

HOUSE BUSINESS AND INDUSTRY

January 20, 1981

SUMMARIES OF

HOUSE BILL 132 -

Introduced by Reps. Jacobsen, Manuel and Abrams revises the application of building construction standards to exempt from the definition of "building" any structure whose original cost is less than \$300,000 and used as a residence, garage or private storage or retail business. The bill also provides that inspection fees charged since September 1, 1979, on those exempt structures shall be refunded to the present owners.

Members of the Committee, please note: Section 3, at line 24, page 4, is new legislation that was not marked as "New material."

HOUSE BILL 141 -

Introduced by Reps. Thoft, Seifert, and Robbins, increases the limit of risk on a single risk that may be retained by a farm mutual insurer to \$50,000 or 10% of the assets of the insurer, whichever is larger.

HOUSE BILL 168 -

Introduced by Rep. Manuel and others, transfers the state electrical board from the Department of Occupational and Professional Licensing to the Department of Administration and creates the position of state electrical warden to supervise and enforce the electrical and electricians' licensing laws and rules. The bill allows an unlicensed individual to work on his own residence or property, but that person will have to be licensed if he works on more than one residence in a year. The bill authorizes the board to adopt rules for licensing of electrical contractors and for the examination and licensing of master and journeyman electricians.

Also required is registration of apprentices with the Department of Labor and Industry. The bill provides that a person or corporation may lose his or its license for violating the law, and subsection (2) at line 10, page 9 says a "person or corporation" convicted of working during a license forfeiture "shall be imprisoned" and fined.

Since it is impossible to imprison a corporation, this provision probably should be amended to apply to the officers and directors of the corporation.

The bill also provides that electrical codes shall be adopted by the board rather than by the Department of Administration.

HOUSE BUSINESS AND INDUSTRY COMMITTEE

Rep. W. Jay Fabrega, Chairman, called the meeting to order January 20, 1981, at 8:00 a.m., in Room 129, Capitol Building, Helena. All members of the committee were present. Bills to be heard were HBs 132, 141, 168.

HOUSE BILL 141 -

REP. BOB THOFT, House District #92, Ravalli County, co-sponsor, explained HB 141 changes one figure in present law, and raises the limits for single risk by a farm mutual insurer from \$35,000 to \$50,000. This has been ^{done} periodically because of inflation. The Commissioner's office has no problem with it.

TERRY MEAGHER, chief examiner of the Montana Insurance Department, said they certainly have no objection to HB 141. Several farm mutuals had conferred with him. Policies that they write are also assessable, and if ever they got into difficulty, members could carry this deficiency. They can write \$35,000-\$50,000 for a single risk.

REP. CARL SEIFERT, House District #26, Lake County, said the mutually insured companies are limited to 10% of their admitted assets. Basically, the limitation is being raised to \$50,000.

ROGER MCGLENN, Independent Insurance Agents of Montana, supports HB 141. Properly reserved their capacity should be increased, but they should be subject to the state premium income tax.

OPPONENTS: None

QUESTIONS -

Rep. Andreason - Why do you raise this periodically? Is there a way to set it up automatically so it would be increased? Rep. Thoft - Limits are set so as not to outrun their reserve. Rep. Andreason - It needs to have a set limit. It can't be set by an agency. They have been changed since back in the 40s. It has to be reset every once in a while.

Rep. O'Hara - Reinsure is the amount of risk that is transferred to another insurer and they assume the maximum liability over the limit? Mr. McGlenn - That is insured by another insurer.

Rep. Wallin - In a mutual company, if you are a policyholder, you could be responsible for all the obligations of that insurance company if it should fold up. This sets a limit of \$50,000 that any one person could be responsible for? Mr. McGlenn - Basically, yes, it is the largest amount that the insurer would have to pay for, say one fire, that they would have to pay. A farm mutual could only accept liability of up to \$50,000, otherwise they have to make arrangements with another insurer.

Rep. Fabrega - The maximum risk that they can take on any given piece of property is 10% or \$50,000, whichever is less.

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Rep. Thoft felt no need to close.

HOUSE BILL 132 -

REP. GLENN JACOBSEN, House District #1, Sheridan County, co-sponsor, explained HB 132 is aimed at state jurisdiction of building permits. It does not change the requirements dealing with licensing and inspections. It provides for a refund of certain inspection fees. It is to be a local option as to whether the codes are wanted on homes. The cities and towns will not be required to refund fees. See PROPOSED AMENDMENTS.

REP. HUBERT ABRAMS, House District #56, Wibaux County, supports HB 132. He read a letter sent to him by HERBERT KETTERLING, Baker, MT, stating his problems with permits required to build a house. See EXHIBIT A. These permits are very costly and extremely difficult to fill out, so he had an architect fill it out, and it cost \$412. See also EXHIBIT A-1.

DAN MIZNER, League of Cities and Towns, said this puts the local government back into the building code business at the local level, to work with the people at the local level. Cities are having problems like this with the state building codes people. Some of the laws were passed in the last few sessions, and they have given authority to cities to do the inspecting where they can afford to have a building inspector, and they have taken over that authority. If amendments are adopted, he could support the bill.

IRVIN E. DELLINGER, Executive Secretary of the Montana Building Material Dealers' Association, Helena, supports HB 132. He feels through the state permits are too slow in being allowed. See EXHIBIT B.

W. JAMES KEMBEL, Administrator of the Building Codes Division, of the Department of Administration, said he had talked to Rep. Fabrega regarding the amendments. He had the fiscal note prepared based on \$300,000 with the cities making inspections. See Fiscal Note.

LARRY HUSS, Montana Contractors' Association, Helena, appreciates the complaints and disparity with this bill. Removing the safety of construction is not the solution to these problems. He doesn't want the building codes axed altogether. He has written the Contractors' Association and they are very much concerned that the safety standards for residences are being removed.

H. S. HANSEN, Montana Technical Council, is concerned with the provision for the liability aspect, especially interested in the safety in retail business.

JAY PARKS, Montana Farmers Hardware Store, Harlem, said the code takes the incentive away to fix up anything that is old. There is too much hassle to get a permit.

OPPONENTS -

JIM NUGENT, Missoula City Attorney, Missoula, opposes HB 132 as written, but the amendments might address what they are concerned with as to safety of the consumer. They receive a lot of complaints from

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consumers regarding the buildings. See EXHIBIT D.

DENNIS VOGT, Helena city staff, said they must insure that public safety is maintained. Currently Lewis & Clark County does not maintain a building staff, and therefore relies upon the state for the construction and building of those buildings in the county. The county must annex those buildings which are without benefit of code and must assume them. The Cooney Nursing Home has a number of code violations, and the city will not annex it. If proponents are concerned about the \$300-400,000 permit, he would say that project is in trouble.

ED SHEEHY, JR, Montana Manufactured Housing Association, Helena, can't understand excluding residence buildings. He doesn't understand the purpose of keeping them out. Provisions of the code amended deals with the state building code which applies to factory built buildings. Who is going to inspect, city or county, to see if they comply? Guesses it would be a city-county building code. He doesn't see how the exception is going to keep factory built homes out of the code. He would be opposed to city inspectors.

WM. EGGAN, Montana Electrical Council, IGU Electrical Workers, could see HB 132 if the amendment were to exclude self-built homes. If a person wanted to do his own building, it would be a different story. He can't see delegating the safety of one side of the line and not the other.

