

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

March 14, 1985

The meeting of the Business and Labor Committee was called to order by Chairman Bob Pavlovich on March 14, 1985 at 8:00 a.m. in Room 312-2 of the State Capitol.

ROLL CALL: All members were present.

SENATE BILL 216: Hearing commenced on Senate Bill 216. Senator Paul Boylan, District #43, sponsor of the bill, explained this revises some provisions of the Montana Consumer Loan Act. Eliminated are the prohibitions of financial institutions and commodity credit firms from being licensed under the act. Stricken is the provision for interest charges on loans of \$90 or less. The bill also allows a bad check charge of up to \$10 or the licensee's actual expenses, whichever is greater.

Proponent Jerry Loendorf, representing the Montana Consumer Finance Association, also explained the four unrelated changes in the bill.

In closing, Senator Boylan stated Senate Bill 216 will help clean up the financial institutions.

Representative Schultz asked Jerry Loendorf if the bad check charge is increased from \$5 to \$10. Mr. Loendorf explained that the fee is not currently in the law and an establishment may charge whatever they wish.

Representative Simon asked Jerry Loendorf why a bad check charge is being established when companies are presently charging for bad checks. Mr. Loendorf explained that the change is being made in the codes.

Representative Driscoll asked Jerry Loendorf who would be classified as a consumer loan finance company. Mr. Loendorf gave the examples of Household Finance and Budget Finance.

There being no further discussion by proponents and no opponents to the bill, all were excused by the chairman and the hearing on Senate Bill 216 was closed.

SENATE BILL 191: Hearing commenced on Senate Bill 191. Senator Bob Williams, District #15, sponsor of the bill, by

request of the Department of Commerce, stated this extends from five to 30 days the period in which a bank must submit call reports after request by the Department of Commerce.

Proponent Fred Napier, Commissioner of Financial Institutions, Department of Commerce, explained that the present five day rule is too restrictive and the enforcement of penalties is more reasonable with the 30 day time period.

There being no further discussion by proponents and no opponents to the bill, both were excused by the chairman and the hearing on Senate Bill 191 was closed.

SENATE BILL 275: Hearing commenced on Senate Bill 275. Senator Dorothy Eck, District #40, sponsor of the bill, by request of the Board of Architects, explained this is to clarify the present law and to make operations more effective. Currently, after internship an architect will take the exam, if the applicant pass' certain section of the exam they must retake those sections that they failed. Under Senate Bill 275, if an applicant after four years fails any section, they must take the entire exam over. A partnership must use all names on one seal, added Senator Eck.

Proponent Jerrell Ballas, President, Montana Board of Architects, explained that to practice architecture is a privelege and Senate Bill 275 address' the complaints that the board has heard over the past two years. Mr. Ballas, distributed to committee members Exhibit 1 which is attached hereto. This exhibit further outlines the proposed changes in the statutuue.

Proponents Ray Johnson, Secretary-Treasurer, Montana Board of Architects and George Page, an architect from Great Falls offered their support of the bill.

Proponent Marty Cronnen, an architect from Helena offered his support and stated that many public buildings are built by non-licensed architects or engineers.

In closing, Senator Eck explained these changes are necessary to allow the Board of Architects to perform their functions more efficiently.

Representative Brandewie asked Jerrell Ballas why the language on page 9 has been deleted. Mr. Ballas explained that it was at the recommendation of their legal counsel to take this out of the codes and leave these provisions to the board in their rulemaking authority. Mr. Ballas also added that it is

easier to defend unprofessional than professional, per the boards attorney.

Representative Glaser asked Mr. Ballas what building would require an architect should Senate Bill 275 pass. Mr. Ballas explained that it would depend on the building codes in each particular area and any building with an occupant load of greater than 30 people would require an architect.

Representative Pavlovich asked Mr. Ballas if this would also apply to the remodeling of any building. Mr. Ballas explained that it does not apply to remodeling.

