

MINUTES OF THE MEETING
BUSINESS AND LABOR COMMITTEE
MONTANA STATE
HOUSE OF REPRESENTATIVES

January 21, 1985

The meeting of the Business and Labor Committee was called to order by Vice-Chairman Les Kitselman on January 21, 1985 at 9:00 a.m. in Room 312-2 of the State Capitol.

ROLL CALL: All members were present.

HOUSE BILL NO. 189: Hearing commenced on House Bill No. 189. Representative Bob Ream, District #54, sponsor of the bill, stated that the purpose of this bill is to amend the Hazardous Waste Management Act to provide that the Department of Health and Environmental Sciences may not adopt rules that are more restrictive than those under the federal Resource Conservation and Recovery Act of 1976 except that transporters of hazardous waste may be required to register with the state and that reports from generators and facilities may be required annually rather than biennially. Representative Ream distributed to committee members a Statement of Intent attached hereto as Exhibit 1.

Proponent Roger Thorvilson, representing the State Department of Health, stated that the existing situation in Montana is that they register transporters in the same manner as would the EPA if they were running the program. All transporters whose headquarters are in Montana have registered with the department. Transporters who do not have headquarters in Montana, register in their respective states. The only way the department has of knowing that these companies are actually doing business in Montana is the year after they have engaged in business, the department will find out through the annual report received from the examiners.

Proponent George Ochensky of the Environmental Information Center offered his support of House Bill 189. He explained that it is important for the state to account for the hazardous waste being brought into the state.

Representative Wallin questioned Representative Ream as to the impact House Bill 189 would have on crop sprayers. Representative Ream referred the question to Mr. Thorvilson, who commented that the crop sprayers would not be affected at all.

Representative Simon asked Mr. Thorvilson how the reported information is used. Mr. Thorvilson explained that it helps to know where businesses are located for inspection purposes and to keep a closer tab on the hazardous waste material in the state.

Representative Simon then asked why the federal requirement is every two years and the state is annually. Mr. Thorvilson stated that the EPA had annual filing regulations until 1983. It is important for the state to have yearly inspections for many reasons. The EPA does not use the information in the same manner as the state.

Representative Simon then asked what the penalty is for not filing. Mr. Thorvilson explained that it is a fine up to \$10,000.

Representative Wallin asked Mr. Thorvilson if an airport would be classified as a facility as mentioned on page 3, line 6 of House Bill 189. An airport could be a facility. Representative Wallin then asked if an amendment could be drawn to exclude crop sprayers and airports from the bill. Mr. Thorvilson stated that there is a quantity exemption under the bill, based on how much waste is generated. Crop sprayers generally have very little or no waste. If the state was less stringent, it could lose its authorization and the EPA would take over, added Mr. Thorvilson. Representative Wallin expressed his concern that crop sprayers may be restricted.

Representative Bachini asked Representative Ream to comment on the discussion between Representative Wallin and Mr. Thorvilson. Representative Ream felt that this was getting beyond the scope of the bill. The bill concerns the definition of hazardous waste and what generators and facilities are.

There being no further discussion by proponents or opponents, all were excused by the Vice-Chairman and the hearing on House Bill 189 was closed.

HOUSE BILL 162: Hearing commenced on House Bill 162. Representative Waldron, District #58, sponsor of the bill, stated that the purpose of this bill is to create a Board of Fire Equipment Dealer Examiners composed of five members appointed by the Governor, consisting of one member from the State Fire Marshall Bureau, two members who are eligible to be licensed under the act, one member from a city fire department, and one member of the public. Terms will be three years, and the board is required to meet at least once a year and at other times at the call of the chair. Duties of the board are to grant registration to persons qualified to sell, lease, service or install fire protection equipment. The bill repeals the current laws regulating sales, installation and services of fire protection equipment. This process will remove the burden of certification from the Fire Marshall's office, added Representative Waldron. A Statement of Intent attached hereto

as Exhibit 2 was distributed to committee members by Representative Waldron.

Proponent Bob Kelly, State Fire Marshall, expressed his support of House Bill 162. It is important that a board be created to include members of the industry. House Bill 162 incorporates all the present rules. This bill will help alleviate certain duties of the fire marshall. The board may inspect a licensee's business, but not the equipment, explained Mr. Kelly.

