

March 3, 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.

CONSIDERATION OF HOUSE BILL 171. "An Act To Allow Insurance Agents, Life Insurance Agents, Or Solicitors Licensed As Insurance Consultants A Fee For Consultation Services And To Clarify The Prohibition Of Unlicensed Consultation."

Representative Howard Porter, District #65 stated he was chief sponsor of this bill.

PROPOSERS:

Jerome M. Kohn, American National Insurance Company spoke in favor of the bill. Attached is a letter to Senator Hazelbaker stating his testimony. (Exhibit #1)

Al Dontrelli, Life Underwriters, stated he agreed with the points made. It has to be a qualified person who can get the licensing for consulting. He introduced the following:

Peter Sullivan  
Elmer Hausken  
Stan Gillet  
Don Steel  
Ken Jones  
Joe Berry  
Freda Blakeman

Boyce Clarke, Independent Insurance Agents of Montana, stated he was not a proponent or opponent to the bill. His testimony is attached. (Exhibit #2) He suggested the following amendment:

1. Amend page 2, line 20.  
Following: "licensed"  
Insert: "as a resident agent"

Representative Porter stated there was no objection to the amendment proposed by Mr. Clarke.

Josephine Driscoll, Insurance Department, State of Montana, stated she agreed with Mr. Clarke's testimony.

After some discussion the hearing on House Bill 171 was closed.

Senator Goodover made a motion that we adopt the amendment proposed by Mr. Clarke. Senator Regan made a substitute motion that we wait for executive action before taking any action.

CONSIDERATION OF HOUSE BILL 196. "An Act To Create Certain Exemptions To The Inspection And Permitting System For Enforcement Of The State Plumbing Code."

Representative Harrison Fagg, District #63 stated he was chief sponsor of this bill. Under present law, the State Plumbing Board charges inspection fees in cities where city plumbing inspectors do the inspection. This causes two problems. (1) There is a hassle as to the interpretation of the codes and (2) the cost of dual inspection. His bill would delete the state fee when the city handles the inspection.

PROPOSERS:

Don Kerns, City Manager's Office in Helena. He stated he supports HB 196. It is his feeling that the duplication of inspection fees is an unnecessary burden on the consumer which is the homemaker.

Glen Drake, representing League of Cities and Towns, stated the League fully supports this bill.

OPPOSERS:

Arthur W. Clarkson, representing Board of Plumbers, stated he opposed the bill. His testimony is attached. (Exhibit #3)

Walt Tynes, Jr., Great Falls, representing the Plumbing Board stated he opposed the bill. He thinks the State Plumbing Board would lose 90% of its revenue.

David Emerson representing Montana State Plumbing Board stated he has some statements that are of public record which are from the Great Falls Tribune dated August 7, 1976. He read these articles. They are attached. (Exhibit #4) He thinks if this bill passes the public health and safety of the people will be jeopardized. The cities do not now provide for final inspections.

Roy Prussing, Billings, Montana, representing Board of Plumbers stated he opposed this bill. His testimony is attached. (Exhibit #5)

Joseph Martin, Great Falls, representing Montana licensed journeymen stated he opposed House Bill 196. He stated this bill would take away the funds of the State Plumbing Board, by deleting the permits within a city limits. There would not be any funds to hire State Plumbing inspectors to assure the public of a proper installation of plumbing and would not protect anyone outside the city limits. It may be true that the people having

plumbing installed are helping to support proper plumbing inspections, but the cities also support many other services in the counties by paying for services outside of the city limits through the county tax. There is no way that we can separate ourselves in the city limits from the county or the state. If the state would supply the funds for inspectors, out of the general fund, there would not be a need to charge the city residents a dual permit fee. The plumbing industry is attempting to be self supporting without the funds from the general fund.

Elmer Lazure, Board of Plumbers stated he opposed this bill. His testimony is attached. (Exhibit #6)

Representative Fagg gave to the secretary an "Application for Permit To Do Plumbing Work" which he would like put in the record. (Exhibit #7)

After some discussion the hearing was closed on HB 196.

CONSIDERATION OF HOUSE BILL 476. "An Act To Require Insureds Transacting Professional Liability Insurance To Include In Their Annual Statement To The Insurance Commissioner Certain Statistics And Information."

Jerome T. Loendorf representing Montana Medical Association stated this bill was one of a number of bills relating to the medical malpractice problem. As you know, there has been increases in the medical malpractice premiums. He thinks this bill will be helpful.

There were no opponents to the bill.

Senator Regan asked Mr. Loendorf how much money actually does arrive to the insured party? Mr. Loendorf stated studies indicate 16-20 cents on a dollar. He stated 10 cents of the premium dollar would go to plaintiff attorneys.

The following amendments were drawn up by Roger Tippy at the request of Senator Regan:

1. Amend page 3, section 3, lines 14 and 15.  
Following: "appropriate"  
Strike: "board within the department of professional and occupational"  
Insert: "authority"
2. Amend page 3, section 3, line 17.  
Following: "particular"  
Strike: "board"  
Insert: "profession or facility"
3. Amend page 3.  
Following: line 17.  
Insert: "Section 4. Codification. Sections 1 through 3 of this act shall be codified in Chapter 28, Title 40, as sections of the insurance code."

