

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION  
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2362

**2001 SENATE GOVERNMENT AND VETERANS AFFAIRS**

**SB 2362**

**2001 SENATE STANDING COMMITTEE MINUTES**

**BILL/RESOLUTION NO. SB 2362**

**Senate Government and Veterans Affairs Committee**

**Conference Committee**

**Hearing Date February 8, 2001**

<b>Tape Number</b>	<b>Side A</b>	<b>Side B</b>	<b>Meter #</b>
1	X		0.0-37.7
2		X	56.7-End
3	X		0.0-8.7
February 15, 2001 1		X	52.6-End
February 15, 2001 2	X		0.0-28.3
<b>Committee Clerk Signature</b> <i>James A. Reib</i>			

**Minutes: Chairman Krebsbach** called the committee to order. The clerk called the roll.

**Chairman Krebsbach** opened the hearing on SB 2362 which relates to the definition of wages and salaries for the purposes of the public employees retirement system; and to provide an appropriation. **Senator Elroy Lindaas**, District 20, introduced the proposed legislation to the committee. This bill is here because of concerns raised by employees at the Grand Forks State Mill. Some of the workers live in the senator's district and brought it to his attention. The problem is not necessarily with wage levels, rather it has to do with their retirement accounts. He gave a document to the committee members which represents a cross section of the employees and their accounts. From this document you can see that a number of the employees overtime is nearly 50% of their total wages. This is a cross section however even though the names have been removed for purposes of confidentiality. It has been reported that the choice of whether or not to work over time has not been offered and is not an option. It is mandatory

overtime. In other words some of these folks work 7 days a week every week. No weekends off with family or leisure activities. This presents some serious morale problems naturally. He also offered some amendments that are necessary. When this bill was drafted the legislative council inadvertently left out some necessary language. As it appears this language is necessary to have a complete bill in its form. Chairman Krebsbach inquired that this was run through the interim committee, was it not? There is a report on it I believe. Senator Lindaas indicated that a form of it was run through the interim committee. However, it was changed from that original bill. The original bill stated all public employees and that focus was changed to the state mill and its employees because that is where the problem appears to be. There is a change in the bill from the original intent. Representative Ole Aarsvold, District 20, appeared before the committee as a sponsor and proponent for the passage of SB 2362. This concern came to him as a result of conversations he has been having with constituents who work at the state mill and elevator and it is his understanding that they are required to come to work early frequently and remain late frequently to carry out necessary responsibilities at the mill. The problem seems to be that there is no provision for special retirement contributions or ultimately retirement benefits for that additional labor that they are investing in their work. It seems that there is need for some more positions at the mill if in fact we are requiring people to work these long hours. Certainly we realize that management and the mill is realizing a significant savings by making this overtime a necessary component of their work arrangement. I would hope that the committee would look favorably at SB 2363 and provide a well earned benefit to those folks who work there and contribute significant amounts of overtime to the mills production. Larry Yarbrow, employee at the mill, appeared before the committee. He appeared on his own behalf and presented testimony. He indicated that he supports SB 2362. He has been employed at the mill

since June of 1973. As a state employee we do have good benefits. That is why he has stayed at the mill and indicated that is why many others have stayed as well. Overtime call outs are mandatory. The decreasing amount of personnel has increased the amount of overtime that must be worked. For the fiscal year of 2000 he made over \$16,000 in overtime. He pays taxes on his gross income. He feels that he should get retirement on that income. When the current law was put in place he is certain no one knew the impact this would have on the hourly workers. He feels now is the time for a change and only the legislature can do this. A Do Pass on this bill is not unreasonable. Jeff Stoa, Buxton, ND was the next person to testify before the committee. A copy of Mr. Stoa's testimony is attached. Senator T. Mathern indicated he wondered what the consequence was for not working. What would actually happen to an employee who would say I won't work over 40 hours? What is the consequence to you? Mr. Stoa indicated that you don't really have any choice. If you are posted to work, you do work unless there is somebody else who isn't working. Senator t. Mathern, Are you fired if you don't? Mr. Stoa, you'll be disciplined. Senator Dever indicated he wondered how regular the overtime was. Is it something that you know on Monday morning that you are going to work 60 hours a week? Mr. Stoa indicated that the overtime at the mill is, well the mill runs 7 days a week, 24 hours a day. A lot of days they have maintenance where they keep the people over for four hours for maintenance where they are working 12 hours a day. Covering for vacations they split the shifts up so we can cover for vacations. There are quite a few hours of overtime. It happens quite often where you think you are going to work an 8 hour day and as you are leaving you are told you need to stay for another 4 hours. Bryan Olson, East Grand Forks, ND appeared on his own behalf in support of SB 2362. A copy of his written testimony is attached. Dave Kemnitz, president of the North Dakota AFL-CIO. In support of the workers in the plant, he understands

that overtime is part of their budget. This is excessive. As he looks at the situation and he has worked on power plants and in service jobs in the electrical industry and it seems to him an unjust situation in that they are giving up their future security, it's diminished in their retirement years for the comfort of an adequate benefit level and security their and their families, for the bottom line of this particular plant. 8 to 10 hour days are usual 7 days a week. 12-16 hour days are not unusual. The only days off are vacation or sick leave. That is if someone covers for you. And they have to give that is go into overtime to cover you. Completely understaffed. As this committee looks at it we all see it as something that needs a spotlight on it. Senator C. Nelson inquired if there were any OSHA standards that are, when you see people earning more in overtime than they make in salary, aren't there some safety standards there that might being jeopardized. Mr. Kemnitz indicated that unfortunately no. The only thing that would come into play is when they are so fatigued that they become an injured worker. Then that comes into place. Then there is an inspection or some other thing. There is nothing in the federal standards acts or in OSHA or in workers comp, other than this committee looking at it, that would put a barrier or at least a stop there. Chris Runge Executive Director of NDPEA and Secretary-Treasurer of ND AFL-CIO, she appeared in strong support of SB 2363. Even though NDPEA does not represent the mill and elevator. Quite frankly she was shocked when she saw the amount of overtime that these folks work up there. This is a fair and just bill. Senator Kilzer inquired if the overtime would require a contribution of 4 % of the workers wages of the overtime and 4% match from the state for the retirement program. Chris Runge indicated that the state picks up the entire amount of the pension plan, the entire 9.12. It used to be 4.12 and 4 %. Back in the 80's in lieu of raises the state started picking up the entire 9.12%. Senator Kilzer indicated obviously when there is all this overtime it is more costly to the mill and