Proponent Mike Walker, representing the Montana State Fireman's Association, offered his support of House Bill 162. This bill is necessary to help "free-up" the fire marshall. Mr. Walker asked the committee to vote DO PASS on House Bill 162.

Proponent Jack Fohn of Simplex Time, has been in the business of installing fire equipment for 25 years. Mr. Fohn stressed the necessity of House Bill 162. He added that there are presently too many unqualified people working on fire equipment.

Opponent Neil Flaherty, representing Leasing Inc. and Fireman Inc, two licensed firms in Helena, does not have an objection to the licensing requirement, but why are three licenses necessary, asked Mr. Flaherty. He felt that input from the industry was not obtained prior to the drafting of House Bill 162. It is tough enough to be in business and another bureau to abide by is not necessary. Mr. Flaherty urged the committee to vote DO NOT PASS. He suggested that Representative Waldron should resubmit a bill with simple, common-sense licensing requirements. Mr. Flaherty asked what would happen to the present licensee's should House Bill 162 pass. His firm presently services over 700 firms statewide and by passing House Bill 162, he could be forced out of business.

Vice-Chairman Kitselman explained that House Bill 162 would be placed in a subcommittee, with House Bill 132. Representative Brown will chair the subcommittee and Representatives Keller, McCormick, Thomas and Glaser will also serve.

Representative Waldron, in closing stated that the industry is currently under a bureau and that the board contains members of the industry. There are two ways to obtain a certificate, either by an examination, but the examination may be waived if the applicant has received training from the manufacturer. Representative Waldron feels that it is wise to grandfather those firms that are presently licensed. The opposition wants "loose" regulation and Representative Waldron is concerned that "loose" regulation exists presently and that is why the opposition is present.

Representative Bachini asked Mr. Kelly if he had any objection to the grandfather clause proposed by Mr. Flaherty. Mr. Kelly does not see a problem.

Representative Hansen asked Mr. Kelly if a smoke alarm must be inspected, if installed by yourself in your home. Mr. Kelly explained that the retailer must have a permit to sell, and that a certificate is not needed by an individual who purchases a smoke alarm from a licensed retailer.

Representative Schultz asked Mr. Kelly if the department does issue a license to local fire departments for servicing and installation. Mr. Kelly explained that they do issue a certificate. Representative Schultz then asked if it was the intent to eliminate said fire departments from checking equipment. It is not the intent, stated Mr. Kelly.

Representative Thomas asked Mr. Kelly if it is necessary to license. Mr. Kelly explained that there must be some regulation to prevent unqualified people from installing fire protection equipment.

Representative Wallin asked Mr. Kelly if an insurance company does recognize in their rates those companies that have fire systems and if the insurance companies have their own inspectors. Mr. Kelly explained that the insurance companies have engineers that inspect and that they do a better job of "policing" than the state does and yes, insurance companies do recognize these systems in their rates.

There being no further discussion by proponents or opponents all were excused by the chairman and the hearing on House Bill 162 was closed.

HOUSE BILL NO. 195: Hearing commenced on House Bill No. 195. Representative Rodney Garcia, District #94, sponsor of the bill, stated that the purpose of House Bill 195 is to replace "mobile home" with "factory-built buildings" and to define the latter term in the building construction standards chapter. The bill also includes a new definition of "recreational vehicle". This bill is by the request of the Department of Administration. Representative Garcia distributed to committee members a Statement of Intent, which is attached here to as Exhibit 3.

Proponent Dave Ashley, representing the Department of Administration, explained the changes within the bill. He stated that this is primarily a "clean-up" bill.

Representative Kadas asked Mr. Ashley how House Bill 195 will affect modular homes. Mr. Ashley stated that the department will continue to register modular homes.

There being no further discussion by proponents or opponents, all were excused by the chairman and the hearing on House Bill 195 was closed.

