

MINUTES OF THE MEETING
HIGHWAYS AND TRANSPORTATION COMMITTEE
MONTANA STATE SENATE

February 17, 1977

The twelfth meeting of the Highways and Transportation Committee was called to order by Chairman Manning on the above date in Room 404 of the State Capitol Building at 6:00 p.m.

ROLL CALL: Senator Hazelbaker was excused, Senator Healy arrived at 6:10 and left at 6:45. All other members were present.

DISPOSITION OF SENATE BILL 366: Senator Smith moved that SB 366 do pass. Senator Aber seconded the motion. The motion carried unanimously with Senators Healy and Hazelbaker absent.

DISPOSITION OF SENATE BILL 160: Senator Lockrem moved that the amendments presented to the committee by Mr. Beck be adopted. (See Attached #1) Senator Hager seconded the motion. Senator Aber asked for clarification of what the amendments accomplished. Senator Lockrem said that the amendments would give the Department of Highways some latitude in utilizing the coal byproducts. There were no objections to the amendments. Senator Smith added that it also waived the rights of hearing in those cases already covered by other laws. The committee voted unanimously and the motion carried. Senator Lockrem moved that SB 160 do pass as amended. Senator Bergren seconded the motion. The motion carried with Senators Aber and Etchart voting no and Senators Hazelbaker and Healy absent.

DISPOSITION OF SENATE BILL 390: Senator Smith moved that SB 390 do pass. Senator Bergren seconded that motion. The motion carried unanimously with Senator Hazelbaker absent.

DISCUSSION OF SENATE BILL 208: Senator Lockrem moved that SB 208 do not pass. Senator Aber seconded that motion. Senator Lockrem explained that there was a problem with the bill needing substantial amendments. Senator Blaylock had received the attention of the Department of Administration which tends to be moving in the direction of the subcompact cars anyway. A resolution could accomplish the same thing. Chairman Manning told the committee that Senator Blaylock had asked that the committee delay and decision until Saturday when he could be there to tell of the additional research that the committee had requested of him. Senator Lockrem withdrew his motion and Senator Aber withdrew his second.

DISPOSITION OF SENATE BILL 367: Senator Smith moved that SB 367 be amended on page 1, line 25, striking the words "24 hours" and inserting "the next two business days". Senator Lockrem seconded the motion. The motion carried unanimously with Senator Hazelbaker absent. Senator Smith moved that SB 367 be further amended with Rob Smith's proposed amendment that on page 1, line 20, strike: "testimony taken at such hearing", insert: "report of the accident", following "be", strike: "transcribed and". Senator Hager seconded the motion. The motion carried unanimously with Senator Hazelbaker absent. Senator Smith moved that SB 367 do pass as amended. Senator Lockrem seconded the motion. The motion carried unanimously with Sen. Hazelbaker absent.

February 17, 1977

DISPOSITION OF SENATE BILL 374: Chairman Manning told the committee that he had talked with Senator McComber about moving the bill to the Finance and Claims Committee and Senator McComber did not think that that would be necessary. Senator Aber commented that he felt that the fees were outlandish. Senator Bergren said that he agreed. Senator Lockrem said that the consumer is the one who ends up paying in the end anyway. Senator Lockrem moved that SB 374 do not pass. Senator Aber seconded the motion. The motion carried with Senators Smith and Graham voting No and Senator Hazelbaker absent. The rest of the committee voted Yes. Chairman Manning asked Senator Lockrem to defend the committee report on the floor of the Senate.

DISPOSITION OF SENATE BILL 391: Senator Smith moved that SB 391 do pass. Senator Aber seconded the motion. The motion carried unanimously with Senator Hazelbaker absent.

DISCUSSION OF SENATE BILL 392: Senator Smith moved that the title be amended on line 13, deleting "PUBLIC UTILITIES" and inserting "MOTOR CARRIERS". Senator Lockrem seconded the motion. The motion carried unanimously with Senator Hazelbaker absent. Senator Bergren commented that if the costs of publication of notices are passed on to the applicant, and the PSC publicizes several times, the cost could be quite great. Senator Smith moved that SB 392 do pass as amended. Senator Hager said that he was concerned on page 3 of the PSC option of a fee between \$100 and \$200, depending on the counties. The fees could cover more expenses than advertising. They seem to cover themselves both ways. Senator Aber suggested that we get the PSC representatives back to explain this to the committee. Senator Smith withdrew his motion and Senator Hager commented that he would contact the PSC for information while the committee continued in executive session.