See testimony of JOE R. DURHAM, Missoula Building Official, EXHIBIT D.
QUESTIONS -

Rep. Schultz - Explain to me the inspection that goes on in a small town if there is no building inspector. Mr. Mizner - Under \$100,000 they would have none because the state would no longer be in it. If cities have adopted it, and do not do anything, the codes apply, and the state has the responsibility. They cannot adopt more nor less stringent codes. If they adopt the codes, they adopt state codes. If they do not assume the responsibility, it belongs to the state. Larger cities have hired an employee to do the inspections. Under HB132 the state is out of it and there is none.

On commercial buildings the exemption should be reduced based on some of the commercial costs; houses are getting up to the \$100,000 price.

Rep. Kessler - A new home or any building in a small town will have no codes whatever? Rep. Jacobsen - It only affects the building construction fee that is charged for inspections; it has nothing to do with the electric or plumbing inspections.

Rep. Kessler - What would we be eliminating? Mr. Kembel - Basically would be eliminating structural requirements. Under the Uniform Building Code, you are required to have two windows in bedrooms, smoke alarms in bedroom area, structural load requirements. This would also be eliminating mechanical code controlling such things as air conditioners, etc. In an apartment house they would be addressing protected

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corridors, how fast fire spreads across a surface, etc.

Rep. Andreason - What safety standards would be in jeopardy?
Mr. Huss - Standards of building the house, if you build a shoddy house, you have an unsafe house. Rep. Andreason - Why would that be taken away with this? Mr. Huss - It is not the intention to remove plumbing and electrical codes, but it does remove the application of the structural and mechanical requirements under safety codes.

Rep. Bergene - Why couldn't there be a local building code and inspector? Rep. Jacobsen - Cities have their own people - 45 cities and towns have done this. Rep. Bergene - Thinks that the local government should have that as a regulation.

Rep. Kessler - Those problems developed after September 1, 1979, since building codes were started to be enforced? Rep. Jacobsen - Some outlying places didn't get knowledge of these requirements. A state inspector appeared and said they couldn't continue without a permit. It stops the little handyman from even commencing to build his own home.

Rep. Fabrega - How would the taxing authority keep track of the new added value? That's one of the reasons, so that the assessor is aware of the fact that there is value added to property. The Department of Revenue is an assessor statewide. Rep. Jacobsen - His assessor doesn't miss anything, in larger cities it would be more difficult. Mr. Mizner - You talk about two different things. You have to have a building permit, and you are talking about building inspections, safety, and materials that are going into it. We are talking about inspections.

Rep. Fabrega - What is the purpose of getting the permit? Mr. Mizner - To comply with zoning ordinances. Counties do not have building permits. Rep. Fabrega - Can anyone address what is going to happen in the county? Mr. Eggan - If you build a house in the county, you have to get a permit for a septic tank and drain field.

Rep. Fabrega - In the city? Mr. Kembel - In incorporated municipalities, that would cover everything in that city and 4 1/2 miles outside of the corporate limits. Only addressing public places in the county. Rep. Fabrega - What is the purpose of the refund? Rep. Jacobsen - A lot of people have been stopped from building and charged a fee by the Dept. of Administration \$200-300 for a piece of paper. The inspector didn't do anything but collect the fee. No refund from cities and towns.

Rep. Jacobsen closed saying factory built buildings are manufactured in one area and there was some concern over that. Mobile trailers don't have the problem of insulation and construction material and were high fire risks. The cost of inspecting isn't that great because of being in one location. Elevators have been excluded because a lot of them cost under \$100,000. Banks will not lend money to build a home without inspections. Building inspections are governed under zoning and it wouldn't be necessary to have the state come in and do it. Nowhere does public places say it is residential, but interpretation is any building or use of any buildings, so residential comes in under public place.

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HOUSE BILL 168 -

REP. REX MANUEL, House District #11, chief sponsor of HB 168 explained this bill would combine the inspections of electrical work and electricians' licensing laws and rules under the State Electrical Board instead of under the Department of Administration. Formerly they were under the licensing division and the enforcement was done by the Department of Administration. Proponents wish to change it over to the Department of Administration under the board.

TOM HIRSEY, Montana Chapter of the Electrical Association, said HB 168 would enhance the enforcement of the licensing and inspections of electricians and installations by combining the licensing and enforcement functions under one division. If the electrical licensing and inspections are put under one jurisdiction along with other building code requirements, more efficiency in state government can be had.

He recommended transferring to the Dept. of Administration where the building codes are handled for two reasons: all inspectors would be working together to coordinate their work. When the public goes to get a building permit, they can go to one state agency, otherwise they would have to go to several. This would enhance enforcement in other areas where something wrong was noticed. Counties are very reluctant to enforce licensing laws.

Presently, people can wire their own house; however, some individuals are building 2-5 houses a year, and are acting like contractors. This bill allows an individual to build one house a year without taking out a license.

HB 168 requires registration of apprentices with the Dept. of Labor and Industry. Veterans cannot receive benefits as apprentices under this registration. They have to be registered in a different division. This is a confusing factor. He supports HB 168.

KENNETH KONEBUSH, Conrad, Montana Electrical Contractors Association, in the Golden Triangle area, feels HB 168 would allow persons with complaints to go to the Board and air their difficulties with them. At the present time they have to go to two different places. The Board is fine, but if they were over the inspection too, there would be someone to talk to. Now they have only somebody in Administration.

BILL EGAN, Montana Electricians' Council and Montana IGU 22, said as it is, there are two separate functions which could be combined. They feel the need to have somebody familiar with the trade to air the differences of the trade to as well as the contractors and journeymen. This should be with the inspection department. The Board only does licensing now, and has no authority to do what they should be doing - to promulgate the actual rules which they have to work under. The Board is made up of contractors, labor representatives, and public members, and giving them that responsibility would help. Getting them back together would be more efficient. This would be taking 15 or 17 inspectors out of Administration

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and moving them to another organization which isn't as closely related to the building trade. He leans towards taking the licensing back to that department. There are a lot of inequities in the field and they can't seem to get enforcement on inspections. When you get the county attorney to file charges or bring a problem up, he might be the attorney for the people you are trying to get into compliance with the law - political problems there. There is a lot of dissension in the trade.

ROBERT QUINN, Montana Power Co., Helena, was a neutral testifier, saying HB 168 should be amended. There are 14 complaints on energy diversion in the Helena area. Complainants can only file felony charges which they are reluctant to do. A new section would allow an electrician to know beforehand what the penalties are and prevent them from happening. Diversion cases losses are from \$1400 up to \$1500. This revenue is made up by other parties to cover these losses.

KEN OLSON, assistant business manager of LU 532 IBEW, Billings, MT, supports HB 168, saying they have a problem with enforcement of the licensing law at the present time. County attorneys have neither the time nor ability to enforce. By getting the two departments back together, duplication would be eliminated and this would be a plus. The apprenticeship program would be a plus. He was not representing the electric board, but was representing 532 and himself.

ROBERT SCOTT, state director of the U.S. Department of Labor, Bureau of Apprenticeship and Training, Helena, said employees on federally assisted projects are in a modified apprenticeship program and can be paid less than journeymen. A great deal of confusion has arisen from contracting agencies, HUD, Air Force, etc., having contracts thinking they can employ these apprentices at sub pay.

Apprentices should be registered with a bona fide registration agency. Apprentices registered with the state department of labor and industry do not recognize the difference, and they are not recognized by the federal registration agency. The language in HB 168 says apprentices would be registered with the apprenticeship and training bureau agency. If the Montana Bureau does not continue the federal bureau would have to do so.

