

February 15, 1977  
11:00 a.m.

MINUTES OF THE MEETING  
BUSINESS AND INDUSTRY COMMITTEE  
MONTANA STATE SENATE

The meeting of the Business and Industry Committee was called to order by Chairman Frank Hazelbaker on the above date in Room 404 of the State Capitol Building at 11:00 a.m.

ROLL CALL: All members were present.

DISPOSITION OF SENATE JOINT RESOLUTION 37. "A Joint Resolution Of The Senate And The House Of Representatives Of The State Of Montana Requesting The United States Congress To Consider The Effects Of The Federal Communications Commissions Decisions On The Residential, Rural, And Small Business User Of Telecommunications."

Senator Allen Kolstad, District 5, presented this bill to the committee. He then introduced Jay Preston, President and Manager of Ronan Telephone Company.

Mr. Preston handed out a little brochure entitled "The Problem In Brief." (Exhibit #1) He thinks the rates will have to double depending on what happens to the toll revenues. Most business calls are made in the day when the rates are higher. This is a high profit service that the telephone company provides. He feels this bill will benefit everyone in Montana and he can't see where there would be any adverse effects especially where Montana is concerned. He handed out "Ronan Telephone Company Revenue Study." (Exhibit #2) He stated they have had exceptional growth in toll calls that people have made.

PROPONENTS:

Tom Henderson, Scobey, Montana, representing Montana Telephone Association. He stated they serve the northeastern corner of the State of Montana. There are approximately 2500 subscribers. They support the bill.

Jack McDonald representing Mountain Bell. He stated Mountain Bell is in complete support of this bill.

Other proponents that were there were: Jack Dodd, Gene Anders and Charlotte Posey. Charlotte Posey presented written testimony. This is attached. (Exhibit #3)

There being no other proponents or opponents, Senator Kolstad made a motion that SJR 37 be adopted. Senator Goodover seconded. Roll call vote. All were in favor except for Senator Regan.

DISPOSITION OF SENATE BILL 283. "An Act To Increase The Fees For Registration Of Broker-Dealers, Investment Advisors, and Salesmen; Allowing The Commissioner To Retain All Fees Even If Application Is Withdrawn Or Denied."

Senator Matt Himsel, District 9, stated he was Chief Sponsor of Senate Bill 283. His testimony is attached along with the proposed amendment from Rick Tucker, Chief Deputy Investment Commissioner. (Exhibit #4)

There being no more proponents or opponents, Senator Lowe made a motion that we adopt the amendments proposed by Rick Tucker. Senator Kolstad seconded.

Senator Kolstad then made a motion that Senate Bill 382, As Amended, Do Pass. Senator Lowe seconded. All were in favor.

DISPOSITION OF SENATE BILL 231. "An Act To Permit Establishment Of Common Trust Funds For Collective Investment Of Funds By Affiliated Banks Or Trust Companies."

Senator Tom Rasmussen, District 16, stated he was Chief Sponsor of this bill. He introduced Ed Jasmin, Helena, Northwestern Bank and Union Trust Company in Helena.

Mr. Jasmin stated this will enable more profitable investment of trust funds through specialized funds not now available to Montanans. His testimony is attached. (Exhibit #5)

PROPONENTS:

George Beal, First Trust Company of Montana. He stated he supported this bill entirely. He thinks it is going to make it easier to give personalized service to the people.

Harold Pitts, Montana Independent Bankers, stated he supported SB 231.

Chuck Pedersen, Montana Bank, Great Falls, stated he was in agreement with Mr. Jasmin's testimony.

John Cadby, Montana Banker's Association, stated he was in complete support of SB 231.

There being no other proponents or opponents, Senator Devine made a motion that SB 231 Do Pass. Senator Goodover seconded. All were in favor except for Senator Lowe.

CONSIDERATION OF SENATE BILL 280. "An Act To Provide That Automobile Insurers Are Excepted From Fictitious Group Provisions And Need Not Have Commission Approval Of Group Rates."

Senator Richard Smith, District 8, stated he was Chief Sponsor of this bill.

