

MINUTES OF THE MEETING  
BUSINESS AND INDUSTRY COMMITTEE  
MONTANA STATE SENATE

March 8, 1983

The meeting of the Business and Industry Committee was called to order by Chairman Allen Kolstad on March 8, 1983, at 10:35 a.m., in Room 404, State Capitol.

ROLL CALL: All members of the committee were present.

CONSIDERATION OF HOUSE BILL 363: An act to provide that in addition to emergency closings of banks as provided by law, banks may close during legal holidays in the State of Montana.

Representative Glenn Roush stated this bill was proposed by the Department of Commerce. It simplifies and clarifies the law of holidays for banks and would provide that the bank holidays are the same as State holidays. It will not change the emergency closing of banks.

PROPOSERS TO HOUSE BILL 363: Les Alke, Department of Commerce, stated there is only one additional holiday that this bill will grant to banks and that is Lincoln's Birthday. At the present time banks can observe all others. They do not usually close on these days even though they have the authority to do so. It only lets them close on the official State holidays. It is not mandatory.

Gretchen Tea, Montana Bankers Association, stated on behalf of their member banks they are in support of this bill.

There were no further proponents and no opponents.

QUESTIONS FROM THE COMMITTEE: Senator Dover asked why is the Department of Commerce requesting this bill? Mr. Alke stated every-time there is a holiday we get many telephone calls whether they are authorized to close. This will simplify the laws.

Senator Boylan asked what would be wrong with a repealer and repeal all of this and let them stay open when they want to? Mr. Alke stated they already do. This would permit them to do so without incurring liability by closing on that day.

Senator Boylan asked what would the liability be? Mr. Alke stated if a person wanted to get into his safe deposit box or make a payment and the bank was closed, he might sue for damages against the bank.

ACTION ON HOUSE BILL 363: Senator Dover made the motion that House Bill 363 Be Concurred In. Senator Christiaens seconded the motion.

Staff Attorney Greg Petesch stated he had an amendment which would include an immediate effective date.

Senator Dover made the motion that the proposed amendment Be Adopted. Senator Christiaens seconded the motion.

The Committee voted unanimously, by voice vote, that the proposed amendment to HOUSE BILL 363 BE ADOPTED.

Senator Dover made the motion that House Bill 363 As Amended Be Concurred In. Senator Christiaens seconded the motion.

The Committee voted 9-1 with Senator Boylan voting no, that HOUSE BILL 363 AS AMENDED BE CONCURRED IN.

CONSIDERATION OF HOUSE BILL 364: An act to shorten the time period within which payment of time deposits may not be required.

Representative Glenn Roush stated the amendment on page 2, line 17, simply reduces 30 days to 14 days. The bill is a housekeeping provision and was proposed by the Department of Commerce.

PROPOSERS TO HOUSE BILL 364: Les Alke, Department of Commerce, stated this is really a housekeeping bill so that the definition of a passbook savings will make the law parallel to the Federal reserve law. When this was heard in the House there was some question about the 30-day requirement of notice. It has never been invoked by any bank. It is just the reserved right of a bank to require that a person who is making a passbook withdrawal in a large amount give 14-days notice of withdrawal.

Gretchen Tea, Montana Bankers Association, stated on behalf of their member banks they are in support of this housekeeping bill.

Mr. Alke offered an amendment for an immediate effective date.

There were no further proponents and no opponents.

ACTION ON HOUSE BILL 364: Senator Dover made the motion that the proposed amendment Be Adopted. Senator Severson seconded the motion.

The Committee voted unanimously, by voice vote, that the proposed amendment to HOUSE BILL 364 BE ADOPTED.

Senator Dover made the motion that House Bill 364 As Amended Be Concurred In. Senator Severson seconded the motion.

The Committee voted unanimously, by voice vote, that HOUSE BILL 364 AS AMENDED BE CONCURRED IN.

Senator Gage will carry House Bills 363 and 364 on the floor.

ACTION ON HOUSE BILL 158: Senator Lee made the motion that we reconsider action in House Bill 158. Senator Gage seconded the motion.

The Committee voted unanimously, by voice vote, that HOUSE BILL 158 BE RECONSIDERED FOR ACTION.

Senator Lee stated this bill was returned to the committee as the Uniform Commercial Code where they were going to set fees by rule

was removed from that bill by the Judiciary Committee.

Senator Dover asked all this bill does is make profit corporations the same as nonprofit corporations, is that right? Staff Attorney Petesch stated yes and it addresses assumed business names and trademarks.

Senator Kolstad stated and they can charge the fees to whatever they want.

Senator Severson stated most often they would be raising fees.

Senator Goodover stated he had problems of allowing them to do so.

Senator Kolstad stated the argument they used was the fees went to the general fund and there would not be anything stopping them from hiring a lot of people to conduct this.