W. JAMES KEMBEL, Administrator of the Building Codes Division, Dept. of Administration, testified for information purposes only. His explanation of HB 168 is attached as EXHIBIT A.

SID McCULLOUGH, past supervisor of the electric inspections, said the present law is completely inadequate for enforcement purposes. You have a plumber and an electrician carrying out the licensing law - why? He said he received very little cooperation in passing information on to the Board.

There were other supports of HB 168 as shown on the Visitors' Register.

OPPONENTS -

LARRY HUSS, an attorney representing the Montana Contractors' Association, Helena, said there is a philosophical difference. Each time one of

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these inspections is required, you have a second inspector coming on the job site and having to coordinate more than one inspector. Qualified people could be sent out on a routine and orderly basis so there is no delay.

With regard to airing their differences before the Board rather than the Department of Administration, the people that are going to be regulated are going to want to control the whole thing. He thinks it is good that they go to the building code and air their differences.

He has problems concerning the intent to eliminate duplication of apprenticeship effort. The bill doesn't accomplish what they want. It creates duplication. It registers apprentices with the Dept. of Administration and also with the Department of Labor. Appropriate credits should be given.

HB 168 hasn't changed the prosecutorial powers. They have been given to some untrained individual in the law enforcement area, and he has the power to arrest somebody. He has no objection with the subpoena power since that right is in present law. The idea that they have the power of arrest and the exercise of the powers of the peace officer is not acceptable. He has a mixed feeling about the litigation. Somewhere along the line there should be the ability to make adjustment of technical errors.

There are technical difficulties with the writing of the bill. He opposes HB 168.

ED SHEEHY, attorney representing Montana Manufactured Housing Association, is concerned with HB 168. The first question is on page 2, lines 17-20, definition of electric and electricians' licensing laws. This is in the state electric codes. HB 168 is saying not only do you have to have a license to install, but there is a question of how they are installing it.

If the state electric warden sees what he thinks is a violation, he is going to arrest that person and then it is going to be up to a court of law. There is no provision for appeal. The warden may not compromise. It is going to be up to a court of law. There is no administrative remedy.

Have to have some way of coordinating different inspections.

BIIL NOVAK, Billings, modular and mobile home manufacturers, opposes HB 168, saying why not turn the licensing over to the building code division. Our building code division has 13 full-time licensed inspectors, an average inspection of 1400 inspections per person. He wouldn't care if the electric board would have the power over the building codes. Minor repairs would be in violation of the law. He is not in favor of passage of the bill.

CHEF SHARBONO, Kober Homes (Modular Manufacturer), and also involved in single family residences, apartments, hotels, etc., Billings, opposes HB 168. See his testimony attached. He also raised the question of whether there would have to be different inspectors for modular homes and other dwellings.

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TOM HARRISON, attorney, has seen a trend towards efficiency which takes some government off the backs of the people. Giving the power of arrest to an untrained person is not good. It makes for good law business!

THOMAS W. CLAVEAU, Gallatin Homes, Belgrade, Bozeman, MT, would oppose HB 168 due to the fact that it would increase the cost to manufacture and would increase the cost to consumers.

ED CARNEY, Director of the Department of State Licensing, stated the State Electrical Board is part of this department for administrative purposes only. It was moved there in 1967. He appeared not in support or opposition, but only to answer any questions from the committee. See his detailed explanation, EXHIBIT B.

EUGENE D. CARMICHAEL, Boise Cascade Manufactured Housing, Billings, (testimony attached) said HB 168 would cause more cost and a second Board review. The current system through the Dept. of Administration is working well, and he would rather it continued in that manner.

JOHN JOHNSTON, Montana Manufactured Housing Association, Helena, (testimony attached) opposes HB 168. The Association is made up of dealers, suppliers and sellers of manufactured housing. He is in opposition to the police powers given in this act. If electricians are given these powers, then the plumbers are going to want their police powers also. He assumes this includes the right to pack a six-shooter and the whole bit! It allows the Board to revise and amend the code to say what they want it to say - allowing them to provide a more stringent code than the electric code existing and this allows for confusion in the conflict of codes.

QUESTIONS -

In answer as to whether a friend could help wire your house, it was pointed out that you are allowed to work on your own house, but you are not allowed to go over and help your neighbor - you have to hire a qualified neighbor or do it yourself. He is in trouble under this bill.

The concept of combining of the Board and enforcement policies was not objected to as long as it was done under the building codes, but two different inspections from two different agencies was not acceptable. It would appear that inspections were being considered that would cover two different projects, such as plumbing and electrical work.

Mr. Huss said this creates an agency that is not responsible to the Dept. of Administration and it does not have a firm handle on directing the employees of the electric board that is undertaking the inspections. The Department of Building Codes would be put in the business of providing inspections.

Under the present board there is a good deal of representation from other fields. Under this new board which would consist of 5 members, 3 of whom are electricians, and 3 members could do business, this would seem to give electricians ruling power. You could not have your neighbor help you to do your work.

Since only master electricians could make minor repairs, one at least would have to be on each payroll.

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Mr. Carney told the committee the present function of the state electrical board is to make policy which gives direction to things that take place in the field of their law and their rules. The board is given the authority to adopt rules relative to their particular law - power to grant a license. The board decides qualifications of a candidate, enables him to take the exam for a license. The rule-making function is a quasi-judicial function. The board's function and the other three operate separately. The Department handles administrative functions and hires employees, and sees that they perform their duties. The board sits in the position of being primarily a board of directors according to directions that the Legislature has given.

Mr. Huss said that board would continue to act as explained. You would have the board of electricians telling the department when and how and where to do the inspections and you would have the electric board dictating the direction of inspections - you would have two boards directing the building codes generally.

It was felt that in order to do a good inspection job, it is necessary to have daily action instead of waiting for the board to act. If your permits change, they are then transmitted to the proper inspector who handles the inspections of that construction. If there is need for prosecution, he checks with his chief and they work with their attorneys. It is done immediately.

One of the things they wanted to solve was that the electric contractor wished to have better contact with the electrical board. Licensing provides no debate, the board couldn't do anything about it. They felt the communication with the Dept. of Administration was poor, and the expertise in this specific field was lacking in the Dept. of Administration.

Police powers are maybe a little too strict. They haven't had any action on infractions on inspections and licensing. The public is getting hurt and there is a safety factor. There are 15-16 inspectors without power to say whether a person is licensed and qualified. They are not questioning the fact that inspections are taking place properly, but are having difficulty to enforce licensing. If the work isn't going properly, that should be the concern of the inspector. The licensing bureau should have the power to enforce proper licensing and not duplicate inspection to see that all licensing requirements are being met.

Rep. Manuel closed, turning the decision over to the committee.

EXECUTIVE SESSION -

A subcommittee to work out some of the problems in HBs 61 and 168 was appointed. They were Reps. Pavlovich, O'Hara, Andreason.

Rep. Meyer moved HOUSE BILL 141 DO PASS and the motion carried unanimously.

Rep. Ellered moved HOUSE BILL 51 DO NOT PASS. Rep. Andreason moved that HOUSE BILL 51 DO PASS. After the following discussion, HOUSE BILL 51 was voted to be a DO NOT PASS by reversing the failure of the Do Pass roll call vote which failed 8-11.

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Rep. Andreason - A report by the Montana Public Affairs Department says the Milk Control Board hasn't done a good job. We want to get government off our back, and this would be a step in the right direction for the free market system, allowing more competition, allowing more freedom. He thinks most of the citizens will benefit.

