

March 10, 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 437. "An Act Authorizing The Department Of Health And Environmental Sciences To Initiate And Maintain Actions To Collect A Civil Penalty; Clarifying The Authority Of The Department To Require The Shielding Of Motor Vehicle Wrecking Facilities And Motor Vehicle Graveyards; Clarifying And Coordinating The Responsibilities Of The Department Of Health And Environmental Sciences And The Department Of Highways Under Title 32."

Since Representative Vincent was not at the meeting to present the bill, Mr. Terrence Carmody, Montana Department of Health And Environmental Sciences stated that at his request Representative Vincent introduced this piece of legislation. It is mainly to clear up the language and make clearer the definition between motor vehicle graveyards and facilities. The Board of Health will become a sounding board to hear any complaints. They have reduced the fee on the transfer of titles from \$2.00 to \$1.50. (See attached Exhibit #1)

PROPOSERS:

William L. Romine, Montana Automotive Dismantlers and Recycler's Association stated at the time the bill was heard in the House, they pointed out problems that the bill had. Amendments were made and agreeable with them. This clarifies the Department's power to screen. It also changes the enforcement powers under the present law. This bill provides for a civil penalty. He pointed out that under the Lady Bird law, it provides that a facility cannot be screened from public view. The Highway Department must buy out and relocate. They have never done this. If the Highway Department determines it cannot be licensed because it cannot be screened, then it falls under the beautification act. He supports the passage of this bill.

Representative John Vincent, District 78, came in late. He stated he is carrying the bill for the Environmental Services. He wanted to point out that this bill lowers the fee from \$2.00 to \$1.50 for title transfers. He stated it also clears up a lot of language problems which deals with screening and allows for civil penalties instead of criminal penalties. He hoped the committee would pass this bill.

OPPONENTS:

Greg McCurdy, Montana Association of Counties. He stated he is opposed to page 11, line 10 to 13 of this bill. This states "Nothing in this section prohibits the department of highways from acquiring an interest in land for screening purposes or paying for screening installation and materials as authorized by this chapter." He stated that insofar as the Department of Health has the power of screening, they also should be required to pay for the cost of that screening. It is a governmental program carried out on behalf of the state. If they are going to regulate it they should have to pay for it.

Mr. Romine responded to Mr. McCurdy stating he does not understand why there should be any objection. This amendment did not repeal the Highway Beautification Act. The Highway Beautification Act helps screen areas if it is difficult to be screened.

Senator Devine stated that in some of his travels around the State he finds the screening looks worse than the junked cars. He asked what is the definition of screening?

Mr. Carmody stated it has to be maintained and be neat in appearance.

Hearing closed on HB 437.

CONSIDERATION OF HOUSE BILL 742. "An Act To Revise Laws Relating To Cooperative Marketing Associations, Providing For Perpetual Existence, Changing Provisions Relating To Amendment And Filing Of Articles of Incorporation And Amendment Of Bylaws, Providing For Reserves and Distribution Of Net Earnings, And Providing For Merger Of Such Associations."

Representative Mel Williams, District 70, stated he was chief sponsor of this bill.

He introduced Hubert Massman, Attorney at Law, Attorney for Montana Council of Co-ops. His testimony is attached. (Exhibit #2) He thinks this is a good house cleaning bill.

Senator Regan asked why on page 1, line 24, they had crossed out 40 years and made it "perpetual." Mr. Massman stated over the years there has been no need to limit them to 40 years. All the amendments are being made perpetual. He followed language that is consistent to the other corporate laws.

Hearing closed on HB 742.

CONSIDERATION OF HOUSE BILL 747. "An Act Directing The State Board of Investments To Make Every Effort To Invest At Least One-Quarter Of Certain Funds In Qualified Montana Mortgages."

Representative Harrison Fagg, District #63, stated he was chief sponsor of this bill. He stated the Board of Investments were not working hard to seek out loans in Montana and Representative Scully asked that they let them know what they are doing and they found out most of the loans were coming out of the Northwestern Bank.