Senator Smith stated there was an error in the title of the bill. He proposed the attached amendments. (Exhibit #6) He stated this would allow any group of people to set up their automobile casualty insurance the same as is done with life insurance, etc. He thinks rates are really too high and that in time they will drop.

Ernest Post, Montana State AFLCIO, stated he was in support of this bill. He thinks the time has come to allow groups to enter and negotiate for cheaper rates on auto insurance. He recommended the Committee give this bill a Do Pass.

W. Boyce Clarke, Independent Insurance Agents of Montana. His testimony is attached. (Exhibit #7)

OPPONENTS:

Glen Drake, American Insurance Association, stated they opposed the bill. It is not the purpose of the bill, but the matter of the bill they oppose.

Richard Smith closed. Hearing closed on SB 280.

CONSIDERATION OF SENATE BILL 282. "An Act To Provide For An Economic Impact Statement For Certain Proposed Legislation And Other State Actions."

Senator Robert Lee, District 43, stated he was Chief Sponsor of this bill. He then introduced Peter Jackson, President, Western Environmental Trade Association.

Mr. Jackson stated they are in favor of SB 282. He feels that an economic impact statement is needed. He stated we are looking at a society that is extremely complex. He feels there definitely is a need for EPA in Montana.

PROPONENTS:

Joe Crosswhite, Operating Engineers Union. He stated they are having a tough time in Montana getting construction jobs going. He thinks this is a good bill and hopes the committee will give this bill a Do Pass.

Tom Winsor, Chamber of Commerce stated he believes the people of Montana deserve a balanced approach. He supported SB 282.

Don Allen, Montana Petroleum Association, stated he endorsed this concept. He supports SB 282.

OPPONENTS:

Steve Brown on behalf of the Governor's Office. He stated they do not disagree with the concept of SB 282. In opposing this bill, his opposition is based on the form of the bill. He thinks the litigation is going to be tremendous if this bill passes. He stated the Legislature has never provided enough manpower to do economic impact statements.

Dave Fuller, Commissioner of the Department of Labor and Industry. He opposes the bill. His testimony is attached. (Exhibit #8)

Phil Tawney, Environmental Information Center, stated this would require only a 24 month analysis. You don't look at a project for only 24 months. He feels this legislation is (1) inadequate and (2) not going to require employment. They would support economic analysis if it were increased to a long term period and if funding were adequate.

James W. Murry, AFLCIO. He spoke in opposition to SB 282. His testimony is attached. (Exhibit #9)

Sarah Ignatius, Northern Plains Resource Council, stated they opposed SB 282.

Senator Lee closed. Hearing closed on SB 282.

CONSIDERATION OF SENATE BILL 237. "An Act To Revise The Makeup Of The Board of Real Estate."

Senator George Roskie, District 21, stated he was Chief Sponsor of this bill. He stated what the bill does is revise the makeup of the Board of Real Estate. The Board of Real Estate was created by the licensing act. There is no longer any reason to keep the Director of the Department of Agriculture as chairman. His feeling is he should not continue as it is a tenuous position at best. So in lines 15 and 16 it eliminates the Director of Agriculture as Chairman of the Board. He urged passage of this bill.

Cliff Christian, Montana Association of Realtors, stated he supported SB 237.

Jim Burke, Montana Association of Realtors, urged passage of this bill.

Senator Roskie closed. Hearing was closed.

Chairman Hazelbaker stated there would be a recess until 1:30 as we were unable to finish the list of bills before the Senate went into session.

CONSIDERATION OF SENATE BILL 258. "An Act To Include The Sale Of Distillates On Any Basis Other Than Gross Volume Delivered To Be Void."

Senator Bob Peterson, District 42, stated he was Chief Sponsor of this bill. He stated the bill now will include both gas and distillates.

PROPOSERS:

Tom Kenneally, President Town Pump, Inc., stated they are engaged in the selling of gas and distillates which they buy from major

oil companies in Montana. Most major companies sell on a temperature corrected basis. At 60 degrees they receive 10,000 gallons but charged for 10,149 gallons. This is then passed on to the consumers. He thinks this is a bill that would benefit the consumers.

