

HOUSE BUSINESS AND INDUSTRY COMMITTEE

March 11, 1977

The meeting was called to order at 10:15 a.m. with all members present except Rep. Bradley, who was excused, and Rep. Harrington, who was absent.

Senate Bill No. 283 was discussed. Sen. Hims1, sponsor, gave a brief explanation of the bill. The purpose is to increase the fees. This will increase the contribution to the State's general fund.

There were no proponents, opponents, or questions.

Senate Bill No. 287 was discussed. Sen. Aber, sponsor, gave a brief explanation of the bill. He then introduced Mr. Rick Tucker.

Mr. Rick Tucker, proponent, said the bill is asking that the residency requirements are for good cause shown. There is a need for the Montana residents. It will also give the investor added protection.

There were no opponents.

Mr. Tucker answered a question on the reciprocity agreements with other states. He said there are none with other states. He also stated that there is an example of where one may waive the residency requirement. In no load funds you may do this. Further, such as Hamilton funds that do not charge a commission on the investment so that you can invest in this fund. The total dollar goes into this fund. They use someone in their own organization to rail out of our use the telephone. They are violating the law.

Sen. Aber stated that the main intent of the bill is to get a handle on the people who are selling stocks and bonds by telephone or letter in Montana. It is to control what types of sales are being pushed in Montana. Mr. Tucker added by saying that there is an additional advantage to the law. We may have the ability to enforce the act to disallow anyone from using the telephone unless they are registered.

Senate Bill No. 328 was discussed. Sen. Roskie, sponsor, said the bill was drafted to help the real estate profession enter into a firm educational program. The real estate profession is different than most other professions in that the practioners do not work for a salary. They operate on commission sales as such are totally independent operators. The bill seems complicated, but it has been through the mill on the Senate side. He stated that it has been considered by the Board of Real Estate. Sen. Roskie submitted amendments (attached). The real estate profession is running into more regulations and laws which requires continuing education to do the professional job which is expected of them.

Proponents:

Mr. Christian stated that the reason for the bill is a result of the industry's request. He submitted the results of a survey that was sent out last year regarding real estate education (attached). He also

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submitted a brochure on Continuing Education in Real Estate. He said that in real estate there is a great amount of changes all the time. If they do not keep up with these changes, it will hurt the clients.

Ms. Mary Ellen Larson stated that she would answer any questions.

Mr. Bob Cummins said that he was very happy to see this piece of legislation. He submitted amendments to the committee (attached). He said that the courses offered by the National Association of Realtors may be used for credit if they have been approved by the Montana Board of Real Estate without going through the necessity of finding the bond.

Mr. Bill Britzius stated that as a member of the industry and the association there is a terrific need for this bill. It is an opportunity for them to develop industry regulation with and through their own people.

Mr. Dean Larson, Mr. Marty Heller, Rep. O'Keefe, Ms. Nancy Garrett, Mr. Al Ahman, Ms. Kitty Knebel, Mr. Don Bloom, and Mr. John Wulf expressed their support in the bill (testimony attached).

Opponents:

Mr. Dennis Wingham stated that it requires education and licensing of schools. The bill would have been great 10 years ago. He said that all the schools that offer courses are already accredited under the State Institution. The only one in this bill which does not fall under procedure is the National Realtors Association course. They are not licensed in any manner at all. This law would put hardship on realtors themselves. Consumer protection in this bill is already covered.

Sen. Roskie stated in closing that he was surprised at some of the statements made. This bill deals strictly with education. He said that the bill clearly provides an opportunity for everyone to attend. Also, he believes that everyone should keep up with the profession. This bill would eliminate anyone who has not kept up their practice.

Senate Bill No. 241 was discussed. Sen. Ed Smith, sponsor, gave an explanation of the bill. He said the Oil and Gas Commission already has the power, but has not put it into effect. This way it would assure the land owner that the "shot hole" would be properly plugged. There was much discussion over this issue and all parties concerned have agreed on the bill as it stands. I would recommend that the committee give the bill a passing recommendation.

Mr. Don Allen, proponent, stated that in a series of meetings, they tried to come up with workable answers. On January 14, they finally came up with them. Everyone is in concurrence with this bill as it stands.

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Mr. Peter Jackson said he could not over-emphasize what went on in these meetings. Both sides had heavy discussion and the problem was worked out very carefully. Please give this bill a passing recommendation.

Mr. Pat Smith, proponent, submitted amendments (amendments and testimony attached).

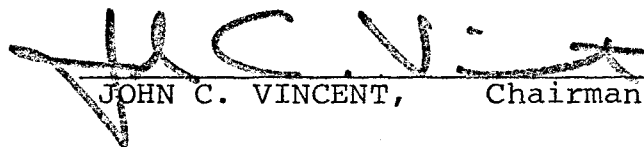
There was some discussion. Chairman Vincent asked that the questions be held and there would be another meeting to discuss the amendments proposed by Mr. Smith.

Senate Bill No. 277 was discussed. Sen. Flynn, sponsor, stated that the bill was drafted upon request of the Department of Occupational Licensing. He said the bill would allow the Horseracing Commission to invoke in a penalty of fine. They have found where they need to do one or the other or both. There has been a law suit in regards to this very thing. This bill would mandate that the track pay 10% of the purse.

Mr. Ed Carney, proponent, said the heart of the bill is the additional grant of authority to the Board of Horseracing. Part of the additional grant of authority is what the Board thought they already had. The Board has a job to do in regulating the participants.

There was a brief discussion on the parts of the bill.

The meeting adjourned at 12:05 p.m.


JOHN C. VINCENT, Chairman