

HOUSE BUSINESS AND INDUSTRY COMMITTEE

Chairman, Rep. Jerry Metcalf, called the Business & Industry Committee to order on January 10, 1983, at 9:00 a.m. in Room 420 of the Capitol Building, Helena, Montana. All members were present except Hal Harper who was excused.

HOUSE BILL 38

REP. BOB PAVLOVICH, House District 86, sponsor, opened the meeting by reading a prepared statement explaining the Board of Plumbers' position and reasoning behind House Bill 38. The bill is designed to recombine licensing and the code enforcement duties which were separated July 1, 1977. (Exhibit #1) He stated the effectiveness of the program would be improved if the two operations were combined.

PROPOSERS:

MITCH MIHAILOVICH, Board of Plumbers, Butte, Montana, stated a state licenser will arrive on the scene and have no authority to inspect the code, he must notify a state inspector. The same applies to the Code Inspector who has no authority to stop an unlicensed person from installing plumbing. (Exhibit #2)

WILLIAM CHRISTMAN, Board of Plumbers, Helena, Montana, stated the cost of renewing a Plumbers License has gone from \$10 to \$60 which is too high. He suggested Montana structure themselves after Oregon which has moved all Code Enforcement into the Commerce Department which would put the Code Enforcement and the Board of Plumbers together. (Exhibit #3).

DAN ANTONIETTI, Chairman, Board of Plumbers, Helena, Montana, stated he strongly supported HB 38 and listed the make-up of the Board of Plumbers as two journeymen plumbers, 2 master plumbers, 1 professional engineer, three representatives of the public, and one appointed representative of the Department of Health. He said this would give the board the expertise needed to perform its duties well. He added the Board of Plumbers voted unanimously at their last meeting in favor of House Bill 38.

OPPOSERS:

W. JAMES KEMBEL, Department of Administration, Helena, Mt., states he was neither for or against the Bill, he was just testifying for information sake. (Exhibit #4)

JAMES B. BROWN, Montana Technical Council, Helena, Mt., said prior to 1977, building code enforcement was handled by up to four state agencies. Design professionals never knew whose interpretation was valid. Reviews were often delayed. Presently, one agency handles all reviews for building code enforcement. Reviews are concise, accurate, and timely. He wishes the present system would be strengthened and expanded rather than abolished. (Exhibit #5)

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Business & Industry Committee

WILLIAM LINDSAY, Montana Water Conditioning Association, Helena, Mont., stated this bill would be another harrassment of small business. He said consumers would be the ones who would pay if this bill passes to the tune of \$100 per installation on water conditioning units.

STEVE PALLISTER, plumbing contractor from the Helena area, said there was no reason to transfer authority from the Montana Mechanical Safety Bureau as their inspections have been carried out properly. He feels the bureau should be strengthened, if anything. (Exhibit #6)

RAY JOHNSON, Montana Chapter American Institute of Architects, Helena, Mt., stated the code reviews prior to 1977 were inconsistent and architects were designing to the National Plumbing Code written in 1957. The submittal of plans to a single agency is more convenient to the independent builders. (Exhibit #7)

JAMES BAKER, Architectural Society of Helena, agreed with what Brown and Johnson had said. He said we should stream-line the system and he was in strong opposition to HB 38.

ED SHEEHY, Montana Manufactured Housing Association, Helena, Mt., said in his opinion the present system does work. If they have to deal with more than one agency, there is going to be an increase in costs which will be passed along to the consumer.

DON CAPE, mobile home dealer, Belgrade, Mt., voiced opposition to HB 38.

SLIM SLATTERY, registered lobbyist, testified that passage of HB 38 would pass along added expenses to mobile home owners, many of whom were senior citizens and low income people.

JOHN HOLLOW, Montana Home Builder Association, stated there may be a problem of communication in the present set up but that passage of this bill was not the way to address the problem. He thought there should be a speed-up of processes between inspectors instead of making a builder go to two places for authorization.