Rep. Vincent - Supports the Do Pass motion. Think this will provide another example - and if this Legislature does not act favorably on this legislation, we will see one of these bills on the ballot.

Rep. Ellerd - Thinks the people of Montana have the right to make the choice, but don't think we should jeopardize a vital industry. Many other things are guaranteed to people - welfare, power rates, mountain bell rates, guarantee a lot of security with tenure.

Rep. Jacobsen - Thinks the consumer is going to be hurt in the long run.

Rep. Kessler - Is for the bill. He doesn't think the analogy between Mountain Bell and MPC is relevant. The right of the people to decide is erroneous. He thinks the Legislature has to make the decision.

Rep. Robbins - Is against the bill. Fifty percent of the people have something to do with the industry. Nobody is interested in killing the Milk Control Board. It would help the people in the cities and harm others.

Rep. Metcalf - Is in favor of the substitute motion. Helena has a dairy delivering milk to our door. Everybody has to go to the store anyway. They are wasting energy and costs in door-to-door delivery. Rep. Fabrega - Some milk deliverers are charging more. Rep. Metcalf - Can't experiment with different kinds of methods of packaging. If milk costs less, consumption will go up.

Rep. O'Hara - Supports the substitute motion. He feels the anti-trust division should be beefed up. Nothing wrong with those that cannot compete going out of business.

Rep. Wallin - Is against HB 51. In all the hearings when prices are set only a few people appear. Farmers operate on borrowed money and can borrow because of assured income. Grain farmers have price supports also. This is just another segment of the economy.

Rep. Harper - This is the third time he has sat through a full Milk Control meeting. The consumer is going to be hurt if we pass this bill. If the price of milk goes higher, then there is going to be a higher supply to meet that demand. If the price of milk goes lower, he doesn't see how you are hurting the consumer. Transportation costs make it higher. Any time there is an availability of money anywhere, business moves in to supply that. It is now being subsidized. They will have to

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pay the real price for that milk if it is delivered to that town. He agrees with HB 151, total elimination of control. Maybe the process of moving towards that goal might be better. Maybe should keep Nordevet's bill.

Rep. Kitselman - Lack of attendance at various board hearings shows lack of interest.

Rep. Schultz - Against the Do Pass motion.

Rep. Bergene - Opposes both bills, HB 51 and HB 151. Great Falls is working very hard on an economic council which is hoping that the Legislature will provide some money for SBA funds.

Rep. Manning - Against both of the bills. No such thing as free enterprise. The big boys can shut you off. There are only 26-27 big conglomerates that are running this world. This won't be a free enterprise project.

Rep. Meyer - Could a company from Montana go out-of-state and buy milk and return it and sell it here? Rep. Jensen - According to present law, they can ship milk into the state and sell it at any price they want. Rep. Meyer - They can kill producers in the state of Montana if they can do that. Is there a possibility of an amendment?

Rep. Fabrega - This relieves price controls on everything else. Rep. Jensen - Has been in the dairy business for a good many years. He is president of the producers association in an area consisting of 40 producers and has voted with producers for their rights which they are always pretty quick to take. He has been exposed to all areas of the industry. There are three facts to think about. The Board of the Milk Control cannot change the pricing formula without a hearing, but they can move this a little bit. On the price going into effect on February, if they would have followed the formula as it now exists, milk would have been 3¢ a half gallon more. Total composition of the Board is all consumers, and they are all concerned about consumers.

#2 - There has been a lot of testimony about the price of milk in warmer states. You can't compare them with Montana because of the geographics. You should be comparing them with Wyoming and North Dakota. In Wyoming the price of milk in the city right now is 10¢ higher than it is in Montana for a half gallon. Is retail price controlled in Wyoming? Bill Ross answered No. It was controlled just until a day or two ago. The law was on the books, but it has never been controlled in Wyoming. That law went off the books, but it has not been in effect. There are no retail/wholesale controls in South Dakota, and milk sells for 11¢ more that it does in Montana. Comparison is irrelevant.

Rep. Vincent - Relative to industrial giants taking over milk in Montana - would anyone receive any increase from them? This issue will not go away, it will be back here next session and it will be successful.

Rep. Ellerd - Let the people vote on it. In California on 17 acres they have 9,000 cows. There are surpluses in these areas where they can produce milk cheaper.

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Rep. Fabrega - The question is we have a protected industry to the extent that there is no free entry into the dairy business unless you can get a certificate of need - a law of supply and demand. Once a distributor has established a relationship he has to buy all the production of that producer. In the summer there is a surplus of milk and it is shipped out of the state. There is no cheese manufacturing in the state. Need to protect the consumer and the producer. Don't know whether anti-trust can or not. The producer has to pay the freight to the distributor's plant. Do you need to protect the industry as a monopoly? What does the Consumer Price Index have to do with the price of milk? The CPI is not used to adjust social security or in buying homes. Yet we apply that. The formulas have to be questioned. Does the industry need to be protected for the benefit of the consumers? He thinks they do not. If we pass this bill, milk will go up simply as a market function.

The industry would grow if we were not so regulated, if there were a sufficient production during the winter months, we can have cheese and other manufactured products with any surplus.

Rep. Pavlovich moved that HOUSE BILL 151 DO NOT PASS. Motion carried by a roll call vote of 12-7.

Meeting adjourned at 11:40 a.m.

Josephine Lahti, Secretary

REP. W. JAY FABREGA, CHAIRMAN

VISITORS' REGISTER

HOUSE

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COMMITTEE

H.L. AB 168, 141, 132

Date

SPONSOR

NAME	RESIDENCE	REPRESENTING	SUPPORT	OPPOS
P. McGLENN	HELENA	IND. INS. AGENTS OF MONTANA	X 141	
James Kumbel	Helena	Ind. Feder. Div. Natl. Fed. of Alumn.	132 168	
Clancy, Jr.	Helena	Public Works Assoc.		
Ray Yetter	Clancy	Electrical Safety Bureau	Inter. nat. only	
Went SCOTT	Helena	U.S. Dept. of Labor Bureau of Labor Training	✓	
Olson	Billings	LU 532 NEW	✓	
My M. M. M.	Helena	Mont. Dept. of Ins.	X	
Ed. J. J.	Stevensville	Arm. Industrial	L 141	
Wm. E. Wellinger	Helena	Montana Bldg. Material	✓	
Tom Herzog	Helena	N.E.C.A.	Support 168	
Ed. R. R.	Corvallis	North Central	support 168	
Robert Abrams	Wetmore		support.	
Ed. J. J.	GT Falls	Mont. Elect. Board	✓	
J. K. K.	Helena	D.P.O.L.		
J. M. M.	Missoula	City of Missoula	Support 132	
Wm. W.	Helena	Res. Assoc. of	Support 168	
Wm. W.	Clancy	Mont. Industrial		
Ray PEAKS	Helena	Sole	X	
J. F. Lynn	Box 551, GT Falls	Univ. of Idaho	X 132 AB	
Wm. W.	Bozeman	Univ. of Idaho		168
Wm. W.	Billings	Boise Cascade		132 168
Ed. J. J.	Billings	Kober Homes		132 168

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

AMENDMENTS PROPOSED BY REP. JACOBSEN for HB 132.

1. Title, line 6

Following: "than"

Strike: "\$300,000"

Insert: "\$100,000"

2. Title, line 9

Following: "VARIANCES;"

Insert: "EXCLUDING FACTORY-BUILT BUILDINGS AND RECREATIONAL VEHICLES AND
ELEVATORS FROM PROVISIONS OF THIS ACT;"

3. Page 1, line 23

Following: "exceed"

Strike: "\$300,000"

Insert: "\$100,000, unless the local legislative body or board of county
commissioners by ordinance or resolution makes its building code
applicable to the structures"

4. Page 5, line 3

Following: "structures"

Strike: "."

