

MEMBERS PRESENT:

Chairman Banner
Vice Chairman Thompson
Mr. Bennett
Mrs. Cafferata
Ms. Foley
Mr. Hickey
Mr. Jeffrey
Mr. Rackley
Mr. Rhoads

MEMBERS ABSENT:

None

GUESTS PRESENT:

See guest list attached.

WITNESSES TESTIFYING:

Larry McCracken, Director, Employment Security Department
Claude Evans, Secretary-Treasurer, AFL-CIO

Chairman Banner called the meeting to order at 5:05 P. M. and directed the committee's attention to AB-49.

AB-49: Makes certain changes to law on industrial insurance.

Mr. Rhoads made a motion to amend AB-49 with amendment no. 337 and AMEND AND DO PASS AB-49; seconded by Mr. Bennett.

Mr. Banner asked the committee for discussion and Mr. Jeffrey moved to amend the amendment by making the bill effective in July instead of November, retroactive. There was discussion among the committee members regarding this motion. Mr. Thompson seconded the motion to amend the amendment. A vote was taken and the motion was defeated by a majority vote with Ms. Foley, Mr. Thompson and Mr. Jeffrey voting yes and Mr. Hickey absent at the time of the vote. (5-3)

Chairman Banner then asked for a vote on the original motion to AMEND AND DO PASS. A majority voted to AMEND AND DO PASS AB-49 with amendment no. 337, with Mr. Thompson and Mr. Jeffrey voting no and Mr. Hickey absent at the time of the vote. (6-0)

AB-137: Makes various changes in Nevada Industrial Insurance Act and Nevada Occupational Diseases Act.

Ms. Foley reported to the committee that the subcommittee appointed to study AB-137 came to a unanimous decision to support the bill and the amendment and she moved that the committee AMEND AND DO PASS AB-137

with amendment no. 312; seconded by Mr. Thompson and unanimously carried by the members present with Mr. Hickey absent at the time of the vote. (8-0)

AB-115: Authorizes Nevada Industrial Commission to enter certain agreements relating to rehabilitation.

Mr. Thompson reported to the committee that his subcommittee had studied AB-115 and the proposed amendment no. 311 which enables the NIC Rehabilitation Facility to be used by the public through an agreement with an authorized group representing the public. The subcommittee unanimously recommended the committee support AB-115. Mr. Thompson moved that the committee AMEND AND DO PASS AB-115 with amendment no. 311; seconded by Mr. Bennett and carried unanimously by the entire committee members. (9-0)

AB-370: Providing disqualifications for receipt of extended benefits as unemployment compensation.

Larry McCracken, Director, Employment Security Department, accompanied by Harry Bradley, Chief of Benefits, Employment Security Department, explained to the committee that AB-370 is a bill that will bring our state law into conformance with federal law. He presented the committee with written testimony attached hereto as EXHIBIT A.

Mr. McCracken directed the attention of the committee to the testimony handout and explained that the bill was technical in nature and addressed itself to five subdivisions:

1. Failure to apply for, or accept, suitable work.
2. Disqualification period.
3. Definition of suitable work.
4. Job referral restrictions.
5. Job prospects.

When Chairman Banner asked Mr. McCracken what would happen if Nevada did not conform to the Federal Mandate as provided in Section 1024 of Public Law 96-499 of 1980, he replied that the tax credit given to Nevada by virtue of our acceptable unemployment program. The tax credit is 2.7 percent of the 3.4 percent tax on an employee's first \$6,000 wages. That is known as the Federal Unemployment Tax Act, representing about \$80 million of what is essentially this country's employer's money.

Claude Evans, Secretary-Treasurer of the AFL-CIO, opposes this bill and expressed the thought that the Federal Government should get out of Nevada.

Chairman Banner told the committee that he would hold AB-368 until a later date as there was no one present to testify on behalf of same.

He gave the committee a list of bills which were introduced in the Senate and pulled back by the NIC to be introduced in the Assembly and eventually referred to the Assembly Committee on Labor and Management. The bills are SB-465, SB-466, SB-467 and SB-473.

There being no further business, Chairman Banner adjourned the meeting at 6:00 P. M.