JOHN BRAUNBECK, Intermountain Oil Marketing Association, wanted to go on record as opposing HB 38.

REP. PAVLOVICH: (in closing discussion...) We have heard alot of testimony today concerning added costs, streamlining, senior citizens, etc. and that's exactly what this bill is aimed at helping. I would encourage this committee to pass this bill.

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QUESTIONS:

Rep. Kitselman: Does a state inspector have to be a journeyman plumber? Rep. Pavlovich: I believe he does, but I know liquor inspectors don't need to know a thing about liquor.

Rep. Kitselman: George Swords, I know you are in the mobile home business. Could you tell me the difference in scale between one of your assemblymen working on something and a master plumber? Swords: The mobile home industry is specialized and we get alot of work from plumbing contractors because they either don't have the needed materials or they don't want to do the work. Our workers get in the area of 22 to 25 dollars per hour; most plumbers are in the \$35 range. We try to duplicate what the manufacturer does.

Rep. Fabrega: I would like to know how exactly the Department covers the entire state now. James Kembel: Our inspectors are journeymen. We now have 55 cities in Montana involved in one area of code enforcement or another. Those areas that are not handling code enforcement, we are taking care of. We currently have one plumbing inspector. All the major cities are taking care of the inspections with journeymen plumber inspectors. Rep. Fabrega: How about the individual home builder? James Kembel: They are exempt from state inspection. Cities cover single family dwellings.

Rep. Saunders: Would a homeowner be requested to get a permit? Mr. Antonietti: Section 37-69-102 of the existing law lists exemptions which include mobile home owners, water conditioning operations, home owners, etc. Rep. Saunders: Does this law prevent service dealers making installations like on washing machines? Antonietti: Any time there is installations on these they must have a permit.

Rep. Fabrega: Would manufactured housing be affected by this change? Sheehy: What Mr. Antonietti was addressing affects the Board and plumbing licenses, it does not affect the issuance of permits. Manufacturers under this bill would be under a state agency as well as the Board of Plumbers.

Rep. Kadas: Why did the fee go from \$10 to \$70? Antonietti: The renewal fees went to \$60 for a 400 percent increase. There was a hearing and everyone went along and approved the increase because of budgetary reasons. The license fee is \$100 to take the examination.

Rep. Kitselman: Do members of the Board receive a stipen for serving on the Board? Antonietti: The members receive \$25 per day plus travel expenses and perdiem.

EXECUTIVE SESSION:

REP. PAVLOVICH moved that House Bill 38 Do Pass. He commented that the mobile home people have a problem with this bill and as Mr. Antonietti said, they shouldn't. So I'm saying, why? Maybe they're doing something wrong and that's why they're here. I feel that we would have better coverage with this bill and it would be better for the consumer - the senior citizen who buys these mobile homes - and God knows those are the people we are here to take care of, and I think a master plumber from the Board of Plumbers will take care of that job.

REP. HANSEN: How is a journeyman plumber licensed? Pavlovich: Has to be an apprentice and then take the test. Hansen: One of the duties of the Board is to issue the home licenses? Rep. Metcalf: The primary duty of the Board of Plumbers is to give examinations and license plumbers. Hansen: Do they have any enforcement duties? Metcalf: No.

REP. KITSELMAN: County and City codes supercede State codes. If we pass this bill, we are taking a step backwards.

REP. FABREGA: The people will be better served by having a uniform license system.

REP. FAGG: As an architect, we have so many different offices we have to go to. Too many people doing reviews and you never know which review is the right one. You have to have a central agency to clear these problems.

Question posed by Rep. Ellerd. Failed 16 to 2. Motion reversed by Rep. Fabrega that HOUSE BILL 38 DO NOT PASS. Motion carried 16 in favor and 2 against. (Vote Roll Call Attached)

Meeting adjourned at 10:20 a.m.