PROPONENTS:

Cliff Christian, Montana Association of Realtors, stated he would encourage this bill to hopefully bolster the mortgage market for Montana. For every dollar invested in Montana, that dollar is turned over five times.

Senator Regan stated on page 15, lines 19-25. She feels by inserting this language they have weakened the bill.

Senator Regan stated she thought it would have been better to come in with a Resolution instead of writing it into the law book.

Representative Fagg stated he does not care for Resolutions. He stated the Board of Investments very seldom go outside of Helena to bring in loans.

Senator Lowe stated how does the State go about loaning money to a building project? Do they furnish money to the banks at a price?

Representative Fagg stated yes.

Senator Lowe stated then really they can't do much about this unless the banks come to them.

Representative Fagg said yes they could. They could make an effort to meet with banks and state they have this money and they would like to place it. He stated they are getting into the VA and FHA markets, he doesn't know why they are not in the SBA markets.

Representative Fagg stated that if the Committee could see their way to pass this bill at least they would have a club over the Board of Investments to start going out and doing something.

Hearing closed on HB 747.

DISPOSITION OF HOUSE BILL 308.

Senator Regan made a motion that this bill Be Concurred In. Senator Lowe seconded. All were in favor with the exception of Senators Goodover and Kolstad who voted "nay."

HOUSE BILL 437.

Senator Devine made a motion that this bill Be Concurred In. Senator Goodover made a substitute motion that we take out Subsection (4) on page 11, lines 10-13. Senator Regan stated we should hold this bill until they can talk to the Highway Department to find out the reason for this language before they remove subsection (4).

HOUSE BILL 742.

Chairman Hazelbaker stated that we would pass consideration of this bill for the day.

DISPOSITION OF HOUSE BILL 747.

Senator Regan made a motion that this bill Be Not Concurred In. Senator Devine seconded. All were in favor except for Senator Lowe.

DISPOSITION OF HOUSE BILL 42.

Senator Regan made a motion that this bill Be Concurred In. Senator Devine seconded. All were in favor.

Senator Devine will carry this bill on the floor.

DISPOSITION OF HOUSE BILL 214.

Senator Regan made a motion that this bill Be Concurred In. Senator Devine seconded. All were in favor.

Senator Regan will carry this bill on the floor.

DISPOSITION OF HOUSE BILL 171.

Senator Regan read the amendments that Roger Tippy had done for her. Senator Regan made a motion that the amendments be adopted. Senator Regan then made a substitute motion that the committee members discuss the bill with Jo Driscoll and Sonny Omholt. All were in favor.

ADJOURN: There being no further business, Chairman Hazelbaker adjourned the meeting at 12:20 p.m.



FRANK W. HAZELBAKER, CHAIRMAN

HB 742
HB 709
BILL 747
437

SENATE

B + D

COMMITTEE

VISITORS' REGISTER

DATE 3-10-77

NAME	REPRESENTING	BILL #	(check one)	
			SUPPORT	OPPOSE
William L. Romaine	Mont. Automotive Dismantlers and Recyclers' Association	H.B. 437	X	
HENRY F. LOHR	Mont. Automotive Dismantlers & Recyclers' Assn.	H.B. 437	X	
Douglas B. Roark	MONTANA AUTOMOTIVE DISMANTLERS & RECYCLERS ASSOC.	H.B. 437	X	
Charles E. Baker	Montana Automotive Dismantlers & Recyclers Assn.	H.B. 437	X	
ELROY LETCHER	Mont. T. Council, Coors	HB 742	X	
Hubert J. Massman	Mont. Council of Coors	HB 742	X	
Edw. H. Yde	CENEX	HB 742	X	
Rep. M. Williams	State Legislators	HB 742	X	

