

MINUTES OF THE MEETING  
BUSINESS AND INDUSTRY COMMITTEE  
MONTANA STATE SENATE

January 19, 1979

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 10:00 a.m.

ROLL CALL: All members were present with the exception of Senator Chet Blaylock and Senator Bob Peterson who were excused.

SENATE BILL 55: Chairman Hazelbaker introduced Kent Kleinkopf, Director of the Department of Business Regulation. Mr. Kleinkopf urged favorable support for this piece of legislation. This bill is primarily a clarification measure.

Mr. Kleinkopf introduced Mr. Les Alke also from the Department of Business Regulation. Mr. Alke spoke in favor of SB 55 and urged its passage. Mr. Alke left an explanation of the proposed amendment which is attached.

Chairman Hazelbaker asked for questions from the Committee.

Senator Goodover asked, "If the bank doesn't pay the \$1,500 application fee who does?" Mr. Kleinkopf stated that the fee of \$1,500 barely covers the cost of examining new charter applications.

Senator Lowe stated they had a privilege of charging for expenses and this might be a little hard to set.

Senator Hazelbaker closed the hearing on SB 55.

SENATE BILL 62: Senator Lowe stated this bill has been proposed in order that the Department of Administration can issue rather blanket permits to recognized entities that might have occasion for such temporary connections, but not for more than 14 days.

Chairman Hazelbaker introduced Mike Young, attorney for the Department of Administration. Mr. Young stated that the law affects mainly farmers and ranchers and rural areas where the state does not have a full time electrical inspector. It would seldom apply in a metropolitan area.

Chairman Hazelbaker introduced Bob Quinn representing Montana Power. Mr. Quinn concurred on this bill with the Department of Administration. He stated HB 47 limits the time of such temporary connections for 10 days rather than 14 in SB 62.

Gene Phillips from Kalispell who represented Pacific Power and Light also supported the bill.

Mr. John Hale, representing the electrical inspectors, said they have no qualms with this bill and they are not opposed to it.

QUESTIONS: Senator Regan asked about HB 47 which Mike Quinn brought up. Senator Regan asked about amending HB 47 to say 14 days instead of 10 days.

Mr. Mike Young of the Department of Administration said the reason for the time difference was to give the inspector a longer time to get there. He said there would be no objection to amending HB 47 to 14 days. Mr. Quinn stated that 14 days would be plenty of time.

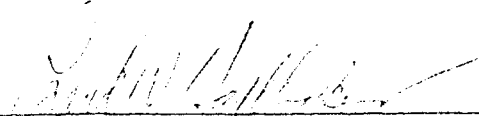
Senator Regan said she thought the Committee should hold SB 62 until we know what action is taken on HB 47. The Committee concurred on her suggestion, and Senator Regan moved that we table SB 62. The motion was seconded by Senator Dover. The motion was unanimously approved by the Committee.

DISPOSITION OF SENATE BILL 55: Staff Attorney Bob Pyfer read proposed amendment changes. These changes are primarily for uniformity.

Senator Regan moved that the amendments to the amendments be approved. Senator Goodover seconded the motion and it was unanimously approved by the Committee.

Senator Lowe moved that Senate Bill 55 Do Pass As Amended. The Committee voted unanimously that SENATE BILL 55 DO PASS AS SO AMENDED.

ADJOURN: There being no further business, the meeting was adjourned at 10:35 a.m.

  
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Senator Frank Hazelbaker, Chairman

.....January 19,..... 19 79.....

MR. ....President:.....

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

having had under consideration .....Senate..... Bill No. 55.....

Respectfully report as follows: That.....Senate..... Bill No. 55.....  
introduced bill, be amended as follows:

1. Page 2

Following: line 15.

Insert: "(3) The expenses of the department and the board incurred in the examinations and hearings provided for in this chapter for the formation of new banks must be paid by the proposed bank through advance payment of a reasonable nonrefundable application fee which must be determined by the board by rule.

2. Renumber subsequent subsection.

And, as so amended,

DO PASS *Pa.*



alt.

Explanation of the proposed amendment:

Section 32-1-302 was enacted by this legislature in 1927. At that time and until recently, the department head, or superintendent of banks made the entire examination of the application of the proposed bank. With the introduction of the Banking Board in 1973, many of the functions were transferred to the Board. The department has continued to provide staff and other expenses for the board in its operation. A fee has been established by rule by the Board for the payment of the expenses of the examination and hearing required. The purpose of the amendment to the bill is to clarify the original intent of this legislature, in light of the addition of the Banking Board statutes. The amendment is thus proposed to the Committee as a house-keeping measure designed to modernize the language of the statute.

BILLS TO BE HEARD BY

THE SENATE BUSINESS AND INDUSTRY COMMITTEE

JANUARY 19, 1979

Bill  
SB 55

Sponsor  
Hazelbaker

By request of the Department of Business Regulation, this bill is primarily a clarification measure. Changes include deletion of provisions relating to the department's duty to determine (1) whether the "public convenience and advantage will be promoted" by the opening of a new bank and (2) whether stockholders are of good character and "command confidence of the community" (p. 1, l. 24-25; p. 2, l. 7-11) which provisions are duplicative and in conflict with 32-1-203 which puts those duties in the banking board. The bill also deletes a provision requiring that department examination expenses be paid by the proposed bank (p. 2, l. 12-15). The bill repeals 32-1-304 which states that the department's denial of a bank certificate of authorization is final as being in conflict with 32-1-202 which provides that the banking board is to make the final decision on an application for a certificate of authority.

Bill  
SB 62

Sponsor  
Lowe

By request of the Department of Administration, this bill allows the department to adopt a rule authorizing temporary electrical connections without department inspection. No temporary connection could be authorized for more than 14 days.

NAME: Mike Young DATE: 1/19/79

ADDRESS: Dept of Admin

PHONE: 7-9421

REPRESENTING WHOM? Dept of Admin

APPEARING ON WHICH PROPOSAL: SB 62

DO YOU: SUPPORT?  AMEND?  OPPOSE?

COMMENTS: \_\_\_\_\_  
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PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

SENATE Business & Industry COMMITTEE

BILL SB 55

VISITORS' REGISTER

DATE 1/19/77

NAME	REPRESENTING	BILL #	(check one)	
			SUPPORT	OPPC
Larry Huss	MTBA	55		
Kent Klejchoff	Dept of Bus Reg	55	✓	
Swale	" " "	55	✓	



SENATE E & J COMMITTEE

BILL SB. 62

VISITORS' REGISTER

DATE 1/19/79

NAME	REPRESENTING	BILL #	(check one)	
			SUPPORT	OPPOSE
<i>John Thomas</i>	<i>Leg. Adm. Dir</i>	<i>SB. 62</i>	<input checked="" type="checkbox"/>	
<i>Phyllis</i>	<i>Public Board</i>	<i>SB. 62</i>	<input checked="" type="checkbox"/>	
<i>Bob Quinn</i>	<i>MT Pwr</i>	<i>SB 62</i>	<input checked="" type="checkbox"/>	
<i>Michael Murphy</i>	<i>LAO</i>	<i>SB 55</i>		
<i>John [unclear]</i>				
<i>John Hall</i>	<i>SAC</i>	<i>SB 62</i>		