ACTION ON HOUSE BILL NO. 96: Exhibit 4 was distributed by committee members with the proposed amendments. Representative Kitselman made a motion that House Bill 96 DO PASS and the proposed amendments to House Bill 96 DO PASS. The amendments were passed with Representative Kadas and Representative Glaser, voting no. Representative Kitselman's DO PASS AS AMENDED motion was seconded and carried unanimously.

ACTION ON HOUSE BILL NO. 195: Representative Brandewie moved that the Statement of Intent be adopted. Second was received and PASSED unanimously. Representative Brandewie made a motion that House Bill 195 DO PASS with the Statement of Intent. Second was received and House Bill 195 PASSED unanimously.

ACTION ON HOUSE BILL NO. 174: Representative Wallin moved the amendments and explained that this change would comply with the federal ruling. The amendments PASSED unanimously. Representative Wallin then moved that House Bill 174 DO PASS AS AMENDED, and added that any cost due to the passage of House Bill 174 would be born by the federal government.

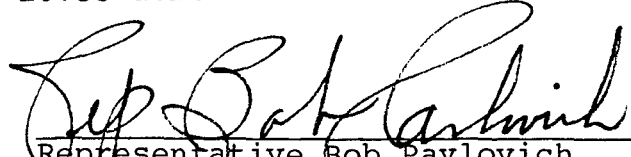
Representative Driscoll commented that he does not see any need for this increase.

Representative McCormick asked what would be gained by the increase. He sees the increase costing more money.

Representative Pavlovich asked Representative Wallin if the employer placed on the board, would be a small businessman. Representative Wallin said that that is the intent.

Question being called for, a roll call vote was taken on Representative Wallin's motion that House Bill 174 DO PASS AS AMENDED, with 12 members voting yes and 8 members voting no.

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


Representative Bob Pavlovich
Chairman

DAILY ROLL CALL
BUSINESS AND LABOR COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date 1-31-85

NAME	PRESENT	ABSENT	EXCUSED
Bob Pavlovich	✓		
Les Kitselman	✓		
Bob Bachini	✓		
Ray Brandewie	✓		
Jan Brown	✓		
Jerry Driscoll	✓		
Robert Ellerd	✓		
William Glaser	✓		
Stella Jean Hansen	✓		
Marjorie Hart	✓		
Ramona Howe	✓		
Tom Jones	✓		
Mike Kadas	✓		
Vernon Keller	✓		
Lloyd McCormich	✓		
Jerry Nisbet	✓		
James Schultz	✓		
Bruce Simon	✓		
Fred Thomas	✓		
Norm Wallin	✓		

STANDING COMMITTEE REPORT

January

19⁵⁵

MR. SPEAKER

We, your committee on BUSINESS AND LABOR

having had under consideration HOUSE Bill No. 26

FIRST reading copy (WHITE)
color

OIL AND GAS OPERATOR MUST PAY INTEREST ON UNPAID
ROYALTIES 60 DAYS AFTER DUE

Respectfully report as follows: That HOUSE Bill No. 96

BE AMENDED AS FOLLOWS:

1. Title, lines 4 and 5
Following: "DECREASE" on line 4
Strike: "FROM" through "60 DAYS" on line 5
2. Page 1, line 23
Strike: "60"
Insert: "120"
Following: "after"
Insert: "the initial"

~~DO PASS~~

3. Page 1, line 24
Following: "marketed"
Insert: "and within 60 days for all oil and 90 days for all
gas produced and marketed thereafter"
Following: "royalties"
Strike: "thereafter"
Insert: "will"
4. Page 2, line 4
Following: "\$50"
Insert: "and annually whenever the aggregate amount is less
than \$10"

AND AS AMENDED,
DO PASS

STANDING COMMITTEE REPORT

January 21

19 85

MR. **SPEAKER**

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

having had under consideration **HOUSE** Bill No. **174**

FIRST reading copy (**WHITE**)
color

INCREASE BOARD OF LABOR APPEALS MEMBERSHIP; REPRESENTATION OF INTERESTS

Respectfully report as follows: That **HOUSE** Bill No. **174**

BE AMENDED AS FOLLOWS:

1. Title, line 6
Following: "APPOINTEE"
Strike: "REPRESENT"
Insert: "HAVE EXPERIENCE IN REPRESENTING"
2. Title, line 7
Following: line 6
Strike: "REPRESENT"
Insert: "HAVE EXPERIENCE IN REPRESENTING"
3. Line 19
Following: "shall"
Strike: "represent"
Insert: "have experience in representing"

~~XXXXXX~~
DO PASS

4. Line 20
Following: "shall"
Strike: "represent"
Insert: "have experience in representing"

AND AS AMENDED,
DO PASS

STANDING COMMITTEE REPORT

.....January 21..... 19 85.

