual budget a cost from insurance, the account and records at the Department of Administration, sends out to each entity a listing of charges, by name, amount and quarter, they are then stamped the usual time reviewing these, and then we get tremendous calls wanting to know why they were being paid when they quit or were discharged, from the agency themselves. A lot of the state agencies have gone to the point of busting up their agency by districts, so instead of just one account, like SRS or the HWY Dept. we now have 18 to 25, so I would say that most government entities watch closer than the private employer.

Chairman Thiessen asked if the committee members were ready to take action on HB2764?

Senator Morris moved to report HB2764 favorable for passage, seconded by Senator Daniels. The motion to report favorable for passage carried.

Chairman Thiessen turned attention to SB564 and said we had asked for more information on the bill, at an earlier meeting and we have not received it yet.

SB564:An act concerning the employment security law; relating to the definition of employment.

Ray Schnidel said he had a bit of information regarding what the committee had asked the Secretary to get, and that the department had contacted the Department of Labor Regional office to get their feel of the bill, and as long as the language that we suggested was included, that was okay with them. I also, put together some criteria on the independent contract pumper.

Senator Morris said we needed a couple of amendments to SB564, and one being reimbursing 501-c(3) and governmental entities into SB564, exempting them from that, and I move to amend at this point, seconded by Senator Norvell. Motion to amend carried.

Senator Werts made a conceptual motion (if needed) to amend on page 14, Line 85, after "income" by inserting "taxation" (if needed), seconded by Senator Morris. The motion carried.

Senator Morris moved to pass SB564 favorably as amended, seconded by Senator Norvell. The motion carried.

Chairman Thiessen said the next meeting would be Tuesday, March 01, 1988 for discussion and possible action on SB341 and SB342.

Chairman Thiessen adjourned the meeting at 2:15 p.m.