Insert: ", but refunds are not required from counties or municipalities"

5. Page ~~5~~ 6

Following: Line 22

Insert: "Section 6. Exclusion of factory-built buildings and recreational
vehicles and elevators. Provisions of [this act] are not applicable to
factory-built buildings and recreational vehicles under Title 50, chapter 60,
part 4, or to elevators under Title 50, chapter 60, part 7."

Renumber all subsequent sections.

HERBERT KETTERLING
20 S 4TH ST WEST
BAKER MT 59313

western union

Mailgram®



4-000680S019 01/19/81 ICS IPMBNGZ CSP HELB
4067783682 MGM TDBN BAKER MT 230 01-19 0115A EST

HUBERT ABRAMS, CAPITOL STATION
HELENA MT 59601

GENTLEMEN:

I AM WRITING THIS LETTER TO APOLOGIZE FOR JUST NOT BEING ABLE TO AFFORD TO ATTEND THIS HEARING AND HOPE YOU WILL UNDERSTAND THE DISTANCE INVOLVED. I SINCERELY HOPE THAT YOU WILL HEAR MR. ABRAMS ON MY BEHALF. I AM SURE I HAVE VERY GOOD EVIDENCE THAT WOULD MAKE YOU AMEND THIS LAW. BUT UNABLE TO GET IT TO YOU. IN THE PRESENCE OF YOUR PERMITS I HAVE ALREADY GOTTEN, A BUILDING PERMIT WHICH I HAVE PAID \$238 FOR BUT HAVE NOT RECEIVED.

I HAVE BEEN MADE TO FEEL A CRIMINAL FOR TEARING DOWN AN OLD HOUSE AND BUILDING A NEW ONE. I AM HAVING A HARD TIME ACCEPTING THIS AS GOOD GOVERNMENT. TO DATE I HAVE PAID \$386 IN PERMIT AND THE THREAT OF ACTUALLY BEING JAILED FOR BUILDING A NEW HOUSE STILL HANGS OVER ME. THE STATE REQUIRES A PLAN, THE PLAN FOR THIS HOUSE IS IN MY HEAD AND I CAN'T SEND IT. I HAVE TEN PAGES OF APPLICATIONS, FOUR PERMITS, 10 LETTERS ASKING FOR INFORMATION OR THREATENING PUNISHMENT. I HAVE ASKED FOR SOME EXPLANATION OF MY FOURTH AMENDMENT RIGHT, AND SOME EXPLANATION AS TO WHAT HAS HAPPENED TO THE LIBERTY OF GOING TO WORK WITHOUT HARRASSMENT BUT HAVE RECEIVED NO ANSWER.

I SINCERELY HOPE YOU WILL HEAR MY REPRESENTATIVE AND I WILL BE PRAYING FOR SOME RELIEF.

HERBERT KETTERLING

0119 EST

ASACOMP MGM

Department of Administration
Building Codes Division
State of Montana
Capitol Station
Helena, Montana 59601

SEPT. 1980

Gentlemen:

I have received your letter, certified letter stating I have no building permit. I am sending you a copy of the building permit I received from the city of Baker. I provided them with a dimension sight plan locating all buildings on the sight. It went before my city government and was approved. I believe in my city government. I think this is the government closest to the individual and therefore allows the greatest degree of freedom, however, if you have some quarrel on the permit issued to me by my city government I would like for you to take it up with them not me. I have an enormous amount of work to get done on this house before bad weather sets in. When I went to the city office to pick up this permit I specifically asked the clerk if there was anything else I needed, she stated I could feel free to go to work on my house. There was a period of time between receiving my permit and the time I went to work, I would have thought if the state wished me to obtain a permit also they would have contacted me at that time so I could have scrapped the project. I don't think it is fair or right for the state to intervene when I am twenty some thousand dollars into the project most of my life savings involved, I consider this to be very poor judgement on the part of the state. I don't know what freedom means to the people administering this department, I only know what it means to me, it means the right to go to work each day without harassment. I have lived in this state all my life, forty two years with the exception of two years spent out of the state in the military. I have paid taxes in this state for all of my adult life, I would hate to think that now my efforts are going to be used against me to destroy the right to make a living.

7070 I was visited by your inspector, I believe his name is Wayne Mureay, he seemed like a nice fellow, I have no complaints on his mannorisms, he was not arrogant or insulting, but he refused to acknowledge my city government, he did not wish to see the permit issued by the city. I offered to pay for the permit if he filled it out, he stated he did not have time. I have looked over the permit, I don't believe in all honesty I could answer many of the questions on it.

I have built approximately four other houses in this community over the past twelve years, one of which is my own. This is the way in which I subsidize the income earned off of a small drive inn, if this is a crime then I am guilty. I have obtained a copy of the law which I seem to have broken from the city attorney who was good enough to furnish me with a sixteen page copy, I don't pretend to understand it, I have read parts of it and I must wonder what type of individuals would initiate laws that seem to destroy one mans freedom to elavate another man. I understand the law was passed to promote the public health and safety, if your department feels that my building is unsafe to the public then I will send you the matches to burn it down and spend whatever part of my life it takes to pay the mortgage, and if this is your idea of justice so be it. As far I as I know no one has ever gotten sick or been injured living in one of my houses which I have built over the last ten to twelve year because of the way it was built, if they have complained to the state I am unaware of it, if they have I would certainly like to know so I can correct whatever is wrong with the particular home if it is injuring someone.

I have not been visited by your plumbing inspector, however my property has, a tag was left there stating no more work shall be done on these premisis under penalty of section 50-60-505. I am not sure what that means. I would have liked to talk to your plumbing inspector, I could use information, if your department is to help citizens I could have used a copy of the most recent plumbing book with diagrams to show how the proper plumbing should be installed, if your department wishes to help me I very badly need this information and since the city does not issue plumbing permits I would need a plumbing permit, if this is the law

I would only like to make one other comment, I believe in the freedom of the individual I would like the state to trust me enough to be able to use my god given talents and what little brain power I have to choose the way in which I feel is best to improve ry own property in my own city. If anyone up there is listening this is just one citizen asking for freedom. This letter is an attempt to explain my situation and some of my convictions and beliefs. It is also my prayer,

HERB KETTERLING

BAKER, MONT.

144-132-108
Exhibit B

Name Irvin EDellinger
Executive Secretary Montana Building Material Dealers Association

I came here today to speak in favor of H. B. # 132. Since the Attonrey Generals interruption of the codes, all buildings come under the jusidiction of the state, Single Dwellings, garages, remodelling- additions.

We are a veryl large state, we are made up of from 125 - 130 citites and towns. With 44 Certified Building Inspectors by the state. This leaves 80 - 85 communities that are, or according to the law under the responsibility of the state department. The state must see that plans and specifications are checked and o. k.'d, and have on site inspections from Lima on the Southwest to Broadus on the Southeast, from Eureka on the Northwest to Culbertson on the Northeast. The time involved, the expense, and the delays would tend to Discourage instead of incourage building or remodelling. With the way interest has been changing recently it could cost 1 - 2 % more by the time projects would be o.k.'d and finally construction commencing.

I know of one instance where because of red tape, state forms, time delays a customer decided not to build a two car garage. This caused a loss of business for this dealer of over \$3,000.