DISPOSITION OF SENATE BILL 327: Senator Lockrem asked that some member of the committee refresh his memory as to the testimony on this bill. Senator Graham responded that the author was trying to give the responsibility of enforcing the PSC regulations and the laws concerning the transporting of goods to the Highway Patrol and the Weigh Masters as well as to the PSC enforcement team. Senator Bergren moved that SB 327 do not pass. Senator Lockrem seconded the motion. The motion carried unanimously with Senator Hazelbaker absent.

DISPOSITION OF SENATE BILL 420: Senator Aber moved that the bill be amended on line 21 to delete "for improvement districts" and that the title be amended in like manner. Senator Bergren seconded the motion. The motion carried unanimously with Senator Hazelbaker absent. Senator Aber moved that SB 420 do pass as amended. Senator Smith seconded the motion. The motion carried unanimously with Senator Hazelbaker absent.

DISCUSSION OF SENATE BILLS 385 and 426: Senator Aber commented that these bills needed more study as he believed they constituted a new contract. He said that he was on the side of the dealers, but maybe this bill was a little harsh.

February 17, 1977

DISPOSITION OF SENATE BILL 426: Senator Graham moved that the amendments submitted by the auto dealers adding an immediate effective date be adopted. Senator Bergren seconded the motion. Senator Graham commented that the dealers felt that this was needed so that the manufacturers could not make reprisals between now and the date normally used as the effective date in July. The amendments passed unanimously with Senator Hazelbaker absent. Senator Graham moved that SB 426 do pass as amended. Senator Aber seconded the motion. The motion carried unanimously with Senator Hazelbaker absent.

DISCUSSION OF SENATE BILL 386: Senator Graham moved the dealers' amendments adding the effective date. Senator Smith said that he would like to look at this bill further before acting. Senator Aber concurred. Senator Bergren commented that if the GM amendments were accepted it would not be the same bill. Senator Graham said that the manufacturers are able now to throw a lot of things on top of the dealer which he has to pay for. If the dealer resists, the manufacturers threaten to take away the franchise. A man is entitled to run his own business.

Senator Aber commented that he had helped out the manufacturers when they were in a pinch. The fact that the dealers were having things forced upon them was not entirely the factory's fault. Some dealers were so tough that the factory representative hated to go to them. The story is not all one sided.

Senator Bergren noted that the consumers get it in the end. Being that the dealer pays money in Montana, the legislature should work more for him than for the manufacturer. Senator Graham said that he agreed. Whatever is shoved on top of the dealer the people pay for in the end.

Senator Lockrem moved that the effective date amendments be accepted by the committee. Senator Graham seconded the motion. The motion carried unanimously with Senator Hazelbaker absent.

Senator Smith said that he had some amendments. On page 8, lines 7-20 were problematic for him. This is shifting the warranty liability so that the consumers could not deal with the dealer and get anything done. If the consumer were to talk to the dealer the dealer could tell him to talk to the manufacturer. You can say what you like about the dealer, but with seven dealers in Senator Smith's own area, he is not able to get the car serviced at any dealer but the one he bought the vehicle from. This bill would further relieve the dealer from any responsibility.

Senator Aber stated that there was a lot behind the warranty work. There was a problem with the constant complainer. These people will be in all the time complaining that there is something wrong with their car, and the dealer can't charge for his time with the complainer because they claim it is warranty work.

Senator Lockrem stated that he could appreciate Senator Smith's problem, but on the other side of the coin, you have Mr. Vuchanovich's

February 17, 1977

problem. GM billed him for the damages.

Senator Bergren said that GM seemed concerned that they would have to pay the same rate as the regular work at the shop. If lines 16-20 were deleted, all would be covered above in the bill.

Senator Aber said that he couldn't understand their idea on that. The work doesn't have to be that high. There is never a discount given on warranty work whereas many specials are run for other work. Senator Aber said that he didn't think the dealer should expect to get rich off of the factory work.

Senator Smith suggested that on page 8, following line 20 that the words "any dealer holding a franchise must do all warranty work for the franchise item he is selling" be inserted. Senator Etchart said that he agreed with Senator Smith that that should be part of the dealers' responsibilities and obligations.

