

MINUTES OF THE MEETING  
BUSINESS AND INDUSTRY COMMITTEE  
MONTANA STATE SENATE

March 21, 1981

The executive meeting of the Business and Industry Committee was called to order by Chairman Hazelbaker at 10 a.m. in room 404 of the Capitol Building.

ROLL CALL: All members were present.

HOUSE BILL NO. 578: There was general discussion about the necessity to strike the statement of intent, because it is not needed.

SENATOR REGAN moved to strike the statement of intent. The motion carried with the vote unanimous.

SENATOR REGAN moved as amended, be concurred in. Discussion about whether the title needs to be amended and if the funding needs to be reflected in the title.

The motion carried with Senator Goodover voting no. Senator Regan will carry.

HOUSE BILL NO. 692:

Discussion about the brand versus the trademark. Senator Regan moved to strike "per brand". After more discussion she withdrew her motion.

SENATOR BLAYLOCK moved to amend page 2, line 6, following \$50, strike \$25 PER BRAND and insert \$50. The motion carried with all members voting aye.

SENATOR LEE moved as amended, be concurred in. The motion carried with the vote unanimous. Senator Lee will carry.

HOUSE JOINT RESOLUTION NO. 29:

After general discussion, Senator Lee commented he did not like the way the committee was set up. Everyone agreed this needed to be changed.

SENATOR REGAN suggested, we can throw the study in the pot but give it a low priority. More discussion.

SENATOR BOYLAN said it bothered him that so much money was being taken out of the state.

SENATOR BLAYLOCK: I move to amend line 18 and line 19 on page 2. We can insert "to be selected by the leaders of the respective parties" following Representatives and following Senate, we can insert "to be selected by the leaders of the respective parties."

There was discussion whether subsection 4 should be stricken and it was decided that it should be left in. The motion to amend carried with the vote unanimous.

SENATOR KOLSTAD moved be concurred in, as amended. The motion carried with the vote unanimous. Senator Kolstad will carry.

HOUSE BILLS NO. 376, 377, 378 and 380:

There was general discussion about the doubts the committee felt on House Bill No. 376.

SENATOR REGAN moved that the committee reconsider its action on concurring in House Bill No. 376. The motion carried with the vote unanimous.

SENATOR LEE moved to table and the motion carried with all members voting aye.

The committee decided the action taken on the other three bills would stand.

HOUSE BILL NO. 448:

SENATOR DOVER moved be concurred in.

There was general discussion about the fears of the committee if this bill is passed as it is presently written.

After rather heated general discussion Senator Regan said she would walk through the bill and point out the particular areas that were giving her trouble.

Page 10, subsection 4, that part is incredibly bad. The committee discussed the pros and cons of who supported and opposed the bill.

Senator Regan pointed out some of the defects in page 5, line 12. He would be able to value all his assets to count this as a tangible asset.

On page 7, lines 8 and 9, this would change the single premium life insurance from 4 1/2% to 5 1/2%. In essence, you really have, for your dollar, proportionately less cash value.

SENATOR GOODOVER: Does that relate the same as allowing from 5 to 8%, remember a bill we had last session. And, Senator Regan said that this does not apply to that.

SENATOR REGAN continued through the bill. In section 3, page 10, is really the heart of the bill. This is what it allows them to do. The deposits that are required as reserve will be valued at face value rather than through market value and because the rate is less these deposits would be devalued and they would have to be discounted. They simply have the ability to put in some junk assets as deposits. These are called miscellaneous investments.

GREG PETESCH, the staff attorney, read the ones that are permitted.

SENATOR BOYLAN commented that "you let other insurance companies from other states do this". Senator Regan said "No, we do not."

SENATOR REGAN: I am concerned about page 11. You take a mortgage and all the interest that is due on the unpaid balance is added to it. You are purchasing the value of the thing itself but they could count the unpaid balance in this. There was much discussion following this comment.

SENATOR LEE: As a substitute motion, I would move we pass consideration. The motion carried with the vote unanimous.

After more discussion it was decided that Greg should research the bill and see how we compare with other states, whether they can count good-will as an asset and such things as the committee had been having concern about.

HOUSE BILL NO. 132:

It was decided that this bill should remain tabled.

HOUSE BILL NO. 574:

SENATOR REGAN: Are we really giving away more that we are getting back. Discussion.

SENATOR LEE moved be concurred in. The motion failed on a vote of 5 to 3.