Representative Schultz asked Mr. Ballas if it is better to have the board decide a case of malpractice. Mr. Ballas explained that the board would adopt rules of professional conduct. Senator Eck explained that the board will set standards which will be done by rule rather than administratively and that the deletion of language on page 9 was at the recommendation of the departments attorney.

There being no further discussion by proponents and no opponents to the bill, all were excused by the chairman and the hearing on Senate Bill 275 was closed.

SENATE BILL 145: Hearing commenced on Senate Bill 145. Senator Joe Mazurek, District #23, sponsor of the bill, at the request of the Montana Bankers Association, explained that this will help to modernize our banking laws. Senate Bill 145 will change the required number of bank directors from "not less than 3 or more than 11" to "not less than three" and require for meeting of the board of directors from monthly to quarterly. A director is also required to own stock in the bank or the owning bank holding company.

Proponent Les Alke, representing the Montana Bankers Association, explained that the holding company directors may be on the board of more than one bank, thus the change in the stock requirement.

Representative Thomas asked Les Alke why an individual must own stock to be a director. Mr. Alker explained that this is a common requirement in all states and is in federal law.

There being no further discussion by proponents and no opponents to the bill, all were excused by the chairman and the hearing on Senate Bill 145 was closed.

ACTION ON SENATE BILL 191: Representative Schultz moved DO PASS

on Senate Bill 191. Second was recieved, Senate Bill 191 will BE CONCURRED IN by unanimous vote.

ACTION ON SENATE BILL 216: Representative Thomas moved DO PASS on Senate Bill 216. Second was received, Senate Bill 216 will BE CONCURRED IN by unanimous vote.

ACTION ON SENATE BILL 145: Representative Thomas moved DO PASS on Senate Bill 145. Second was received, Senate Bill 145 will BE CONCURRED IN by unanimous vote.

ACTION ON SENATE BILL 275: Representative Brandewie moved DO NOT PASS on Senate Bill 275. Representative Hansen offered a substitute motion that Senate Bill 275 DO PASS and explained that this bill is trying to redefine what the board of architecture is doing. Representative Kadas moved to amend on page 9, reinsert the language on lines 8 through 10. The amendment did pass with all but Representative McCormick voting yes. Representative Kadas moved to amend in the title, line 8, strike establishing through records; the amendment did pass by unanimous vote. Representative Schultz moved to amend on page 9, lines 1 through 7, to take out the new language and insert the old. Representative Brown added that observation has been stricken. Representative Glaser stated that the person observing and constructing can be different people. Representative Bachini added that the architect is still responsible. Representative Schultz withdrew his motion. Representative Brandewie made a motion to all motions pending that Senate Bill 275 be TABLED. A roll call vote resulted in 13 members voting yes and 7 members voting no. Senate Bill 275 is TABLED AS AMENDED.

SENATE BILL 192: Hearing commenced on Senate Bill 192. Senator Chris Christiaens, District #17, sponsor of the bill, explained that in a prior session a past bill had the unintended effect of reducing from 20 to 10 days the period for filing purchase money security interests under the uniform commercial code. Senate Bill 192 reverses that and increases the days from 10 to 20. Twenty nine other states presently have this same time allotment. Due to delays in filing the UCCL forms liens are not being perfected.

Representative Ellerd asked Senator Christiaens who is responsible between days 1 and 20. Senator Christiaens explained that prior to the lien being filed, the parties are in limbo.

Representative Brandewie commented that a good businessman will not exchange goods until the UCCL has been filed and this bill address' those parties that cannot get the lien filed within the 10 days allowed.

Representative Schultz added that many times grain from a farm can exchange hands and be across the state line in less than 20 days.

Representative Wallin asked Senator Christiaens how this will affect automobiles. Senator Christiaens explained that nothing will change in regards to the filing of liens on automobiles.

Representative Driscoll asked Senator Christiaens is a person miss' the time limit, do they own the goods without having to pay. Senator Christiaens explained that the party would have to go through the court system and try to repossess the items.