Respectfully submitted,


Janice Fondi
Committee Secretary

61st NEVADA LEGISLATURE
ASSEMBLY COMMITTEE ON LABOR
LEGISLATION ACTION

DATE March 30, 1981

SUBJECT AB-49: Makes certain changes to law on industrial insurance.

MOTION: DO PASS
 Do Pass X Amend X Indefinitely Postpone _____ Reconsider _____

Moved By: RHOADS Seconded By: Mr. BENNETT

AMENDMENT: No 337

Moved By: _____ Seconded By: _____

AMENDMENT: _____

Moved By: _____ Seconded By: _____

	<u>MOTION</u>		<u>AMEND</u>		<u>AMEND</u>	
	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>
FOLEY	<u>X</u>	_____	_____	_____	_____	_____
RHOADS	<u>X</u>	_____	_____	_____	_____	_____
HICKEY	<u>absent</u>	_____	_____	_____	_____	_____
THOMPSON	_____	<u>X</u>	_____	_____	_____	_____
BANNER	<u>X</u>	_____	_____	_____	_____	_____
BENNETT	<u>X</u>	_____	_____	_____	_____	_____
JEFFREY	_____	<u>X</u>	_____	_____	_____	_____
CAFFERATA	<u>X</u>	_____	_____	_____	_____	_____
RACKLEY	<u>X</u>	_____	_____	_____	_____	_____
TALLY:	<u>6</u>	<u>2</u>				

ORIGINAL MOTION: Passed _____ Defeated _____ Withdrawn _____

AMENDED & PASSED _____ AMENDED & DEFEATED _____

AMENDED & PASSED _____ AMENDED & DEFEATED _____

Attached to Minutes March 30, 1981

61st NEVADA LEGISLATURE

ASSEMBLY COMMITTEE ON LABOR

LEGISLATION ACTION

DATE March 30, 1981

SUBJECT AB-137: Makes various changes in Nevada Industrial
Industrial Insurance Act and Nevada Occupational Diseases Act.

MOTION: DO PASS

Do Pass X Amend X Indefinitely Postpone _____ Reconsider _____

Moved By: Ms Foley Seconded By: Mr. Thompson

AMENDMENT: No. 312

Moved By: _____ Seconded By: _____

AMENDMENT: _____

Moved By: _____ Seconded By: _____

MOTION

AMEND

AMEND

VOTE:

	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>
FOLEY	<u>X</u>	_____	_____	_____	_____	_____
RHOADS	<u>X</u>	_____	_____	_____	_____	_____
HICKEY	<u>absent</u>	_____	_____	_____	_____	_____
THOMPSON	<u>X</u>	_____	_____	_____	_____	_____
BANNER	<u>X</u>	_____	_____	_____	_____	_____
BENNETT	<u>X</u>	_____	_____	_____	_____	_____
JEFFREY	<u>X</u>	_____	_____	_____	_____	_____
CAFFERATA	<u>X</u>	_____	_____	_____	_____	_____
RACKLEY	<u>X</u>	_____	_____	_____	_____	_____

TALLY: 8 0

ORIGINAL MOTION: Passed X Defeated _____ Withdrawn _____

AMENDED & PASSED X AMENDED & DEFEATED _____

AMENDED & PASSED _____ AMENDED & DEFEATED _____

Attached to Minutes March 30, 1981

61st NEVADA LEGISLATURE
ASSEMBLY COMMITTEE ON LABOR
LEGISLATION ACTION

DATE March 30, 1981

SUBJECT AB-115: Authorizes Nevada Industrial Commission to enter certain agreements relating to rehabilitation.

MOTION: DO PASS

Do Pass x Amend x Indefinitely Postpone Reconsider

Moved By: Mr. Thompson Seconded By: Mr. Bennett

AMENDMENT: No 311

Moved By: _____ Seconded By: _____

AMENDMENT: _____

Moved By: _____ Seconded By: _____

	<u>MOTION</u>		<u>AMEND</u>		<u>AMEND</u>	
<u>VOTE:</u>	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>
FOLEY	<u> X </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
RHOADS	<u> X </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
HICKEY	<u> X </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
THOMPSON	<u> X </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
BANNER	<u> X </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
BENNETT	<u> X </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
JEFFREY	<u> X </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
CAFFERATA	<u> X </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
RACKLEY	<u> X </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>TALLY:</u>	<u> 9 </u>	<u> 0 </u>				