SENATOR REGAN moved be not concurred in. The motion carried on a vote of 5 to 3. Senator Hazelbaker will explain it on the floor.

HOUSE BILL NO. 710:

SENATOR LEE moved be concurred in. There was general discussion that House Bill No. 574, just killed, and House Bill No. 710 were interrelated. There followed discussion about the discretionary fund and why there is no penalty.

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March 21, 1981  
Page 4

There was discussion about why the discrepancy in insurance people either being for it or vehemently opposing it.


These bills provide that an out-of-state company is not paying the 5% premium tax on the policies, but what you do is gouge the salesman who gets the 5% for countersigning in this state. Much heated discussion followed.

SENATOR BLAYLOCK moved to pass consideration. The motion failed on a vote of 4 to 4 with Senators Lee, Kolstad, Dover and Goodover voting no.

SENATOR DOVER moved be concurred in. The motion carried with the vote unanimous. Senator Hazelbaker will carry.

SENATOR BLAYLOCK suggested that House Bill No. 202 and House Bill No. 132 be looked at at the same time and that would be a way to see if they were in conflict or if they did the same thing. This was agreed. Greg will do some research and present to the committee.

The meeting adjourned at 12:15.

  
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Frank W. Hazelbaker, Chairman

Mary Ellen Connelly, Secretary

ROLL CALL

BUSINESS and INDUSTRY COMMITTEE

47th LEGISLATIVE SESSION -- 1981

*Executive*  
Date 3/21/81

NAME	PRESENT	ABSENT	EXCUSED
Goodover, Pat - Vice Chairman	✓		
Hazelbaker, Frank - Chairman	✓		
Blaylock, Chet	✓		
Boylan, Paul	✓		
Dover, Harold	✓		
Kolstad, Allen	✓		
Lee, Gary	✓		
Regan, Pat	✓		

Each day attach to minutes.

SENATE COMMITTEE BUSINESS AND INDUSTRY

Date 3/21/81 House Bill No. 574 Time           

NAME	<i>Be Concurred</i>		<i>Not Concurred</i>	
	YES	NO	YES	NO
Hazelbaker			✓	✓
Goodover	✓			✓
Dover	✓			✓
Kolstad			✓	✓
Lee	✓			✓
Blaylock			✓	✓
Boylan			✓	✓
Regan			✓	✓

Secretary

Chairman

Motion: the 1<sup>st</sup> motion was be concurred - failed 5-3  
the 2<sup>nd</sup> motion was be Not concurred in  
carried 5-3

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

Amendment to HB 692

1. Page 2, line 6.

Following: "\$50"

Strike: "\$25 PER BRAND"

Insert: "\$50"

# STANDING COMMITTEE REPORT

March 21,

19 81

MR. **PRESIDENT:**

We, your committee on **BUSINESS AND INDUSTRY**

having had under consideration **HOUSE JOINT RESOLUTION** Bill No. **29**

**Thoft (Senator Kolstad)**

Respectfully report as follows: That **HOUSE JOINT RESOLUTION** Bill No. **29,**

**third reading copy, be amended as follows:**

**1. Page 2, line 18.**

**Following: "Representatives"**

**Insert: "to be selected by the leaders of the respective parties"**

**2. Page 2, line 20.**

**Following: "Senate"**

**Insert: "to be selected by the leaders of the respective parties"**

**And, as so amended,**

**BE CONCURRED IN**

DD-PASS

JRF



# STANDING COMMITTEE REPORT

March 20,

19 81

MR. PRESIDENT:

We, your committee on BUSINESS AND INDUSTRY

having had under consideration HOUSE

Bill No. 377

Hemstad (Senator Smith)

House

377

Respectfully report as follows: That..... Bill No. ....

BE CONCURRED IN

~~XXXXXX~~

JRF

# STANDING COMMITTEE REPORT

March 10, 19 81

MR. **PRESIDENT:**

We, your committee on **BUSINESS AND INDUSTRY**

having had under consideration **HOUSE** Bill No. **378**

**Hemstad (Senator Smith)**

Respectfully report as follows: That **HOUSE** Bill No. **378**

BE CONCURRED IN

~~XXXXXX~~  
DO PASS

JRF

# STANDING COMMITTEE REPORT

March 20,

19 81

MR. PRESIDENT:

We, your committee on BUSINESS AND INDUSTRY

having had under consideration HOUSE Bill No. 380

Hemstad (Senator Smith)

Respectfully report as follows: That HOUSE Bill No. 380

BE CONCURRED IN

~~DO NOT~~

JRF

# STANDING COMMITTEE REPORT

March 20,

81

19.....