MR. **SPEAKER**

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

having had under consideration **HOUSE** Bill No. **195**

FIRST reading copy (**WHITE**)
color

REPLACING REFERENCES TO MOBIL HOMES WITH FACTORY-BUILT BUILDINGS

Respectfully report as follows: That **HOUSE** Bill No. **195**

DO PASS
STATEMENT OF INTENT ATTACHED

STATEMENT OF INTENT
House Bill No. 195

A statement of intent is required for this bill because it delegates rulemaking authority to the department of administration to adopt rules providing standards for the construction of factory-built buildings. The bill provides that the department may adopt standards more stringent than nationally recognized construction standards. It is the intent of the legislature that if the department adopts more stringent standards, the standards should be aimed at addressing Montana's climatic demands and protection of Montana consumers.

49th Legislature

LC 709

STATEMENT OF INTENT

HOUSE BILL NO. 189

A statement of intent is required for House Bill 189 because it amends 75-10-405 of the Montana Hazardous Waste Act to allow the department of health and environmental sciences to adopt administrative rules for:

(1) the registration of hazardous waste transporters operating within Montana; and

(2) the submission of reports by hazardous waste generators and hazardous waste management facilities on an annual basis, rather than a biennial basis. It is the intent of the legislature that, in these two areas, the department may and should deviate from those regulations promulgated by the United States environmental protection agency (EPA) under the Resource Conservation and Recovery Act (RCRA) of 1976, P.L. 94-580, as amended.

Annual Reporting

Until 1983, EPA regulations required the submission of annual reports by hazardous waste generators and facilities. Effective February 28, 1983, the federal

requirement was changed to biennial, rather than annual reporting. However, in Montana submission of generator and facility reports on an annual basis is already required in order to allow the department to administer the fee system for hazardous waste generators and facilities under 75-10-405 of the Montana Hazardous Waste Act. Information derived from such reports is used by the department to determine the amount of the annual registration fee for each hazardous waste generator and facility. In addition, it is appropriate that annual rather than biennial reports be submitted to the department in order to provide more timely, more precise, and more comprehensive information on hazardous waste management activities and trends within the state.

Transporter Registration

It is the intent of the legislature that the department require the registration of all hazardous waste transporters operating within Montana so that the department is aware of how and by whom hazardous wastes are being transported in the state. Currently, under the federal system, transporters have been required to register only once on a national basis. A single registration submitted from a company's national headquarters or principal place of business is considered by the EPA to be adequate for the company's operations in all states. As a result of this limited

national registration, the department is currently unable to definitely identify all hazardous waste transporters which offer transportation services within the state. Adoption of transporter registration rules will ensure that the department will develop and maintain an accurate registry of all hazardous waste transporters offering their services within Montana. It is not the legislature's intent that transporters should be charged any fee for such registration.

49th Legislature

STATEMENT OF INTENT

House BILL 162

A statement of intent is required for this bill because it grants rulemaking authority to the board of fire equipment dealer examiners and authorizes the board to license an activity or establishment in a manner as defined by section 2-4-102, MCA.

In order to protect the public from unsafe business practices, unprofessional conduct, and the distribution of hazardous products, it is in the public interest to regulate and control all persons and firms engaged in the sale, leasing, service, or installation of portable fire extinguishers, fire extinguishing systems, fire alarms, smoke alarms, and fire alarm systems.

It is the intent of the legislature that the board carry out those functions and responsibilities relating to the issuance of certificates, permits, and licenses that were delegated to the state fire marshal under sections 50-39-101 through 50-39-105, MCA, which are repealed by this bill. Guidelines for performing these functions and responsibilities are provided in this bill and govern the actions of the board.