JERRY METCALF, CHAIRMAN



Linda Palmer, Secretary

STANDING COMMITTEE REPORT

January 10

83

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MR. **Speaker:**

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

having had under consideration **House** Bill No. **38**

A BILL FOR AN ACT ENTITLED: "AN ACT AUTORIZING THE BOARD OF PLUMBERS TO ISSUE PERMITS FOR AND TO INSPECT PLUMBING INSTALLATIONS; AMENDING SECTIONS 50-60-101, 50-60-505, AND 50-60-507 THROUGH 50-60-514, MCA."

Respectfully report as follows: That **House** Bill No. **38**

~~DO NOT PASS~~ **DO NOT PASS**

	Date: 1-10 No: 4038 DO PASS	Date: 1-10 No: 4038 REVERSE	Date: No:	Date: No:	Date: No:	Date: No:
PAVLOVICH, Jerry	yes yes	no		WALLIN, Norm	no	yes
BACHINI, Robert	no	yes		METCALF, Jerry	no	yes
ELLERD, Bob	no	yes				
ELLISON, Orval	no	yes				
EABREGA, Jay	no	yes				
FAGG, Harrison	no	yes				
HANSEN, Stella Jean	yes	no				
HARPER, Hal	E	E				
HART, Marjorie	no	yes				
HOWE, Romona	no	yes				
JENSEN, William	no	yes				
KADAS, Mike	no	yes				
KITSELMAN, Les	no	yes				
LYBECK, Ray	no	yes				
NISBET, Gerald	no	yes				
SAUNDERS, Glenn	no	yes				
SCHULTZ, Jim	no	yes				

2-18 18-2 carried
failed

House Bill 38 is being introduced on behalf of the Board ¹⁰⁰⁰ #1
of Plumbers to recombine licensing and the code enforcement duties.

The two functions were originally together until July 1, 1977. In the past 5½ years of operating separately, the effectiveness of the programs has decreased. The board feels it would be much more effective and easier to enforce both programs if they were recombined.

The combination would be more cost efficient in the fact there would be no duplication of effort. One inspector could handle both the code enforcement and checking of licenses. If there was an unlicensed person on the job, he could take immediate action, rather than referring the problem to a separate agency. By the time the licensing inspector reaches the job site, the unlicensed person could very well have completed the work and be gone, leaving the home owner with whatever code violations exist and the resulting problems.

The same is true for the inspector checking for licenses when he sees code violations. Rather than contacting another agency to do an inspection, he could handle both. This would save time and money and be more effective in protecting the health and safety of the public.

Complaint investigations which result in the discovery of code violations would be immediately available to the board office to take necessary action against the licensee. A time delay results in obtaining the information at present, simply because it must be passed from one department to another.

Under the current system for permits, the only recourse the inspection bureau has for taking action against a licensee who has not obtained the proper permits is to charge a double

fee, or to contact the board office and request the board take action. The inspection bureau can, after proper hearing, also stop the work on a project if the plumbing does not meet code. The board has authority under section 37-1-136, MCA to adopt alternative forms of disciplinary action, such as revocation, suspension, placing a licensee on probation, censuring or reprimanding a licensee for any violations of the statutes. Thus, the board has more alternatives available to effectively enforce the licensing and inspection programs, than is available to the code enforcement bureau under the present system.

The combination would also be in the best interests of the licensees, as all questions, ~~ir~~regardless of whether they are related to licensing or code could be answered by one agency.

WITNESS STATEMENT

NAME Yurik Mikhailovich BILL No. HB 38
ADDRESS 1900 Elm Butte DATE 1-10-83
WHOM DO YOU REPRESENT Board of Plumbers
SUPPORT X OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

License inspector has no authority to stop a code violation. the same applies to the Code Inspector who has no authority to stop a unlicensed person from installing plumbing.

