

HOUSE BUSINESS AND INDUSTRY COMMITTEE

February 23, 1977

The meeting was called to order at 10:15 a.m. with all members present.

House Bill No. 530 was discussed. Rep. Menahan, sponsor, was unable to attend the hearing. Testimony was taken, however, in spite of his absence.

Sen. Stevens stated he has been a broadcaster for 29 years, and with cable television for 23 years. He said that cable television is already regulated. Whenever the cable television industry wishes to change something they must receive approval from the Federal Communications. He said there has only been a \$2 increase per month in 23 years. Cable television is not a public utility, nor a monopoly, nor can it be considered a necessity. Most of the complaints are due to faulty sets.

Mr. Mac Clark, Mr. Ray Rohr, and Mr. Ian Elliot testified as opponents of the bill, also (testimonies attached).

Mr. Rohr stated that Kalispell was the first city with cable television. The school system in general has used cable television to distribute school classes. The cable television provides an excellent vehicle for the school system. The same opportunity is offered to political candidates free of charge. The monthly service rate of \$3.53 in 1953 with only an increase of 4.2% per year.

Mr. Elliot stated that he organized and built the cable system in Miles City. Many people who come to Montana find that Montana offers a much better cable system service than in the large cities such as Denver and Salt Lake. The cable system has grown so that it gives people what they want. He urged the committee that cable television be not regulated as it will only slow Montana down.

Mr. Rohr said that cable television is at a minimum. It only costs 25 cents per day and 1.6 cents per hour.

House Bill No. 380 was also sponsored by Rep. Menahan. There were no proponents or opponents.

House Bill No. 784 was discussed. Rep. Brand, sponsor, submitted amendments to the committee. He stated that the reason for House Bill No. 784 is to provide the consumers of motor vehicle repairs protection (amendments and testimony attached).

Mr. Mark Akin, proponent, stated that this bill would be welcome relief to consumers (testimony attached).

Mr. Bill Romine, Mr. Jerry Raunig, Mr. Larry Huss, and Mr. Don Allen expressed their opposition in the bill (testimonies attached).

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Mr. Raunig stated that the bill is not necessary in correcting this type of situation. Section 2-430 already covers this problem. He said that one of the amendments submitted would take care of one of his fears with the bill. He said that there were laws which covered every part of the bill.

Mr. Huss said that the Department of Business Regulation has already promulgated rules to cover this type of bill. There is absolutely no need for this piece of legislation.

Mr. Allen concurred in the previous opponents testimony.

Rep. Brand asked Mr. John Berbansky to close. Mr. Berbansky stated that the Moss-Magnuson Act concerns warranties given along with the sale of a sale product. Those warranties must specify if they are a full warranty or a limited warranty. It has nothing to do with a one-time repair of an automobile. It does not conflict with the State law.

House Joint Resultion No. 77 was discussed. Rep. Brand, sponsor, gave an explanation of the bill and stated that the resolution is self-explanatory.

Mr. Ken Clark, proponent, stated that the rules were put into effect after the 1959 law. After having 5 different hearings, the railroad people find themselves wasting their time. It has to be put into law.

Mr. Gorham Swanberg introduced Mr. Cordelle Johnson (testimony attached). Mr. Swanberg stated that he does not accept sections 10 and 11 of the rules. This resolution orders the PSC to adopt one side of the various decisions that have come down and the other side of the rule-making authority. He said that if you require that these 12 paragraphs be adopted then you should adopt them in whole.

Rep. Brand stated in closing that this measure should have been done in the 1971 Session. There is nothing on the books now promulgated by the PSC. They should have this relief. He said he was interested in helping the people with problems in the railroad.

House Bill No. 806 was discussed. Rep. Dassinger, sponsor, gave an explanation of the bill. He said there was a need for House Bill No. 806 to carry out the suggested.

Mr. Ken Clark, proponent, said that since 1959, the rules of the Commission find that certain times the facilities in the toilets, etc. are deplorable. They cannot manage to get it fixed. He said that no matter how they go about it they have no relief.