Senator Regan stated she really doesn't view this with all that suspicion. They have the employees. The reimbursement is not being provided for. If they have rulemaking authority they would set the fees. If they were to set the fee significantly high we would hear about it and then we could yank that authority. If this does not pass they will be in every year.

Senator Fuller stated if they raise the fees too high you can bet everyone on this committee will hear about it.

Senator Gage stated I assume that all of these requirements are to protect the public. That businessman probably could care less as they are for the protection of the public. It should be the requirement of the state to fund them primarily and the businessman should bear the cost.

Senator Dover stated that is exactly why I would turn this around. Today the businessman is being overcharged.

Senator Kolstad stated they would much rather have a high fee than to operate on a cost plus fee.

Senator Dover stated they are not going to change their fees every month.

Senator Severson stated the cost of the fees will not go down they will go up. We enacted a vehicle fee bill. In my county it took two more employees to process this thing. My point is an example was given that a fee could go down in one area but I guarantee you they will raise them.

Senator Lee made the motion that House Bill 158 Be Layed On The Table. The real problem is commensurate with costs. They could finance the whole Secretary of State's Office on financing of these fees. That was brought out by the Public Service Commission bill. If we allowed the costs to be commensurate they would have been raised significantly.

It would have brought in an additional \$60,000 into the general fund.

Senator Regan made a substitute motion that House Bill 158 Be Not Concurred In. Senator Severson seconded the motion.

The Committee voted 6-4, by Roll Call Vote, with Senators Christiaens, Dover, Fuller and Kolstad voting no, that HOUSE BILL 158 BE NOT CONCURRED IN.

Senator Gage will carry this bill on the floor.

ADJOURN: There being no further business, the meeting adjourned at 10:55 a.m.



ALLEN C. KOLSTAD, CHAIRMAN



ROLL CALL VOTE

SENATE COMMITTEE BUSINESS AND INDUSTRY

Date 3-8-83 House Bill No. 158 Time \_\_\_\_\_

NAME	YES	NO
PAUL F. BOYLAN	✓	
B. F. CHRIS CHRISTIAENS		✓
HAROLD L. DOVER		✓
DAVID FULLER		✓
DELWYN GAGE	✓	
PAT M. GOODOVER	✓	
GARY P. LEE, VICE CHAIRMAN	✓	
PAT REGAN	✓	
PAT M. SEVERSON	✓	
ALLEN C. KOLSTAD, CHAIRMAN		✓

Mimi Fancher  
Secretary

ALLEN C. KOLSTAD  
Chairman

Motion: Be Not Concurred In.

(Include enough information on motion -- put with yellow copy of committee report.)

# STANDING COMMITTEE REPORT

March 8

1983

MR. **PRESIDENT**

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

having had under consideration **HOUSE** Bill No. **158**

**BERGENE (GAGE)**

Respectfully report as follows: That **HOUSE** Bill No. **158**

**BE NOT CONCURRED IN**

~~DO PASS~~

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# STANDING COMMITTEE REPORT

March 8

1983

MR. **PRESIDENT**

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

having had under consideration **HOUSE** Bill No. **363**

**ROUSH (GAGE)**

Respectfully report as follows: That **HOUSE** Bill No. **363**  
**be amended as follows:**

1. Title, line 8.

Following: "MCA"

Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"

2. Page 2, line 20.

Following: "."

Insert: "Section 2, Effective date. This act is effective on passage and approval."

**XXXXXX**  
**AND AS AMENDED,**  
**BE CONCURRED IN**

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STANDING COMMITTEE REPORT

March 8

1933

MR. PRESIDENT

We, your committee on BUSINESS AND INDUSTRY

having had under consideration HOUSE Bill No. 364

ROUSH (GAGE)

Respectfully report as follows: That HOUSE Bill No. 364 be amended as follows:

1. Title, line 7.

Following: "MCA"

Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"

2. Page 2, line 19.

Following: "."

Insert: "Section 2. Effective date. This act is effective on passage and approval."

~~XXXXXX~~  
AND AS AMENDED,  
BE CONCURRED IN

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(This sheet to be used by those testifying on a bill.)

NAME: L. W. Alke DATE: 3/8/83

ADDRESS: 1424 9th Ave.

PHONE: 449-3163

REPRESENTING WHOM? Dep't of Commerce

APPEARING ON WHICH PROPOSAL: HB 363 + HB 364

DO YOU: SUPPORT? X AMEND? X OPPOSE? \_\_\_\_\_

COMMENT:  
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PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

(This sheet to be used by those testifying on a bill.)

NAME: Prentice Tea DATE: 3-8-83

ADDRESS: Arcade Bldg.

PHONE: 443-4121

REPRESENTING WHOM? Montana Bankers Assn.

APPEARING ON WHICH PROPOSAL: HB363 - HB364

DO YOU: SUPPORT?  AMEND?  OPPOSE?

COMMENT:

Support Dept of Commerce on these  
two "housekeeping" bills

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.