WITNESS STATEMENT

NAME William A. Christman BILL No. HB 38
ADDRESS HELENA, MT DATE 1-10-83
WHOM DO YOU REPRESENT BOARD OF PLUMBERS
SUPPORT X OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

I believe that since the inspection and licensing has been divided both functions have become more costly and less effective. The cost of renewing a plumber's license has went from \$10.00 to \$60.00 which is too high. The opportunity for someone who has a complaint with the inspection to appear before a citizen board does not now exist. He must make his complaint to an employee of State Government which I believe is less desirable than appearing before the Board of Plumbers. As to the argument that all of the Code Enforcement should remain together I would suggest that Montana structure themselves the way the State of Oregon has done and that is to move all of the code enforcement into the Commerce Department which would put the Code Enforcement and the Board of Plumbers together.

WITNESS STATEMENT

NAME W. James Kambel BILL No. 38
 ADDRESS _____ DATE _____
 WHOM DO YOU REPRESENT BUILDING CODES DIV. / DEPT. OF ADM. N.
 SUPPORT Information OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

HISTORY

- Prior To 1977

A/E Division

Handled the building, energy, mechanical, recreational vehicle, factory-built building and elevator codes.

Board of Plumbers

Handled plumbing inspections and licenses

Board of Electricians

Handled electrical inspections and licenses.

- After the creation of the Building Codes Div. was created
- Primary function of reorganization was simplification for the public. 1 stop permits and compatible codes

CURRENT SITUATION

- Division currently enforces the building, energy, recreational vehicle, factory-built building, mechanical, plumbing, electrical, and elevator codes

PROPOSED CHANGE

- The results of the proposed change would be fragmentation of permit issuance and enforcement.
- If the committee is concerned about the current location of the code enforcement function consideration should be given to moving the entire Division's program as a package.

WITNESS STATEMENT

NAME JAMES B. BROWN, A.I.A. BILL No. HB-38
ADDRESS P.O. Box 1198 HELENA, MT. 59624 DATE 1-10-83
WHOM DO YOU REPRESENT MONTANA TECHNICAL COUNCIL
SUPPORT _____ OPPOSE X AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments: GOOD, CONSISTANT CODE ENFORCEMENT IS ESSENTIAL FOR THE HEALTH AND WELFARE OF MONTANA'S CITIZENS. FRAGMENTED CODE REVIEWS LEAD TO CONFUSION AND INCONSISTANT ENFORCEMENT OF OUR BUILDING CODES.

PRIOR TO 1977, BUILDING CODE ENFORCEMENT WAS HANDLED BY UP TO 4 STATE AGENCIES. DESIGN PROFESSIONALS NEVER KNEW WHOSE INTERPRETATION TOOK PRIORITY WHEN CONFLICTS OF INTERPRETATION OCCURED. REVIEWS WERE OFTEN DELAYED, CAUSING CONFUSION AND EMBARRASSMENT TO THE DESIGN PROFESSIONAL.

PRESENTLY ONE AGENCY HANDLES ALL REVIEWS FOR BUILDING CODE ENFORCEMENT. REVIEWS ARE CONCISE, ACCURATE, AND TIMELY. RATHER THAN DECIMATING THIS AGENCY AND PUTTING IT BACK IN TIME, IT SHOULD BE STRENGTHENED AND EXPANDED.

Exhibit #6
1/10/83

Chairman,

In opposition To HB 38 - Authorizing The Board of Plumbers To issue permits for and To inspect plumbing installations.

We see no reason To Transfer This Authority from The State of Montana Mechanical Safety Bureau other Than The expense of changing letter heads and moving expenses. We feel inspections have been carried out properly. For intense!

A journeyman plumber went out To a house in East Gate (A subdivision near East Helena) and installed a short Turn 90° Elbow in the slab, in the Horizontal position. The Mechanical Safety Bureau inspector had it changed. Saving The floor from being jackhammered up AT A future date because The sewer was plugged and an Auger could not pass Through. Saving The contractor A cost & The customer A big mess & imposition.

~~Pallister~~ Plumbing & Heating, ^{Co.} ~~Inc.~~ have had large projects in different Areas: Dillon, Deer Lodge, Boulder, Townsend & Helena, with no problems of getting A plumbing inspector.