MR. **PRESIDENT:** .....

We, your committee on **BUSINESS AND INDUSTRY** .....

having had under consideration ..... **HOUSE** ..... **385**  
Bill No. ....

**Pistoria (Senator ~~GOODOVER~~)**

Respectfully report as follows: That ..... **HOUSE** ..... **385,**  
Bill No. ....

**third reading copy, be amended as follows:**

**1. Page 5, line 2.**

**Following: "AND"**

**Strike: "PERSONAL"**

**Insert: "personnel"**

**2. Page 6, lines 2 through 5.**

**Strike: Section 4 in its entirety**

**And, as so amended,**

**BE CONCURRED IN**

~~DO PASS~~

JRF

# STANDING COMMITTEE REPORT

March 20, 19 81

MR. **PRESIDENT:**

We, your committee on **BUSINESS AND INDUSTRY**

having had under consideration **HOUSE** Bill No. **425**

**Meyer (Senator Kolstad)**

Respectfully report as follows: That **HOUSE** Bill No. **425**

**BE CONCURRED IN**

~~DO NOT SIGN~~

# STANDING COMMITTEE REPORT

March 21, 19 81

MR. **PRESIDENT:**

We, your committee on **BUSINESS AND INDUSTRY**

having had under consideration **HOUSE** Bill No. **578**

**Vincent (Senator Roman)**

Respectfully report as follows: That **HOUSE** Bill No. **578**

**third reading copy, be amended as follows:**

**1. Title, lines 5 and 6.**

**Following: "PROCEDURES:"**

**Strike: remainder of line 5 through "PURPOSE" on line 6.**

**Insert: "APPROPRIATING FUNDING FOR A LICENSING CENTER"**

**2. Page 2, line 4.**

**Following: line 3**

**Insert: "Title 75,"**

**(continued)**

DO PASS

Jrf

# ENDING COMMITTEE REPORT

March 21, 19 81

MR. PRESIDENT:

We, your committee on BUSINESS AND INDUSTRY

having had under consideration STATEMENT OF INTENT, HOUSE Bill No. 578

Vincent (Senator Regan)

Respectfully report as follows: That STATEMENT OF INTENT, HOUSE Bill No. 578,

third reading copy, be amended as follows:

1. Statement of intent, pages 1 and 2.

Strike: Statement of intent in its entirety.

And, as so amended,  
BE CONCURRED IN

~~XXXXX~~  
DIPASS

Jrf

3. Page 2, line 18.

Following: "including"

Insert: "gathering of information that facilitates"

4. Page 2, lines 19 and 20.

Following: "certificate"

Strike: remainder of line 19 through "paid" on line 20.

5. Page 3, line 1.

Following: "provide"

Strike: "technical"

6. Page 3, line 25 through line 7 on page 5.

Strike: sections 5 and 6 in their entirety.

Re-number: subsequent sections

7. Page 6, line 4.

Following: "by"

Strike: "November 1, 1981"

Insert: "March 1, 1982"

And, as so amended,

BE CONCURRED IN

Jrf



# STANDING COMMITTEE REPORT

March 21,

19 81

MR. **PRESIDENT:**

We, your committee on **BUSINESS AND INDUSTRY**

having had under consideration **HOUSE** Bill No. **692**

**O'Connell (Senator Lee)**

Respectfully report as follows: That **HOUSE** Bill No. **692,**

third reading copy, be amended as follows:

1. Page 2, line 6.

Following: **"\$50"**

Strike: **"\$25 PER BRAND"**

Insert: **"\$50"**

And, as so amended,

BE CONCURRED IN

~~XXXX~~  
DO PASS

JRF

# STANDING COMMITTEE REPORT

.....March 21,..... 19 81.....

MR. **PRESIDENT:** .....

We, your committee on..... **BUSINESS AND INDUSTRY** .....

having had under consideration ..... **HOUSE** ..... Bill No. **710** .....

**Kitselman** (Senator Hazelbaker)

Respectfully report as follows: That..... **HOUSE** ..... Bill No. **710** .....

**BE CONCURRED IN**

**DOXPASS**