David Brotnor, Far West Gas and Oil, stated they own three truckstops and bulk plants. He stated they have had to make adjustments in their net gross inventory of \$12,000.00. This does have to be passed on to the consumer. He hoped that this bill would pass.

Senator Peterson closed. Hearing closed on SB 258.

DISPOSITION OF SENATE BILL 400. "An Act To Exempt Insurance Of Religious Denominations Against Certain Hazards And Causes From Operation Of Insurance Code."

Senator Cornie Thiessen, District 27, stated he was Chief Sponsor of this bill. Senator Thiessen handed out testimony from Thomas L. O'Malley, Insurance Division of the State of Minnesota. This is attached. (Exhibit #10)

Chip Erdmann, Attorney, Department of Insurance stated the mennonites are not qualified under the statutes and are not recognized. They don't take a position for or against this bill.

OPPONENTS:

Glen Drake, American Insurance Association, stated he feels it would be disastrous to pass this bill.

W. Boyce Clarke, Independent Insurance Agents of Montana. His testimony is attached. (Exhibit #11)

Senator Thiessen closed. Hearing closed on SB 400.

Senator Lowe made a motion that SB 400 Do Not Pass. Senator Regan seconded. Roll call vote taken. All were in favor except for Senator Kolstad and Senator Mehrens.

The Senate was going back into session so the committee recessed until approximately 4:30 p.m.

DISPOSITION OF SENATE BILL 282.

Senator Regan made a motion that SB 282 Do Not Pass. Senator Lowe made a substitute motion that SB 282 be passed for the day. Senator Mehrens seconded. Roll call vote. All were in favor except Senator Regan and Senator Devine.

DISPOSITION OF SENATE BILL 280.

Senator Peterson made a motion that SB 280 Do Not Pass. Senator Kolstad seconded. Roll call vote. All were in favor except Senator Regan, Senator Mehrens and Senator Devine.

DISPOSITION OF SENATE BILL 237.

Senator Regan made a motion that we accept the amendments by her and Roger Tippy. Senator Lowe seconded. All were in favor.

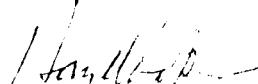
Senator Goodover made a motion that SB 237, As Amended, Do Pass. Senator Regan seconded. All were in favor.

DISPOSITION OF SENATE BILL 85.

Senator Regan made a motion that we accept the amendments by Bill Groff. Senator Goodover seconded. All were in favor.

Senator Regan made a motion that Senate Bill 85, As Amended, Do Pass. Senator Goodover seconded. Roll call vote. All were in favor except for Senator Kolstad, Senator Mehrens, and Senator Peterson. Senator Devine abstained.

ADJOURN: There being no further business, Chairman Hazelbaker adjourned the meeting at 5:15 p.m.

  
FRANK W. HAZELBAKER, CHAIRMAN

SP 231 283  
237 258  
280 400  
282

SENATE

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COMMITTEE

BILL

VISITORS' REGISTER

DATE 2/15/77

NAME	REPRESENTING	BILL #	(check one) SUPPORT	OPPOS
Ernest Post	MT State AFL-CIO	SB 280	X	
A. David Sibley	MT State AFL-CIO	SB 282	X	
Mark Melaruk	MT State Bldg Trades	SB 282	X	
Sharon M. Van Tuyl	Tenneco	282	following	
Ed Anderson	Montana Bankers	231	✓	
Harold Potts	Mont. Independent Bankers	231		
Nels Hognestad	Montana Bankers	231	✓	
Charlotte Fasy	CWA	SB 282	✓	
Sarah B. Ignatius	Northwest Plan Res Council	282		X
Phil Towney	Environmental Information Center	282		X
DICK ROYCE	EAC	282		
Miller & Koch	DOA	282		
Steve Brown	Governor's office & DHEC	282	X	
Tom Blane	League of Women Voters	282		
DAVE FULLER	DEPT. OF LABOR & INDUSTRY	282		X
John Caddy	MT. Bankers Assn	231	✓	
Bruce Thompson	First Trust Co. of Mont	231	✓	
George Beall	First Trust Co. of Mont.	231	✓	
Ed Gospman	NORTHWESTERN UNION TRUST CO	231	✓	
Tom Burke	Mont. Assoc. of Realtors			
Patricia Lee	2227 T. A.	282	✓	
John Delany	Mont. RR	282	✓	
Patricia Lee	Mont. RR	282	✓	
Dave Bostrom	Powerade Corp	258	✓	