ORIGINAL MOTION: Passed Defeated Withdrawn

AMENDED & PASSED x AMENDED & DEFEATED

AMENDED & PASSED AMENDED & DEFEATED

Attached to Minutes March 30, 1981

EMPLOYMENT SECURITY DEPARTMENT

Assemblyman James J. Banner, Chairman

and Members, Committee on Labor & Management DATE March 30, 1981

FROM Larry McCracken, Executive Director

SUBJECT Testimony - A.B. 370

A.B. 370 establishes new criteria for the payment of Extended Benefits, in accordance with amendments made to Section 1024 of Public Law 96-499 of 1980. A.B. 370 can be divided into five subdivisions.

Failure to apply for, or accept, suitable work.

Page 1, lines 3 through 11, provide for the disqualification of persons otherwise eligible to receive extended benefits if they fail to accept suitable work or a referral to such work, or they fail to engage in a systematic and sustained search for work and fail to provide tangible evidence of this effort to the Employment Security Department.

Disqualification Period

Page 1, lines 12 through 16, defines the disqualification period as beginning with the first day of the week in which he was found ineligible and may be removed only by subsequent employment in at least four weeks and earnings of not less than four times the average weekly benefit amount.

Disqualifications in the regular state U.I. program for discharge for misconduct, voluntary quit or refusal of suitable work shall not be considered terminated for purposes of determining eligibility for EB if state law does not require employment to lift the disqualification. Nevada state law now requires subsequent employment to lift the disqualification in discharge for misconduct and voluntary quit but not in refusal of suitable work.

Definition of Suitable Work

Page 1, lines 17 through 22, and Page 2, lines 1 through 6 defines suitable work as any work within the person's capabilities that pays a gross weekly wage equal to or higher than the Federal or State minimum wage and pays a gross weekly wage that exceeds the person's weekly extended benefit amount.

The suitable work definition in Section 612.390 covering the degree of risk involved to the claimant's health, safety and morals, would still be applicable under A.B. 370. However, any consideration of prior training, past experience and prior earnings would not be given greater weight than the mere capability of the individual to perform the offered work. The fact that the work offered was not at the claimant's highest skill would not be reason for holding the work unsuitable so long as the work was within the individual's capabilities.

Job Referral Restrictions

Page 2, lines 7 through 10, limit the Department to disqualifying claimants for failure to apply for or accept suitable work to those instances when the job is listed with the employment service and the job offer from the employer is in writing.

Larry McCracken, Executive Director
March 30, 1981
Page Two

Job Prospects

Page 2, lines 11 through 18, compel the department to determine if the job prospects of each EB claimant are good or not good. If the EB claimant's prospects are adjudged "good," that is, he has a firm job offer to begin within four weeks, the determination of eligibility will remain under state program. If the EB claimant's prospects are adjudged "not good," he will come under the provisions of this section.

This bill, if enacted, will become effective retroactive after March 31, 1981. (See Page 3, lines 12 to 14). Public Law 96-499, which includes the provisions introduced in A.B. 370, requires states to amend their laws to be effective in the first week beginning after March 31, 1981, or the first week beginning after the end of this session of the legislature.

It is estimated that the increased severity of the disqualifying provisions of A.B. 370 would reduce benefit payout in Nevada by approximately \$16,250 per quarter or \$65,000 if EB were to remain in effect for a period of one year.

Finally, several language clarifications were advised by the Regional Office of the Unemployment Insurance Service of the Department of Labor:

Page 1, line 14: After "ineligible" add the word "and."

Page 1, line 18: After the last word "and" add "for which," and delete the last three words on line 19, "for the work."

Page 2, line 8: After "suitable work" add "as described in this section."

Page 2, line 20: Add to the end of the sentence ending with the word "work," "as described in this section."

ASSEMBLY

AGENDA FOR COMMITTEE ON LABOR AND MANAGEMENT.....

Date MONDAY, MARCH 30 Time 5:00 P.M. Room 316.....

Bills or Resolutions
to be considered

Subject

Counsel
requested*

AB-368

Makes various changes in provisions regarding compensation, wages and hours of labor.

AB-370

Providing disqualifications for receipt of extended benefits as unemployment compensation.

*Please do not ask for counsel unless necessary.

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