Jerry Loendorf agreed with the amendment.

Senator Goodover asked how does this bill relate with the bill introduced by Senator Dunkle. Mr. Loendorf stated there was no relation between them.

Hearing closed on House Bill 476.

CONSIDERATION OF HOUSE BILL 337. "An Act To Eliminate The Floating Tavern License."

Representative Tom Conroy, District #58, stated he was chief sponsor of this bill. He stated this was a simple bill.

PROPOSERS:

Curt Lees, Yellowstone County Tavern Association, stated he supported HB 337. His testimony is attached. (Exhibit #8)

Bob Durkee, Montana Tavern Association, stated he supported this bill.

H. B. Landoe, Attorney from Bozeman, representing a number of lounges stated he supported the bill.

Robert Blair, past President of Montana Tavern Association stated he supported this bill.

Dave Reichert, Billings, stated he supports this bill 100% and he doesn't think they need any new licenses at this time.

Ken Driver, Billings, stated he doesn't feel they need any additional licenses. He supported this bill.

John Esselton, Billings, he feels they have a sufficient number of licenses. He feels putting in more licenses would only cause problems.

Curt Lees stated that Jerry Dunbar and Sheriff Boetcher who couldn't attend the meeting wanted to go on record stating they supported this bill.

Representative Tom Conroy closed. Hearing closed on HB 337.

DISPOSITION OF HOUSE BILL 171.

Senator Regan made a motion that Roger amend the bill so that they cannot charge two fees and paying particular attention not to take out 40-3346.

DISPOSITION OF HOUSE BILL 196.

Roger Tippy submitted two amendments which are as follows:

1. Amend title, page 1, lines 7 and 8.  
Following: "1947"  
Strike: " ; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"
2. Amend page 5, section 2, lines 13 and 14.  
Following: Line 12

Senator Regan made a motion that we adopt these amendments. All were in favor.

Senator Regan made a motion that HB 196, As Amended, Be Concurred In. Roll call vote was taken. All were in favor with the exceptions of Senators Goodover, Mehrens and Peterson.

Senator Lowe will carry the bill on the floor.

DISPOSITION OF HOUSE BILL 337.

Senator Mehrens made a motion that HB 337, Be Concurred in. Senator Kolstad seconded.

Senator Regan made a substitute motion that HB 337 Be Not Concurred In. Senator Lowe seconded. Roll call vote. 4-4 vote.

The Committee decided to switch the motion to Senator Mehrens original motion that HB 337 Be Concurred In. It will come out of Committee Without Recommendation due to the tie vote.

Senator Mehrens will carry the bill on the floor.

DISPOSITION OF HOUSE BILL 476.

Senator Regan made a motion that we adopt the amendments by Roger Tippy. All were in favor.

Senator Peterson made a motion that HB 476, As Amended, Be Concurred In. All were in favor.

Senator Peterson will carry the bill on the floor.

ADJOURN: There being no further business, Chairman Hazelbaker adjourned the meeting at 1:05 p.m.

  
FRANK W. HAZELBAKER, CHAIRMAN

AB 111  
196  
BILL 337  
476

SENATE B + D COMMITTEE

VISITORS' REGISTER

DATE 2 3 1977

NAME	REPRESENTING	BILL #	(check one)	
			SUPPORT	OPPOSE
d. w. Clarkson	Bd of Plumbers	AB 196		X
Ken R Jones	Life Underwriters	171	✓	
James M. Kohn	" "	171	✓	
John W. Berry	Life Underwriters	171	✓	
Howard W. Dato	Rep # 65	171	✓	
Fredah J. Blakeman	Life Underwriters	171	✓	
EARL AALSETH	Life Underwriters	171	✓	
AL MONTRELLI	LIFE UNDERWRITERS	171	✓	
Phil Stope	Life Underwriters	#171	✓	
John Sullivan	NW National Life	171	✓	
Ernie Hansen	NWNL	171	✓	
Al Gillet	Security Life	171	✓	
Don Steele	Washington Nat'l	171	✓	
Harold Paulson	Western Life	171	✓	
Josephine Ariselli	Ins. Dept - Dept of Mt	476		
W. Bruce Gode	Ind. Ins. Agents of Mont	171	Qualified	
Louis M. Emerson	MONTANA STATE PLUMBING BOARD	196	✓	
John T. Landolf	At Med Assn	476	✓	
Alan Diche	League of Cities & Towns	196	✓	
Gerald Neely	Mont. Med. Assoc.	476	✓	
Donald R. Keena	City of Helena	196	✓	
John Tozard	Bd of Plumbers	196		✓
Bob [unclear]	"	"		✓



SENATE COMMITTEE Business & Industry

Date House Bill No. 196 Time \_\_\_\_\_

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

Secretary \_\_\_\_\_

Chairman \_\_\_\_\_

Motion: Be Concurred In As Amended

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



SENATE COMMITTEE Business & Industry

Date \_\_\_\_\_ House Bill No. 337 Time \_\_\_\_\_

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

Secretary \_\_\_\_\_

Chairman \_\_\_\_\_

Motion: Be concurred in

W/out Rec

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