

BUSINESS AND INDUSTRY COMMITTEE

January 10, 1977

The Business and Industry Committee meeting was called to order this date at 3:30 P.M., in Room 434, Capitol Building, with Chairman Vincent presiding. All members were present, with the exception of Representative Burnett, who was excused.

House Bill 58 was discussed. Representative Holmes, sponsor, stated she was a firm believer in smoke detection devices in the home and gave a brief description of a smoke detector. Also, she gave instances where the smoke detector had saved many lives from death caused by fire.

Representative Holmes then introduced Mr. James Kembel, representing the Department of Administration; Building Code Administration Bureau, opponent. Mr. Kembel stated that due to the understaffed division that they are unable to handle the inspection that is needed for the devices. He also stated the public attitude at this date is against some state codes and at this time it would be a disaster (testimony attached).

Representative Holmes submitted to the committee a resolution which she will submit to the Senate directing the Department of Administration to publicize and encourage the use and maintenance of smoke detectors in buildings constructed in Montana.

The discussion was open to questions. Mr. Kembel said regarding standards of smoke detectors that they are labeled by UL or a detecting agency. He also said cost is from \$50.00 to \$60.00 per unit. Representative Holmes said they cost \$25.50. She stated that most families put one near their children's bedroom.

House Bill 49 was discussed. Representative Bradley, sponsor, appeared before the committee stating briefly an explanation of the computerized check-out system (UPC) and her major concern about stores using this system is dropping the item pricing of the products. She said that when the price is not listed on the product, it would produce a great problem for the cost-conscious consumer. The rapid changing of prices, the delicate relationship between the scanner and the computer, and the rapid flash of price on the cash register would produce a disadvantage to the consumer. She also said legislation similar to this is being introduced in many states and is also being considered in Congress. We should consider it now before we have many of these systems in this state.

The following men testified as proponents: Mr. Ernest Post, representing the Workers and Consumers; and Mr. Lonny Mayer, representing the Retail Clerk's Union (testimonies attached).

The following men testified as opponents: Mr. Ross Cannon, representing Montana Food Distributors Association, presented a film strip showing the UPC System and how efficient it works; Mr. Frank Capps, Manager of Super Save Supermarket in Helena; Mr. Howard Cornish, representing Ryans, Inc.; Mr. Bob Gurmett, representing Ryans, Inc.; Mr. Cliff Smith, computer engineer; Representative Ellis; Mr. Russ Livergood, Montana Retail Association; and Mr. James McFarland, Department of Business Regulations (testimonies attached).

Representative Bradley closed in saying she is relieved about some of her fears, but she still has fears on some of the aspects of the UPC System.

The discussion was open to questions. Mr. Gurmett said that if there was a power failure, there are dual computers and the other computer would take over.

Mr. Capps stated the employment rate with the UPC System would not delete any employees. It could possibly make room for more jobs. Also, the check verification system in the computer tells the cashier if the person's check is acceptable by simply inserting the check into the cash register. The cash register then reads the numbers printed on the check. If a person had lost his check-book and the store had it, then the manager could return it to the owner. Also, a person who had given the store a bad check would have their check number code in the computer and the computer would tell the clerk. If a person is forging checks, the store manager would immediately notify the police.

Discussion on House Bill 49 was deferred to a subcommittee.

Chairman Vincent read the minutes of the meeting on January 5 regarding use of television or tape recorders during committee hearings.

There being no further business, the meeting was adjourned at 5:50 P.M., until Wednesday, January 12, at 3:30 P.M.

John Vincent