With business as slow as it is during the current recessionary period, our Industry is off over 40% nationwide. We in Montana have been more fortunate and business is not off that much, but we do have dealers whose business ^{sales} was off anywhere from 15 - 30 % this past year.

With the federal government trying to curb inflation with prime-rate flucuations, our industry ~~and~~ related component businesses, Lumber Mills, Plywood mills, contractors & Carpenters, we have the equivalent of 5 Chrysler closures as far as unemployment is concerned.

We need laws that encourage business instead of discouraging it.

For these reasons I hope you look favorably to Representative Jacobsons bill H. B. # 132.

Thank you.

BUILDING CODES DIVISION

STATEMENT OF W. JAMES KEMBEL, ADMINISTRATOR

CONCERNING H.B. 132

The proposed bill has far reaching ramifications on state and local code enforcement programs.

1. No residential use, garage, private storage or retail business structures, costing less than \$300,000, could be inspected to insure compliance with minimum standards for structural stability, fire safety, exiting or environmental safety. This would eliminate all single-family dwellings, most apartments and a good share of retail businesses.
2. The bill would apply to requirements of the building, energy, elevator, factory-built buildings and mechanical codes.
3. The bill eliminates the need for a building permit, on many buildings, which is now used by local government to enforce zoning, land use plans, water and sewer service controls.
4. The bill would require the state to establish ownership on 1362 buildings in order to refund \$220,734 worth of fees collected since September 1, 1979.
5. The bill would cause an increased exposure of building occupants to life-safety hazards addressed by the codes.

WITNESS STATEMENT

Name Arby Hues Date 1/20/81
Address Bx 511 Kansas Support ?
Representing Mountain Contractors Assoc. Oppose ? X
Which Bill ? HB 132 Amend ?

Comments:

Please leave prepared statement with the committee secretary.

TO: LEGISLATORS
FROM: JIM NUGENT, MISSOULA CITY ATTORNEY
RE: HOUSE BILL NO. 132
DATE: JANUARY 19, 1981

Dear Legislators:

The local government of the City of Missoula opposes HB 132. Pursuant to HB 132, structures whose total original cost does not exceed \$300,000.00 and which are used for residential, garage, private storage, or retail business purposes will be exempted from building regulations and building inspections.

This bill would be a gross injustice to the consumer public. Some buildings are not properly constructed as it is pursuant to existing regulations and inspections. Whenever citizens complain to the City of Missoula regarding construction problems with new structures, initially, the City Building Inspector is asked to investigate the complaint(s) and attempt to have the builder correct any defect(s) if it is a Uniform Building Code violation.

This Office, as a last resort, prosecutes violations by filing complaints in court. Complaints have been filed in the past for failing to install

relief valves

(4) adequat

fireplac

subje

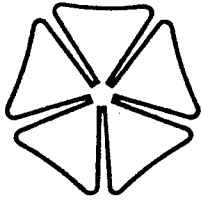
co.

pc/nc

NAME Ed Sheehy, Jr. BILL No. H14132
ADDRESS 2031 11th Ave Helens, Mt DATE 1/20/81
WHOM DO YOU REPRESENT Maine Manufactured Housing Assoc.
SUPPORT _____ OPPOSE x AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:



THE GARDEN CITY
HUB OF FIVE VALLEYS

Missoula, Montana 59801

DEPARTMENT OF BUILDINGS
201 W. Spruce St.
Phone 721-4700

January 19, 1981

Letter BI-81-223

TO: Legislators

FROM: Joe R. Durham, Building Official

RE: House Bill 132

Dear Legislators:

I wish to register my opposition to House Bill 132 with the following remarks.

I understand that this bill will effect Cities and Counties as well as the State, and would prohibit the selling of permits and inspection of buildings under \$300,000 valuation.

Having been in the Building Inspection field for the City of Missoula, Montana for the past 18 years, and witnessing the problems we have had with structures under the \$300,000 I am very much concerned with this bill.

We have encountered more deficiencies in construction in the single-family and multi-family area than some of the larger structures. I believe we would be doing the public a real disservice in not inspecting buildings while under construction including electrical and plumbing systems.

In checking our records for the past 4 years, it would not be feasible to operate a building department if this bill were to be passed.

Exhibit D
HB-132

WITNESS STATEMENT

Name ROBERT QUINN Date Jan 20 - 1981
Address 1507 Hollins Highway Support ? ✓
Representing Mont Pine Co. Oppose ? Neutral ✓
Which Bill ? HB-168 Amend ? ✓
Comments:

Please leave prepared statement with the committee secretary.

BUILDING CODES DIVISION
STATEMENT OF W. JAMES KEMBEL, ADMINISTRATOR
CONCERNING H.B. 168

The purpose of the bill is to combine the functions of electrical inspection and electrical licensing under the State Electrical Board in the Department of Administration and provide for enforcement of same by State electrical wardens.

Although the bill has some good points, there are many problems with it.

Lines 5-6, p. 2 - The Board is allocated to the Department of Administration for administrative purposes only. This would appear to place the Department in the role of executive secretary to the Board. The Board would decide what actions were to be taken and then direct the Department to carry them out.

In an enforcement program, too many levels of decision making, make it impossible to carry out. With the Board only meeting periodically, cases needing prosecution would tend to lay idle too long and work in question, would be completed before the enforcement procedures are initiated.

In order to do a good job of enforcement, the Department must be in direct control.

Lines 17-20, p. 2 - The bill provides that the Department and the Board will jointly adopt rules concerning enforcement.

We now have a Building Codes Advisory Council which reviews all proposed adoptions before they are slated for public hearing. We feel this group plays an important role since it represents all phases of construction industry and thus, gives us good rounded input. The Advisory Council consists of an architect, engineer, building contractor, modular manufacturer, mobile home manufacturer, general public representative, member of board of plumbers, member of board of electricians, representative of the Department of Health, State Fire Marshal and a city building official.

It is important that this group stay in the adoption process to guarantee public input.

Lines 23-25, p. 3 - The state electrical inspectors would be authorized to enforce the law and rules by the Board of Electricians. What control would the Department have over its employees with this type arrangement?

Lines 23-25, p. 5 - Although Lines 17-20, p. 2, provide for joint adoption of the rules by the Department and Board the language contained here states that the Board may adopt rules for the administration and enforcement of the law.

It would appear from this language that the Department has no say in how the program will be managed even though it would be within its duties.

Lines 22-25, p. 9 and Lines 1-6, p. 10 - The wording contained here requires the Department to select inspectors from applicants who have passed examinations that may be required by rules adopted and promulgated by the board.

This essentially prevents the Department from having any say in the qualifications required of the employees they are hiring.

The Department must have authority to handle the employees that they are responsible for in order to manage a program. If the intent is to have the Board totally responsible for management of the program, then requirements will be needed to assure that the Board is available daily to oversee the operations.

The bill must clearly define the duties of the Department.

Lines 21-25, p. 11 and Lines 1-4, p. 12 - The wording again clearly defines that the Board will adopt the electrical code and any amendments they feel necessary. This is in conflict with Lines 17-20, p. 2, which states that the Board and the Department will jointly make adoptions.

We feel that the Department should have input into the code along with what already being provided by the Montana Building Codes Advisory Council.

The statement in Lines 1 and 2, p. 12, that "the national electrical code, as approved by the American national standards institute" is in error. The National Electrical Code is a product of the National Fire Protection Association.

WITNESS STATEMENT

Name LARRY KUSS Date 1/20/81
Address Box 514 Helena Support ?
Representing Montana Contractors Assn Oppose ? X
Which Bill ? HB 168 Amend ?
Comments:

Please leave prepared statement with the committee secretary.