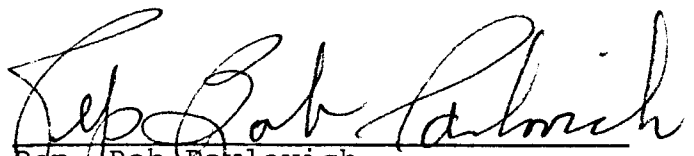
Senator Christiaens explained that there is a Senate Joint Resolution introduced that will study the lien problems in the state to make sure the practices are all uniform.

There being no further discussion and no proponents or opponents present, the senator was excused by the chairman and the hearing on Senate Bill 192 was closed.

ACTION ON SENATE BILL 192: Representative Brandewie moved DO PASS on Senate Bill 192. Second was received, Senate Bill 192 will BE CONCURRED IN by unanimous vote.

ACTION ON SENATE BILL 194: Representative Driscoll moved DO PASS on Senate Bill 194 and moved the amendment to the statement of intent as shown on the Standing Committee Report attached hereto. The amendment did pass by unanimous vote. Senate Bill 194 will BE CONCURRED IN AS AMENDED by unanimous vote.

ADJOURN: There being no further business before the committee, the meeting was adjourned at 10:30 a.m.

  
Rep. Bob Pavlovich,  
Chairman

DAILY ROLL CALL  
BUSINESS AND LABOR COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date March 14, 1985

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 McCormick	✓		
Jerry Nisbet	✓		
James Schultz	✓		
Bruce Simon	✓		
Fred Thomas	✓		
Norm Wallin	✓		

# STANDING COMMITTEE REPORT

March 14

19 85

SPEAKER

MR. ....

BUSINESS AND LABOR

We, your committee on .....

SENATE

having had under consideration ..... Bill No. 192

third

reading copy ( blue )  
color

PURCHASE MONEY SECURITY INTEREST FILING TIME INCREASE TO 20 DAYS

SENATE

Respectfully report as follows: That ..... Bill No. 192

DOPASS:

BE CONCURRED IN

# STANDING COMMITTEE REPORT

March 14

19 05

MR. SPEAKER

We, your committee on BUSINESS AND LABOR

having had under consideration SENATE Bill No. 191

third reading copy ( blue )  
color

EXTENDING FROM 5 TO 30 DAYS PERIOD FOR SUBMISSION BY BANKS OF  
CALL REPORTS

Respectfully report as follows: That SENATE Bill No. 191

ADDPASS  
BE CONCURRED IN



# STANDING COMMITTEE REPORT

March 14

19 05

MR. SPEAKER

We, your committee on BUSINESS AND LABOR

having had under consideration SENATE Bill No. 216

third reading copy ( blue )  
color

## GENERAL REVISION OF CONSUMER LOAN LAW

Respectfully report as follows: That SENATE Bill No. 216

~~DO PASS~~  
BE CONCURRED IN

# STANDING COMMITTEE REPORT

March 14

85

19.....

MR. SPEAKER.....

## BUSINESS AND LABOR

We, your committee on .....

having had under consideration SENATE..... Bill No. 145

third reading copy ( blue )  
color

## STOCK OWNERSHIP, NUMBER, AND MEETINGS OF DIRECTORS OF BANKS

Respectfully report as follows: That..... SENATE..... Bill No. 145

~~DO PASS~~  
BE CONCURRED IN

# STANDING COMMITTEE REPORT

March 14

35

19.....

MR. SPEAKER

We, your committee on BUSINESS AND LABOR

having had under consideration SENATE Bill No. 194

third reading copy ( blue )  
color

## LICENSING THOSE WHO USE EXPLOSIVES IN CONSTRUCTION

Respectfully report as follows: That SENATE Bill No. 194

### BE AMENDED AS FOLLOWS:

1. Page 6, line 23  
Following: "the"  
Insert: "construction"
2. Page 2, line 9, statement of Intent  
Following: "states"  
Insert: ", and that the division accept in satisfaction of the provisions of section 3 successful completion of training programs conducted by INE and explosives manufacturers such as <sup>Du Pont</sup> ~~Rock~~ and Atlas and other companies that have developed comprehensive training programs for the handling and use of explosives."