Senator Lockrem commented that he could appreciate Senator Smith's comments, but warranty work is really a blank check. He submitted as part of the record (Attached #2) a copy of a master Buick agreement and read from the last page a section dealing with nulification of the contract with the passage of laws. Senator Lockrem suggested that a sentence could be added to read "Nothing in this section should preclude a dealer from doing warranty work."

Senator Etchart commented that we were not off the hook yet. Senator Smith said that the consumer would still have no recourse with the dealer in the state and in some cases would have to deal with the manufacturer in Japan.

Senator Lockrem moved that the committee pass consideration of SB 386 for the night. Chairman Manning said that he was inclined to agree with the dealers, but the problems should be worked out before passing the bill out. The committee voted unanimously to pass consideration for the night.

DISPOSITION OF SENATE BILL 375: Senator Graham reminded the committee that this was the bill dealing with the discriminatory freight rates. Senator Smith moved that the bill be amended according to the amendments submitted to the committee by Mr. Swanberg representing the railroads. Senator Bergren seconded the motion. The motion carried unanimously with Senators Healy and Hazelbaker absent. Senator Graham moved that the bill do pass as amended. Senator Smith seconded the motion. The motion carried unanimously with Senators Healy and Hazelbaker absent.

DISPOSITION OF SENATE BILL 392: Senator Hager reported that he had been able to contact Mr. Rob Smith of the PSC and that the PSC had deleted the additional cost to the board as it felt it could handle the added costs with the higher fees. Page 9 includes a loophole to deal with the additional costs that might be accrued. Senator Hager said that he was satisfied with the explanation. Senator Smith moved

February 17, 1977

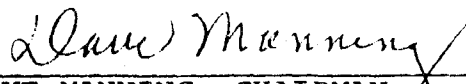
that SB 392 do pass as amended. Senator Hager seconded the motion. The motion carried unanimously with Senators Healy and Hazelbaker absent.

DISPOSITION OF SENATE BILL 362: Senator Smith asked Senator Graham if he felt the bill was necessary. Senator Graham said that the bill only required that the testimony be prefiled. He added that the Consumer Counsel had proposed some amendments that would remove their objection to the bill.

Senator Smith moved that the amendments submitted by the Consumer Counsel be adopted. Senator Bergren seconded the motion. The motion carried unanimously with Senators Healy and Hazelbaker absent. Senator Smith moved that SB 362 do pass as amended. Senator Bergren seconded the motion. The motion carried unanimously with Senators Healy and Hazelbaker absent.

DISCUSSION OF SENATE BILL 325: Senator Aber said that it was his intention to allow SB 325 to die in committee without vote.

ADJOURNMENT: Senator Smith moved that the meeting be adjourned. Senator Etchart seconded the motion. The motion carried unanimously with Senators Healy and Hazelbaker absent. The meeting was adjourned at 6:57 p.m.



DAVE MANNING, CHAIRMAN

SENATE COMMITTEE HIGHWAYS AND TRANSPORTATION

Date 2/17 Senate Bill No. 374 Time 6:20

NAME	YES	NO
Larry Aber, Vice Chairman	✓	
Tom Hager	✓	
Frank Hazelbaker		
Lloyd Lockrem	✓	
Mark Etchart	✓	
Carroll Graham		✓
John Healy	✓	
Richard Smith		✓
Russell Bergren	✓	
Dave Manning, Chairman	✓	

Susan Brown
Secretary

Dave Manning
Chairman

Motion: Senator Lockrem moved that SB 374 Do Not Pass. Senator
Aber seconded the motion. Motion carried 7 "Ayes", 2 "Nays"
with Senator Hazelbaker absent.

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

SENATE COMMITTEE HIGHWAYS AND TRANSPORTATION

Date 2/17 Senate Bill No. 160 Time 5:57

NAME	YES	NO
Larry Aber, Vice Chairman		✓
Tom Hager	✓	
Frank Hazelbaker		
Lloyd Lockrem	✓	
Mark Etchart		✓
Carroll Graham	✓	
John Healy		
Richard Smith	✓	
Russell Bergren	✓	
Dave Manning, Chairman	✓	

Susan Brown
Secretary

Dave Manning
Chairman

Motion: Senator Lockrem moved that SB 160 Do Pass as Amended.
Senator Bergren seconded the motion. With Senators Hazelbaker
and Healy absent, the motion carried with 6 "Ayes" and
2 "Nays".

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