NAME Ed Sheehy, Jr. BILL No. H-6168
ADDRESS 3031 11th Ave Helene, MT DATE 1/20/81
WHOM DO YOU REPRESENT Mont. Manufactured Housing Assoc.
SUPPORT _____ OPPOSE ✓ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

NAME W J. NOVAK BILL No. 168
ADDRESS 4750 UNDERPASS AVE DATE 1-20-81
WHOM DO YOU REPRESENT Self
SUPPORT _____ OPPOSE X AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

NAME Chet Sharbone BILL No. 168
ADDRESS 3209 Grand Ave Billings, MT DATE 1/20/80
WHOM DO YOU REPRESENT Kober Homes (Modular Manufacturer)
SUPPORT _____ OPPOSE ✓ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. No Need for H.B. 168
Present Bldg codes P-V have necessary expertise
2. Consumers can not afford H.B. 168
Estb of Elec Board will result in additional unnecessary fees (Inspection)
3. The addition of another board
will bring about inefficiency
because of added offices & bureaucracy.
- Inequities (inefficiency) will not be solved by this.
- There is no effort on CA Homes to go to court
4. Modular Manufacturers would
be overburdened with the
requirement for each electrician
being a "Master Elec" as we
build several structures of
more than 5 units.

P. 3

DEPARTMENT OF PROFESSIONAL & OCCUPATIONAL LICENSING

TED SCHWINDEN, GOVERNOR

LALONDE BUILDING
42½ NORTH LAST CHANCE GULCH

STATE OF MONTANA

(406) 449-3737

HELENA, MONTANA 59601

January 27, 1981

To: Representative Robert J. Pavlovich
From: Ed Carney *Ed Carney*
Re: House Bill No. 61 (Plumbers) and House Bill No. 168 (Electrical)

It is not my policy to become involved in various bills in the Legislature unless requested to supply information by a member of the Legislature or one of the board members involved with the legislation. Dan Antonietti, a public member of the Board of Plumbers has requested me to supply you with any information which would be relative to these two bills. I will do my best.

First, I believe some history is essential and it might help understand the continuing problem involved with these two bills. The plumbing law was created in the 1949 Legislature as well as the board. The electrical law was created in 1965 as well as the board. The legislative changes relating to the functions of licensing and inspections are as follows:

Bd. of Plumbers

Has remained the same, with licensing and inspection being a board function from 1949 to 1977 when the Legislature in Senate Bill No. 401 moved the inspection function to Dept. of Administration. This bill was a result of work done by Office of Budget and Program Planning and separated the inspection function from the board. My understanding is that the work was done to answer complaints from the construction industry so that they would only need to deal with one agency in all facets of the construction industry. It was done with the idea that this change in 1977 was the beneficial change needed.

State Electrical Bd.

Inspection and licensing was together from the creation in 1965 to Sept. 1, 1972 when the Dept. of Law Enforcement (now Justice) was created under Executive Reorganization Law and inspection was split off and given to Law Enforcement. The 1971 Legislature felt this was the way to go. The 1973 Legislature moved the inspection function back to the State Electrical Bd. This was done with the idea that splitting up licensing and inspection did not work. The 1977 Legislature passed SB. 401 moving inspection to Dept. of Administration with the idea that this change was for the best.

Now in 1981 you have two bills requesting that the licensing and inspection be moved back together. A realization must exist that government must change with the times, but the question can be asked is this much change, especially in the case of the State Electrical Board, necessary? This is the question really before your Committee. Whichever way you go, you can certainly say that you have a precedent in past legislative actions. I think it is obvious that board members believe that the licensing and inspection functions should be together. I wish I had the wisdom to know which approach is best. It has been my observation that if you want to slow down the implementation of a law, then place two departments or three departments in charge or responsible for various parts of the law.

Comments on House Bill No. 61--It is my understanding from Dan that this bill has been changed to leave the code function with the Department of Administration. Essentially, this bill moves the inspection of plumbing installations from the Department of Administration to the Board of Plumbers and the permit money would be placed in the earmarked account of the Bd. of Plumbers to finance the inspection program. This would place the inspection function for plumbing back to its location prior to enactment of the 1977 Legislature by passing Senate Bill 401.

Under the Building Codes Division the mechanical inspections are performed by the plumbing inspectors. The mechanical inspection permits bring in \$2307. so apparently is only an add work situation to the work of the plumbing inspectors. It would seem logical that this mechanical inspection could easily be assigned to the electrical inspectors if HB 61 were to pass. The fiscal note refers to the statement that mechanical inspections will create an additional state cost if plumbing inspection are moved to the Board of Plumbers. It could be that what is involved would be a shift of the mechanical inspection from plumbing inspectors to electrical inspectors.

Due to the fact that plumbing inspection permit money is much less than electrical inspection permit money, it is obvious that much less plumbing inspection work is done. This is because of the way the respective laws are written and the plumbing inspection work is done in areas where the city or county have not taken over the inspection function. The cities have taken over the plumbing inspection work where a number of inspections are concentrated in a small area and it can be done on the revenue received for permits. The plumbing inspection work assigned the state is in the areas where many miles exist between inspections and revenue will really not pay the cost of the inspections. It is a situation where the cities get the "cream" and the state gets the "skim milk". Whichever agency is assigned the plumbing inspection function, it will not be easy to make the revenue balance with the expenditures. Either agency will be getting complaints on inspections not being timely. This is because of the few inspections and therefore revenue available to match the travel cost and pay of inspectors to travel the many miles between inspections. Keeping the inspection and licensing function together will assist the boards responsibility is seeing to it that plumbing installations are being done by licensed plumbers.

The assumption in 3. is hardly realistic to think that 2 FTE would be needed to do mechanical inspections when the revenue is \$2307. in FY 80.

Comments on House Bill No. 168--This bill moves the State Electrical Board from the Department of POL to the Department of Administration. This moves the inspection function back with the licensing function. Rules will be adopted by the board and department, this could be a problem. 2-15-121 (a), MCA provides that a board shall "exercise its quasi-judicial, quasi-legislative (rulemaking), licensing, and policy making functions independently of the department and without approval or control of the department." You have a conflict in an existing law and this proposed law. Section 3 changes the status of residential electrician in my opinion because of the use of the term "residential electrician" which is defined by law. To achieve what the authors want, the wording should be changed. Suggested wording would be: However, an individual performing under this exemption on more than one residence in a one year period shall be required to be licensed. Other wording is possible, just so the intent is clear. Section 4 has problems with the department and board jointly adopting rules. In Section 5, if an apprentice must be registered with the department of labor and industry, little need exists for the board to make rules in the apprentice area. It would be duplication for two agencies to keep names, addresses and employers. The change in Section 6 would statutorily define what is present practice. A question may be asked on Section 8, if a conviction forfeits the license without a hearing before the board? It appears that this is discretionary on the part of a Judge (24 months of forfeiture). This section may need clarification. I understand that Sections 9 and 10 are deleted. Section 11 has the problem of joint adoption of rules, it could be a problem.

I hope these comments may be of some value. If you have any questions, please let me know and I will try and explain or answer.

NAME Thomas L. Clavin BILL No. 165
ADDRESS 219 Cedar Dr. Pocomoke, MD DATE 1-2-51
WHOM DO YOU REPRESENT Exhibition Homes, Belgrave, Md
SUPPORT _____ OPPOSE X AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

Additional inspection costs should be
higher emphasizing cost reduction in
the price to the consumer.