Instead of Taking The Safety Bureau Away you should give Them The Authority to inspect every building That has plumbing in it. The Average home owner keeps his home for five years. The person who buys The do-it-yourself home, with no inspection, suffers. There is a couple in Blue Sky Heights (A subdivision south of Helena) That has To remember

1/10/83



~~Chairman~~

To put a cup of water in their lavatory everytime they flush their toilet, this is to keep the sewer gas from coming up through the syphoned trap. We know that if the Mechanical Safety Bureau, would have had the authority, they would have caught this error with or without a permit.

Instead of taking the authority away and ~~spending~~ ~~wasted~~ ~~money~~, give them more authority + let the Bureau continue to do even a better job.

This statement has been submitted on behalf of: McDonald Plumbing, Helena MT., Bratlien Plumbing, Helena MT., Tielking Plumbing, Helena MT., Bud's Plumbing, Dillon MT., Strausser Plumbing, ~~Dillon~~ MT., City Plumbing, Helena MT., Krapu Plumbing and Heating, Helena MT., and Pallister Plumbing & Heating, Helena MT.

WITNESS STATEMENT

NAME Ray Johnson BILL No. HB-38
 ADDRESS 415 So. Sanders Helena MT DATE 1-10-83
 WHOM DO YOU REPRESENT Montana Chapter American Institute of Architects
 SUPPORT _____ OPPOSE X AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. Prior to 19~~83~~⁷⁷ plans had to be submitted to up to Four Different Agencies - Their Review comments would not be received at the same time and we would end up going back to the owners 3 or 4 times with additional Code requirements.
2. The Code reviews prior to ~~1977~~¹⁹⁷⁷ were inconsistent and ~~Prior to 1977~~ we were designing to the National plumbing code copy written 1957 & no Revisions made since that date. We know Design to to A single Code that is updated every 3 years.
3. At the present time we only have to make a single submittal to the state code division this has proved to be a highly desirable and efficient system - we now get a more comprehensive and more consistent Code review - All code comments are received At once and review is a very ~~thorough~~ thorough, complete, & professional prepared. This type of Review is very beneficial to owners and we as design professionals coordination of Review of different codes important.
4. The submitting of plans to a ~~single~~ single Agency is more convenient to the independent builder who are not working with design professionals.
5. The present system of on site inspection of construction projects is far superior to what we were dealing w/ prior to ~~1977~~ 1977. Inspection is much more consistent.


VISITORS' REGISTER

HOUSE ~~Business~~ + Industry COMMITTEEBILL HB 38Date 1-10-83SPONSOR Pavlovich

NAME	RESIDENCE	REPRESENTING	SUP- PORT	OP- POSE
W. James Kembel	Helena	Dept of Administration State of Mont.	Information	
JAMES B. BROWN	HELENA	MONT. TECH. COUNCIL		X
Ray Johnson	Helena	Montana Chapter A.I.A.		X
W. A. Christman	HELENA	BOARD OF Plumbers	X	
Jim Samuels	Helena	Intermountain Oil Marketers Assn		X
Lex Pate	Helena	I. O. M. A.		X
Steve Pallister	Helena	Plumbing Contractor		X
Ed Shultz	"	Mont. Monu. Preserv. Assoc		X
McDonald	Beeth	Board of Plumbers	X	
Dan Antonietti	Helena	" " "	X	
James Baker	Helena	Arch. Society of Helena		X
John Hollow	Helena	MA Home Builders Ass		X
Shirley Stiney	Helena	Lathrup		X
Mary Lou GARRETT	"	Dept of Commerce	X	
Earl Lytle	Bozeman	Self		
Sam Hammy	Bozeman	Self.		
LOW CAPE	Bellevue	Lowcase Homes Inc.		X
Tony MacBalls	Helena	Montana Mobile Homes		X
Jim Runkap	Helena	Mont Water Cond Assoc		X

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.