~~DO PASS~~  
AND AS AMENDED,  
BE CONCURRED IN

# ROLL CALL VOTE

HOUSE COMMITTEE BUSINESS AND LABOR

DATE March 14, 1985 BILL NO. 275 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 Aquil

Chairman Bob Pavlovich

Motion: TABLE 13-17

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

3/14/85

SB275

Submitted by: Jerrell Ballas

March 13, 1985

Jerrell D. Ballas

P. O. Box 7547

Missoula, Montana 59807-7547

721-5120

To: House  
Business and Labor Committee

Dear Committee Members:

Section 37-65-101 of the Architectural Licensing Law states the purpose of the Registration Law - It reads:

"It is hereby declared, as a matter of legislative policy in the State of Montana, that the practice of architecture is a privilege granted by legislative authority and is not a natural right of individuals and that it is necessary, as a matter of such policy and in the interests of the health, safety, and welfare of the people of Montana, to provide laws covering the granting of that privilege and its subsequent use, control, and regulation for the purpose of protecting the public from the unprofessional, improper, unauthorized, and unqualified practice of architecture."

In Senate Bill 275, the Board of Architects is requesting several modifications to Montana's Architectural Licensing Laws in order to further protect the health, safety and welfare of the people of Montana. Most of our requests are "House Keeping" adjustments.

The Board is requesting modification of the definitions of "Building" and "Practice of Architecture" in order to clarify their meaning and intent.

We have proposed to delete Paragraph 3 under Section 37-65-103 because it is redundant and simply restates what the preceeding paragraphs say.

Modifications of Paragraph 1 under Section 37-65-303 clarifies procedures for admission to the registration examination.

Modification of Paragraph 1, Section 37-65-304 clarifies an applicant's right to re-examination but limits the number of tries. The current exam is divided into nine parts. This proposal would give an applicant four years to pass all nine divisions before retaking the entire exam.

House - Business and Labor Committee

Page 2

March 13, 1985

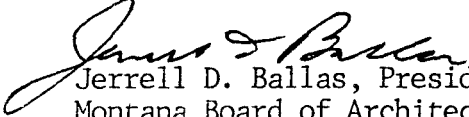
Modification of Section 37-65-306 would provide for the payment of a late renewal fee. The current status does not allow the Board to establish a late renewal fee and could unreasonably force an unsuspecting licensee to go through the entire examination/licensing process.

Modification of Section 37-65-308 clarifies the information that must be contained on a seal and how that seal is to be used. The addition of Paragraph 2 allows a business entity to have one seal with the name of each member on it. That seal must be signed to identify the person directly responsible for the drawings and specifications.

Modification of Section 37-65-321 clarifies conditions under which the Board may take disciplinary action against a licensee or an applicant. The revision of this section has been recommended by legal council who has experienced serious problems enforcing professional standards in actual case history. The Board intends to adopt unprofessional conduct rules.

There are other members of the Board and past members present here today who are available to respond to any questions that you may have.

Respectfully submitted

  
Jerrell D. Ballas, President  
Montana Board of Architects

JDB:mb

## VISITOR'S REGISTER

HOUSE BUSINESS AND LABOR

COMMITTEE

BILL Senate Bill 145

DATE March 14, 1985

SPONSOR Senator Mazurek

[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      Senate Bill 191

DATE March 14, 1985

SPONSOR Senator Williams

[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      Senate Bill 192

DATE March 14, 1985

SPONSOR Senator Christiaens

[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 Senate Bill 216

DATE March 14, 1985

SPONSOR Senator Boylan

[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 Senate Bill 275

DATE March 14, 1985

SPONSOR Senator Eck

[illegible]

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.