

March 22, 1971

PRESIDENT: First bill on General File will be LB189. Clerk will read the title.

CLERK: Read title. LB 189  
A motion to indefinitely postpone LB189.

PRESIDENT: Chair recognizes Senator Holmquist.

SENATOR HOLMQUIST: Mr. President, Members of the Legislature, LB189 is a rerun of LB171. It makes it unlawful for any employer who fails to make payment to a health and welfare fund, pension fund, vacation plan or anyother plan for the benefit of the employee. The agreement to make these payments generally comes in the form of a contract between an employer and a labor union. This type of a contract is commonly called a collective bargaining agreement. A collective bargaining agreement is no different from anyother type of contract. It involves two parties and each party agrees to perform certain acts in consideration with the other parties performing certain acts. LB189 is aimed primarily at employers in the construction industry. Virtually all building and highway contractors in Omaha pay 12½ cents per hour per employee to an industry health and welfare plan. The building contractors pay the Omaha Construction Industry health and welfare plan and highway heavy contractors pay under this plan for certain employees, operating engineers, carpenters, iron workers, but pay into a different fund, teamsters and labors construction industry fund, for laborers and teamsters. In Lincoln building contracts pay the same hourly amount into the Lincoln construction health and welfare plan. Many outstate contractors on certain occasions in certain circumstances also pay into this Lincoln or Omaha fund. The Lincoln and Omaha funds are not related to eachother in any way. Though the bill seems directed at contractors who pay in the Omaha or Lincoln health plans, it could apply to any employer who agrees to make payments to any health and welfare, pension or vacation plan, or anyother plan for the benefit of the employee. It therefore actually applies to all employers in the state of Nebraska. It could of course have a much greater application in the future. The new bill is unfair to and discriminates against the employer to a collective bargaining agreement. There are two parties to this contract which requires that the employer pay into a health and welfare fund for his employee. The employer is one party to the contract and the union is the other party. Each of these parties agreed to form certain acts. The employer agreed to pay a specific wage, double time for overtime, 25 cents additional for a foreman, 12½ cents an hour into a health and welfare plan, 10 cents into a pension plan, another thing - consideration for these three employment benefits the union. The union agreed to furnish competent men, not work for anyother employer for less than is provided in his agreement, to (inaudible) not strike or cause a cessation of work. In other words the employers agreement to pay fringe benefits is only one small provision of a total agreement.