January 7, 1983

State of Montana
48th Legislative Session
Helena, Montana

Attention: Chairman, House Bill 38 Committee

Dear Mr. Chairman, Committee Members:

This letter is in reference to House Bill 38, sponsored by Representative Pavlovich.

I am extremely opposed to this bill for a number of reasons, which I will relate.

My name is Bill Novak. I own and operate three retail manufactured housing businesses in Billings and Bozeman. These companies employ in excess of fifty people. I have been in business since 1956, and am one of the original founders of Gallatin Homes manufacturing plant at Belgrade, Montana. I am a licensed Montana Real Estate Broker and Insurance Agent.

I wonder if this committee and the sponsor of this bill realize that an identical bill was introduced in the 1981 session of the Montana Legislature. After testimony by a large number of opponents, including myself, it was killed. It is not an exaggeration to state that should this bill be passed, it would cause many Montana businesses to close their doors. We merchandise over four hundred manufactured homes per year. Can you possibly imagine the cost, delay, and other confusion, that would exist if we had to obtain a permit each time we were asked to repair a leaking pipe in a home we delivered. What would happen on a weekend when government offices are closed? How could a field service call be handled several miles from town? Our people would have to travel to the job, assess the repairs, travel back to town for the permit, return to the job. The ultimate cost to the consumer would be prohibitive. On a normal service run with our unit, we can service as many as fifteen to twenty customer service complaints. How could you possibly get permits for each individual home? Will the advocates explain how to handle this situation?

Last but not least, I am sure this plumbing board will require our employees to be licensed plumbers, with a master plumber on the payroll. It is quite apparent this is nothing more than a union sponsored bill, being pushed, regardless of the consequences.

There are NO problems with our present system. It is working. How can any committee approve a bill that will not only add additional cost to the already overburdened consumer; this bill could cause many businesses to close their doors, adding to the already excessive unemployment.

I beg you gentlemen to vote against this bill. It definitely is a waste of your valuable time and the persons advocating it.

Thank you,

William J. Novak



KEN'S MOBILE HOME
SERVICE & SUPPLY

KEN WEBER
OWNER

ROUTE 1, BOX 124B
FLORENCE, MONTANA 59833

QUALITY SINCE 1957

406/273-6408

January 5, 1983

State of Montana
48th Legislative Session
Helena, MT 59620

Attn: Chairman House Bill #38 Committee

Dear Mr. Chairman & Committee Members;

This letter is in reference to House Bill 38 sponsored by Representative Palovich. Please allow me to introduce myself. My name is Kenneth J. Weber, and have been involved in the premanufactured housing industry since 1957. Most of those years in the service and supply portion.

I am extremely opposed to this bill for the following reasons. Many of the aspects of this industry is somewhat specialized because of methods and materials. We work very closely with many mobile home manufacturers, so that we might keep up with any changes. To keep costs in line we stock strictly parts and components for mobile homes.

Most plumbing and heating contractors that I am acquainted with do not have this specialized background or inventory required. In the end the consumer would be the loser because of costly conversions and change-overs. Many mobile home owners are young couples buying a starter home or are senior citizens, living on a fixed income. House Bill 38 would cause a great deal of hardship on this segment of our fellow citizens. I therefore urge you very strongly to vote against this bill.

Thank you.

Sincerely,

Ken Weber
Ken's Mobile Home Service & Supply

WITNESS STATEMENT

NAME James Baker BILL No. 38
ADDRESS 920 N. Benton DATE 1.10.82
WHOM DO YOU REPRESENT Architectural Society of Helena
SUPPORT _____ OPPOSE X AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

On behalf of Architectural Society of Helena,
a group of local Design Professionals
and City and State Building Officials,
we feel the objective should be to streamline
the process of code revision and provide
a singularly responsibility which the Building
Codes Division is doing.

The bill would provide an increase in the time
and consequently cost of building construction,
remodelling, etc. This cost would be passed
on to the general public.
A.S.H. strongly opposes the bill.