SENATE

## COMMITTEE

## BILL

## VISITORS' REGISTER

DATE

NAME	REPRESENTING	BILL #	(check one) SUPPORT	OPPOSE
Thomas P. Kenneally	Town Pump Inc.	258	X	
Thomas F. Kenneally	Town Pump Inc.	258	X	
Chuck Strick	Myself	237	X	
John J. Degan	myself	237	X	
<del>Rich</del> Rich Tucker	State Auditor / Auditor	283	X	
Ed Brown (old)	Independent Soc. Bank of Mont	280 400 280		X
Eden Drake	American Soc. Assn	400		X
Jim Murray	Mont. State AFL-CIO	282		X
Tom Wilson	Montana (Mont.)	237 282	X	
Cliff Christian	Mont Assn of Realtors	282	X	
Joy Roseman	Joint Council of Teachers	282	X	

## ROLL CALL

## Business & Industry COMMITTEE

45th LEGISLATIVE SESSION - - 1977

Date 2-15-71

SENATE COMMITTEE Business & Industry

Date 2-15-77 Senate Joint <sup>Rep.</sup> Bill No. 37 Time

NAME	YES	NO
Pat Regan, Vice Chairman		✓
Allen Kolstad	✓	
Pat Goodover	✓	
Bill Lowe	✓	
Jack Devine	✓	
Sandy Mehrens	✓	
Bob Peterson	✓	
Frank Hazelbaker, Chairman	✓	

Connie C. Ancheta H. W. H.  
Secretary Chairman

Secretary Motion: No Pass.

Motion: No Pass

(include enough information on motion--put with yellow copy of committee report.)

SENATE COMMITTEE Business & IndustryDate 2-15-77 Senate Bill No. 85 Time \_\_\_\_\_

NAME	YES	NO
Pat Regan, Vice Chairman	✓	
Allen Kolstad		✓
Pat Goodover	✓	
Bill Lowe	✓	
Jack Devine		abstain
Sandy Mehrens		✓
Bob Peterson		✓
Frank Hazelbaker, Chairman	✓	

Connie Chamber  
SecretaryFrank Hazelbaker  
ChairmanMotion: Do Pass

(include enough information on motion--put with yellow copy of committee report.)

SENATE COMMITTEE Business & IndustryDate 2-15-77 Senate Bill No. 85 Time \_\_\_\_\_

NAME	YES	NO
Pat Regan, Vice Chairman	✓	
Allen Kolstad	✓	
Pat Goodover	✓	
Bill Lowe		✓
Jack Devine		
Sandy Mehrens	✓	
Bob Peterson		✓
Frank Hazelbaker, Chairman	✓	

Amelia Chanter Chairman  
 Secretary Chairman

Motion: Amendments, Do Pass.

(include enough information on motion--put with yellow copy of committee report.)

SENATE COMMITTEE Business & Industry

Date 2-15-77 <sup>9</sup> Senate Bill No. 280 Time

NAME	YES	NO
Pat Regan, Vice Chairman		✓
Allen Kolstad	✓	
Pat Goodover	✓	
Bill Lowe	✓	
Jack Devine	.	✓
Sandy Mehrens		✓
Bob Peterson	✓	
Frank Hazelbaker, Chairman	✓	

Zimma P. Lancher W. H. W.  
Secretary Chairman

Motion: Do Not Pass

(include enough information on motion--put with yellow copy of committee report.)

SENATE COMMITTEE Business & Industry

Date 5/11/16 Bill No. 400 Time

NAME	YES	NO
Pat Regan, Vice Chairman	✓	
Allen Kolstad		✓
Pat Goodover	✓	
Bill Lowe	✓	
Jack Devine	✓	
Sandy Mehrens		✓
Bob Peterson	✓	
Frank Hazelbaker, Chairman	✓	

## Secretary

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**Chairman**

**Motion:** No Motion

(include enough information on motion--put with yellow copy of committee report.)