

HOUSE BUSINESS AND INDUSTRY COMMITTEE

February 16, 1977

The meeting was called to order at 10:30 a.m., in the Governor's Reception Room, with all members present with the exception of Reps. Bradley, Burnett, and Ellison who were excused.

House Bill No. 558 was discussed. Rep. Fabrega, sponsor, gave an explanation of the bill and stated it is amending the Montana permits.

Proponents:

Ms. Pat Stuart stated that all the members of the Montana Coal Council support this bill. It would eliminate the ruliness of the permitting system.

Mr. Ralph Moore and Mr. Kenneth Toineeta testified in support of the bill. Mr. Toineeta said that a 5-year permit is just as good as the 1-year permit. He submitted an example of an application procedure and brought with him two boxes of the material for one application. He showed a map of the history of each permit. He stated that each application requires a planning permit. Five mines would take a total of 300 reports.

Mr. Gene Phillips stated that a mine costs 50 million dollars. The annual permit system affects the financing substantially. This bill does not change any of the controls or standards. It would provide more effective procedures.

Mr. Leo Berry submitted amendments (testimony and amendments attached).

Ms. Sara Ignatius stated it would clear up much of the paper work needed. She also submitted a set of amendments (attached).

Mr. Ward Shannahan (testimony attached).

Rep. Fabrega stated in closing that the industry and the Department would like to streamline their paperwork.

It was stated in the questioning period that the reason the lands are bonded which are not within the boundaries is due to the granting on that permit and one would also run into administrative problems.

House Bill No. 564 was discussed. Rep. Barrett, sponsor, stated that the bill was not complicated. He gave a brief explanation of the bill and stated the best review of the bill is stated in a document which he submitted to the committee (attached). This bill would allow free competition in the liquor industry.

The following men testified as proponents: Mr. Herb Jones, Ms. Joy Wicks, Ms. Mardell Bird, Mr. Don Boyer, K. Foster, Mr. Tom Winzer, Mr. Bob Durkee, Mr. Don Pegg, Mr. Stoner, and Mr. Rapcock. Mr. Rapcock stated that the state-owned and operated liquor stores are an expense to the taxpayers. The liquor stores are insufficient and inconvenient.

February 16, 1977, page 2.

Mr. Curtis Lees and Mr. Kenneth Morrow expressed their opposition to the bill.

Mr. Phil Strope urged the committee to give strong consideration to this bill. This bill would take the state out of the retail business. There are 150 state outlets. There would be many state employees out of a job.

Mr. Bill Groff stated that this bill would cost 2.5 to 5 million dollars. The small communities will not be able to afford this. He stated that he felt this was an inopportune time to bring this piece of legislation into effect.

Mr. Kenny Wynn stated that many of the stores have gone to self-service. The people who run these stores do not own them, they are leased. It would cost the State a tremendous amount of money to buy these stores, plus the fact that there are 250 to 300 jobs in the state liquor stores.

Mr. Ern Reinhart brought the idea of remodeling and building newer and nicer self-service stores.

Rep. Barrett stated in closing that the cost of removing the State from retail business will result in a returning of major profit to taxation in Montana. He also said that many of the people running the state liquor stores are retired, and that they could find another job. Twenty percent of the total tax is used to operate the state liquor stores. Rep. Barrett said the state received about 15 million dollars per year in taxes on liquor sales.

House Bill No. 405 was discussed. Rep. Lory, sponsor, stated that this bill would modify the Revised Codes of Montana. He also gave a brief explanation of the bill.

House Bill No. 748 was discussed. Rep. Fagg, sponsor, gave an explanation of the bill.

Mr. Bob Gannon stated that the Public Service Commission has laws in books which explain this. Mr. Les Loble also expressed his support in the bill.

Rep. Fagg stated in closing that the bill would simplify the problem.

House Bill No. 146 was discussed. Rep. Gerke stated that he had received many letters in favor of the bill (attached). He gave a brief explanation of the bill.

#### Proponents:

Mr. Bob Glasgow stated that the fairs are only four or five days out of the year. The Billings fairgrounds is used for 200 days out of the year. The new coliseum has national conventions throughout the year. This bill would help bring more of this type of business to our city.

February 16, 1977, page 3.

Mr. Trammalli, Mr. Bill Fisher, Mr. Don Shohan, Mr. Bob Cartwright, Mr. Steve Christian, and Mr. Nom Hallan testified as proponents.

Mr. Phil Strope and Mr. Curtis Lees testified as opponents. Mr. Strope said he does not appear in opposition of the need for public facilities. He stated that Senate Bill No. 248 would do the same thing as this bill would do. Therefore, he recommended to the committee a do not pass recommendation. Mr. Lees agreed with Mr. Strope and added that he cannot understand why everyone wants to get into competition.

Rep. Gerke stated in closing that he is not against saving money and producing revenue for companies and areas. This is not a matter of which we want to get into competition. It is simply to create a 24-hour license so Montana can be half-way decent hosts.

The meeting adjourned at 12:30 p.m.



JOHN C. VINCENT, Chairman