It is not, however, the intent of the legislature to limit or restrict the power and duty of the state fire marshal to protect the public against the hazards of fire and the loss of life and property due to the lack of proper fire safety. On the

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contrary, the legislature believes it necessary that the state fire marshal exercise all authority to approve fire protection equipment prior to its sale, lease, or installation, as provided in section 17. For this reason, it is contemplated that no person should sell, lease, or install any fire protection equipment that has not been approved, labeled, or listed by Underwriter's Laboratories, Inc., Underwriter's Laboratories of Canada, Factory Mutual Laboratories, or other testing laboratories approved by the state fire marshal.

Furthermore, the legislature intends that the state fire marshal retain all power to regulate and control fire protection equipment as provided by administrative rules adopted pursuant to section 50-3-102, MCA, but the state fire marshal may not hold any powers that are inconsistent with the provisions of this bill.

1 STATEMENT OF INTENT

2 House Bill No. 195

3
4 A statement of intent is required for this bill because
5 it delegates rulemaking authority to the department of
6 administration to adopt rules providing standards for the
7 construction of factory-built buildings. The bill provides
8 that the department may adopt standards more stringent than
9 nationally recognized construction standards. It is the
10 intent of the legislature that if the department adopts more
11 stringent standards, the standards should be aimed at
12 addressing Montana's climatic demands and protection of
13 Montana consumers.

Amendments to HB 96 (yellow copy)

1. Title, lines 4 and 5.

Following: "DECREASE" on line 4

Strike: "FROM" through "DAYS" on line 5

2. Page 1, line 23.

Strike: "60"

Insert: "120"

Following: "after"

Insert: "the initial"

3. Page 1, line 24.

Following: "marketed"

Insert: "and within 60 days for all oil and 90 days for all
gas produced and marketed thereafter"

Following: "royalties"

Strike: "thereafter"

Insert: "will"

4. Page 2, line 4.

Following: "\$50"

Insert: "and annually whenever the aggregate amount is less
than \$10"

HB-96 - Oil and Gas Royalties

Section 1.

Page 1, Line 21-25.

Page 2, Line 1-4.

(2) If the operator under an oil and gas lease fails to pay oil or gas royalties to the royalty owner or his assignee within 120 days after the initial oil or gas produced under the lease is marketed and within 60 days for all oil and 90 days for all gas produced and marketed thereafter, the unpaid royalties will bear interest, at the maximum rate of interest authorized under 31-1-107 from the date due until paid. The operator may remit semiannually to a person entitled to royalties the aggregate of 6 months' royalties whenever the aggregate amount is less than \$50, and annually when the aggregate amount is less than \$10.

ROLL CALL VOTE

HOUSE COMMITTEE BUSINESS AND LABOR

DATE 1-21-85 BILL NO. 174 TIME _____

NAME	AYE	NAY
Bob Pavlovich		✓
Les Kitzelman	✓	
Bob Bachini		✓
Ray Brandewie	✓	
Jan Brown		✓
Jerry Driscoll		✓
Robert Ellerd	✓	
William Glaser	✓	
Stella Jean Hansen		✓
Marjorie Hart		✓
Ramona Howe	✓	
Tom Jones	✓	
Mike Kadas	✓	
Vernon Keller	✓	
Lloyd McCormick		✓
Jerry Nisbet		✓
James Schultz	✓	
Bruce Simon	✓	
Fred Thomas	✓	
Norm Wallin	✓	

Secretary Debbie Aqui

Chairman Bob Pavlovich

Motion: Do Pass As Amended

VISITOR'S REGISTER

HOUSE BUSINESS AND LABOR

COMMITTEE

BILL House Bill 189

DATE January 21, 1985

SPONSOR Representative Ream

[illegible]

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITOR'S REGISTER

HOUSE BUSINESS AND LABOR

COMMITTEE

BILL House Bill 162

DATE January 21, 1985

SPONSOR Representative Waldron

[illegible]

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITOR'S REGISTER

HOUSE BUSINESS AND LABOR

COMMITTEE

BILL House Bill 195

DATE January 21, 1985

SPONSOR Representative Garcia

[illegible]

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.