Mr. Cordelle Johnson, Mr. Gorham Swanberg, and Mr. Bill Sternhagen testified as opponents (testimonies attached). Mr. Swanberg brought out points in the bill which would hurt the Montana Railroad Association.

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Rep. Dassinger, in closing, stated that the minimum is too high. It should be decreased to \$250. He introduced Mr. Roger Tippy to explain the statement "already existing law."

Mr. Tippy stated that you would receive an injunction in subsection (2). It would allow the judge to impose a fine of \$1,000. He can fine for contempt of court and can enforce stiffer penalties. Section 1 provides for alternative procedure of fine.

House Bill No. 688 was discussed. Rep. Frates, sponsor, stated that this bill is mainly a housekeeping bill. The title is mainly the entire act. He gave a brief explanation of the bill. This bill is to protect the legitimate business man.

There were no proponents.

Mr. Joe Hamm, opponent, stated that in this bill the person is being accused of committing a crime before it happens.

The hearing on House Bill No. 380 was reopened. Mr. Cliff Christian, proponent, stated that rental units are available. A person can simply check the newspapers for the rental units, decorate the ad, and then people would call him. He would tell them to come to his office and submit \$10. The man would then leave the town, therefore, the consumer had lost \$10. Something has to be done to prevent this type of thing from happening.

The committee then went into executive session.

Rep. Tower moved that House Bill No. 597 DO PASS. Rep. Ellison moved to make an amendment. That motion failed unanimously. Rep. Metcalf made a substitute motion that House Bill No. 597 DO NOT PASS. All members present voted yes, with the exception of Reps. Kenny, Fabrega, Tower, Nathe and Vincent (5 members) voted no. The motion carried.

Rep. Fagg moved to amend House Bill No. 610. The motion carried unanimously. Rep. Fagg then moved that House Bill No. 610 DO PASS AS AMENDED. The motion carried with all members present voting yes, with the exception of Reps. Nathe, Burnett, Ageson, Ellison and Scully who voted no.

Rep. Fagg moved to amend House Bill No. 667. The amendments were adopted with all members voting yes, with the exception of Rep. Scully. Rep. Fagg then moved that House Bill No. 667 DO PASS AS AMENDED. The motion carried with all members voting yes, with the exception of Reps. Tropila, Ageson, Kenny, Ellison and Tower who voted no.

Rep. Tropila moved to amend House Bill No. 747. The amendments were adopted unanimously. Rep. Tropila moved that House Bill No. 747 DO PASS AS AMENDED. The motion carried unanimously.

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Rep. Vincent moved to amend House Bill No. 750. The amendments were adopted unanimously. Rep. Tower moved that House Bill No. 750 DO NOT PASS AS AMENDED. The motion carried with all members voting yes, with the exception of Reps. Vincent, Harper, Metcalf, Harrington, and Burnett who voted no.

Rep. Tropila moved that House Bill No. 380 DO NOT PASS. The motion carried unanimously.

Rep. Fagg moved that House Bill No. 530 DO PASS. The motion carried a tie vote, therefore, the bill was sent to the floor WITHOUT RECOMMENDATION. All members present voted yes with the exception of Reps. Ellison, Fabrega, Harrington, Kenny, Nathe and Quilici who voted no.

Rep. Tropila moved the amendments to House Bill No. 688. The amendments were adopted with all members voting yes, with the exception of Rep. Vincent who voted no. Rep. Fabrega moved that House Bill No. 688 DO PASS AS AMENDED. All members present voted yes, with the exception of Reps. Aageson, Kenny, Ellison and Tower who voted no.

Rep. Tropila moved that House Bill No. 784 DO NOT PASS. All members present voted yes, with the exception of Rep. Vincent who voted no. The motion carried.

Rep. Tropila moved that House Bill No. 806 DO NOT PASS. The motion carried with all members present voting yes, with the exception of Reps. Scully and Vincent who voted no.

Rep. Tropila moved that House Joint Resolution No. 77 DO NOT PASS. The motion carried with all members present voting yes, with the exception of Reps. Metcalf, Vincent, Harper and Harrington who voted no.

The meeting adjourned at 12:30 p.m.


JOHN C. VINCENT, Chairman