NAME Eugene J. Carmichael BILL No. 168
ADDRESS 203 SHANNON RD. LAUREL MT. DATE _____
3111495, Mont.
WHOM DO YOU REPRESENT Boise Cascade Mfg. Housing
SUPPORT _____ OPPOSE X AMEND 168

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

How many additional persons would be
required to separate the authority;
Separate code reviews from different
agencies - cement admid. Board shows
one source.

NAME John Johnston BILL No. 168
ADDRESS 2650 N. Montana Ave DATE 1/25/81
WHOM DO YOU REPRESENT Montana High School Housing Assoc.
SUPPORT _____ OPPOSE ☒ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

Basically I oppose the gestapo-like police
Powers authorized in this bill.

HOUSE BILL 168, INTRODUCED BILL

1. Amend page 9, line 9.

Following: "CONVICTION."

Insert a new subsection (2): "(2) Any person or corporation licensed pursuant to this chapter who commits, or aids, agrees, or attempts to aid another person commit theft of electrical services or property as provided in Title 45, chapter 2, part 3 and chapter 6, part 3, shall upon conviction, in addition to the penalties provided in section 45-6-305, be subject to forfeiture of his or its license to work as an electrician or electrical contractor within this state for a period of not less than 24 months from the date of conviction."

2. Amend page 9, line 10.

Renumber subsection (2) as subsection (3)

3. Amend page 9, line 16.

Renumber subsection (3) as subsection (4)

1. Title, line 8.

Strike: "WARDENS"

Following: "WARDENS"

Insert: "INSPECTORS"

2. Page 2, line 6.

Following: "for"

Insert: "joint enforcement with the department of the electrical licensing and code enforcement laws and for"

3. Page 2, line 7.

Following: "2-15-121"

Insert: "; except that, the board may not exercise its quasi-judicial, quasi-legislative, licensing, or policymaking functions independently of the department and 2-15-121(1)(a) does not apply"

4. Page 2, line 10.

Strike: "and Title 50, chapter 60, part 6,"

5. Page 3, lines 23 through 24.

Strike: subsection (8) in its entirety

6. Page 5, line 22.

Following: "board"

Insert: "and the department"

7. Page 5, line 24.

Strike: "and Title 50, chapter 60, part 6"

8. Page 5, line 25.

Following: "contractors"

Insert: ","

9. Page 6, line 1.

Following: "master"

Strike: "and"

Insert: ","

Following: "Journeyman"

Insert: ", and residential"

10. Page 6, lines 12 and 13.

Following: "the" on line 12

Insert: "appropriate apprenticeship agency recognized by the United States"

Following: "labor" on line 12

Strike: "and industry"

11. Page 8, line 11.

Following: "board"

Insert: "and department"

Strike: "authorize the department to"

12. Page 8, line 14.

Following: "board"

Insert: "board and"

13. Page 9, line 23.

Strike: "Each"

Following: "Each"

Insert: "The department of administration shall hire a sufficient number of"

14. Page 9, line 24.

Strike: "warden"

Following: "warden"

Insert: "inspectors, who"

15. Page 10, line 1.

Following: "board"

Insert: "and the department"

16. Page 10, line 3

Strike: "a warden"

Following: "warden"

Insert: "an inspector"

17. Page 10, line 7.

Strike: "A warden"

Following: "warden"

Insert: "An inspector"

18. Page 10, lines 11 through 17.

Strike: subsection (3) in its entirety

Renumber: subsequent subsections accordingly

19. Page 10, line 18.

Strike: "A warden"

Following: "warden"

Insert: "An inspector"

20. Page 10, line 20 through line 12 on page 11.

Strike: section 10 in its entirety

Renumber: subsequent sections accordingly

21. Page 11, line 16.

Following: "by"

Insert: "the board and the"

22. Page 11, line 22.

Following: line 21

Insert: "state electrical"

Following: "board"

Insert: "provided for in (2-15-1654) and the department of administration"

23. Page 11, line 24.

Following: "board"

Insert: "and the department"

24. Page 12, line 2.

Strike: "American national standards institute"

Following: "institute"

Insert: "National Fire Protection Association"

25. Page 12, line 3.

Following: "board"

Insert: "and the department"

26. Page 12, lines 5 and 6.

Following: "9" on line 5

Strike: "and 10 are"

Following: "are" on line 6

Insert: "is"

Following: "of" on line 6

Insert: "both"

27. Page 12, line 7.

Following: "and"

Insert: "Title 50, chapter 60, part 6,"

Following: "of Title 37, chapter 68,"

Insert: "and Title 50, chapter 60, part 6,"

28. Page 12, line 8.

Strike: "those sections"

Following: "sections"

Insert: "it"

NB168 #61 Letter 1/26

Kenneth J. French, Sr. President
+ 3m representing the North-Central
Electrical Contractors which covers the Golden
Triangle area North-Central Montana

Our reason for giving support to this bill
~~is~~ ^{is} ~~the~~ ^{the} safety of the public. The license bureau
of the inspection department at the present time, are
just not working in a satisfactory manner. When you
consider the licensing is under one department & the
the inspection is under another department in the present
state you'll see our need for change.

We ask that the Board, as stated in the
bill, be given authority over licensing & testing.
We also ask that the Board be placed in charge of
Wardens (inspectors) & the administration of
permits. The inspectors in the field do not have
sufficient authority to check on licensing &
absolutely no authority over inspectors.

With the State Electrical Board in control
of the Electrical Wardens (inspectors) the public,
licensed electrical workers, contractors, master
& journeyman workers will have a Board to which
they will air their complaints, problems & questions.

#9

BUSINESS AND INDUSTRY COMMITTEE

ROLL CALL VOTE

BILL # *HB 51*

DATE

1/20/81

MOTION

HB 51 Do Pass (Anderson)

Committee Members	Yes	No	EXCUSED ABSENT
ANDREASON, Aaron	✓		
BERGENE, Toni		✓	
ELLERD, Bob		✓	
ELLISON, Orval		✓	
FABREGA, Jay	✓		
HARPER, Hal	✓		
JACOBSEN, Glenn		✓	
JENSEN, Ray		✓	
KESSLER, Gerald	✓		
KITSELMAN, Les	✓		
MANNING, Dick		✓	
METCALF, Jerry	✓		
MEYER, Darryl		✓	
O'HARA, David	✓		
PAVLOVICH, Bob		✓	
ROBBINS, Ken		✓	
^S SHULTZ, Jim		✓	
VINCENT, John	✓		
WALLIN, Norm		✓	
TOTALS	8	11	

Trilled

BUSINESS AND INDUSTRY COMMITTEE

ROLL CALL VOTE

BILL # *151* DATE *1/20*

MOTION *HB 151 Do Not Pass (Pavlovich)*

Committee Members	Yes	No	EXCUSED ABSENT
ANDREASON, Aaron		✓	
BERGENE, Toni	✓		
ELLERD, Bob	✓		
ELLISON, Orval	✓		
FABREGA, Jay		✓	
HARPER, Hal		✓	
JACOBSEN, Glenn	✓		
JENSEN, Ray	✓		
KESSLER, Gerald		✓	
KITSELMAN, Les		✓	
MANNING, Dick	✓		
METCALF, Jerry		✓	
MEYER, Darryl	✓		
O'HARA, David	✓		
PAVLOVICH, Bob	✓		
ROBBINS, Ken	✓		
^c SHULTZ, Jim	✓		
VINCENT, John		✓	
WALLIN, Norm	✓		
TOTALS	12	7	