STANDING COMMITTEE REPORT

..... **March 10** 19 **77**

MR. **President**

We, your committee on **Business and Industry**

having had under consideration **HOUSE** Bill No. **42**

Respectfully report as follows: That **HOUSE** Bill No. **42**

BE CONCURRED IN

~~DO PASS~~

STANDING COMMITTEE REPORT

March 10

19 77

MR. President

We, your committee on Business and Industry

having had under consideration HOUSE Bill No. 214

Respectfully report as follows: That HOUSE Bill No. 214

BE CONCURRED IN

~~BE CONCURRED IN~~

STANDING COMMITTEE REPORT

March 10

19 77

MR. President

We, your committee on Business and Industry

having had under consideration HOUSE Bill No. 303

Respectfully report as follows: That HOUSE Bill No. 308

BE CONCURRED IN

~~BE CONCURRED IN~~

STANDING COMMITTEE REPORT

March 10

19 77

MR. President

We, your committee on Business and Industry

having had under consideration HOUSE

Bill No. 747

Respectfully report as follows: That HOUSE

Bill No. 747

BE NOT CONCURRED IN

~~XXXXXX~~

MONTANA DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES
Environmental Sciences Division
Solid Waste Management Bureau
Helena, Montana 59601

HB 437

Exhibit #1
Carmody

January 21, 1977

200
2/150
ACT TO REVISE THE MOTOR VEHICLE WRECKING FACILITIES ACT

Section 1. Definitions.

[Signature]
Minor language changes and definitions for "shielding" and "public view" are being requested in order to clarify other sections of the act.

Antique vintage and classic vehicles which were exempted as junk vehicles in the original act have been excluded because of inability to define what constitutes antique and classic vehicles.

Section 2. License.

It is requested that a publicly owned motor vehicle graveyard be required to maintain a license issued by the Department, but exempts that operation from paying the annual license fee. This provision is a standard procedure whereby local governments must abide by the same requirements that apply to the private sector, but are exempt from paying fees.

The section also would clarify the steps for improper licensing procedures as provided for by the Montana Administrative Procedure Act.

Section 3. Possession.

Clarification of conflicting and redundant language is requested.

Section 4. Recycling.

The words "recycling" and "component parts" have been added to this section which will allow the state to conduct a tire shredding program. The handling of used and discarded vehicle tires is a major and expensive disposal problem. A tire shredding program will prepare discarded tires for proper inexpensive disposal or for recycling.

Section 5. Assessment Fee.

It is requested that the assessment fee on each passenger car and truck be reduced from \$2.00 to \$1.50. Because of the highly successful nature of the Junk Vehicle Program as a recycling project, and because of the revenues gained from the sale of scrap metal; it is possible to reduce the disposal fee by \$.50. It should be noted that this reduction in fees will have occurred twice in the last two years.

Page 8 line 19
Section 6. Adoption of Rules.

Over the past two years, questions and conflicting interpretations have been raised over the screening portion of the original act. The proposed revision would allow for the necessary legislative clarification to this section of the act.

Exhibit #2

MASSMAN LAW FIRM
ATTORNEYS AT LAW
SUITE 307 HORSKY BLOCK
P. O. BOX 804
HELENA, MONTANA 59601

M RE AMENDMENT TO TITLE 14 CHAPTER IV,
COOPERATIVE MARKETING ACT

BERT J. MASSMAN
SEPH R. MASSMAN

TELEPHONE 442-2111
AREA CODE 406

The following background information may be of benefit to legislators considering this proposed legislation.

Title 14 deals with "COOPERATIVE CORPORATIONS" and has the following five chapters:

Title 14, Chapter 2: This is the General Cooperative Act. Supply cooperatives are organized under the Act. The Act was originally included in the 1895 Montana Civil Code which in turn had its origin in the California Statutes. The Act has been amended and updated on less than six occasions during its 82 year history, the most recent being in 1973. It is widely used and has obviously fulfilled its purpose and function well with minimum necessity for amendment.

Title 14, Chapter 3: Cooperative Agricultural Corporations and Districts. This Act was passed in 1921. The Legislative Study Committee working on recodification of our statutes contacted the Montana Council of Cooperatives to see if this Act, which has never been amended in its 56 year existence, was actually being used. Our inquiries failed to identify any cooperative corporation which had been or is now organized under the Act. However we made no real study of its history or use and presumably it will remain in its present form after the current recodification program has been completed.

Title 14, Chapter 4: This Chapter is the subject of the present

more detail later in this