

MINUTES OF THE MEETING  
BUSINESS & INDUSTRY COMMITTEE  
MONTANA STATE SENATE

February 15, 1985

The twenty-second meeting of the Business & Industry Committee met on February 15 in Room 410 of the Capitol Building. The meeting was called to order by Chairman Mike Halligan.

ROLL CALL: All committee members were present except for Senator Neuman who was excused.

CONSIDERATION OF SENATE BILL 357: Senator Bob Williams, Senate District 15, Hobson, is the sponsor of this bill. This bill was prepared at the request of the Montana Food Distributors Association. It was necessitated because of a rule that the Department of Revenue had in place that required that the area where beer and wine is displayed in grocery markets has to be closed off during the off hours of 2 a.m. to 8 a.m. when liquor can not be sold. They felt the rule should be changed affecting grocery stores and they held hearings in December to determine how the law could be changed. The rule in effect today does not conform with the Department of Revenue's statutes and this bill must be passed in order for them to conform. It does not expand the hours they sell beer but just allows them to keep the display open without closing off the area. There were some amendments proposed for language clarification. (EXHIBIT 1)

PROPOSERS: Frank Capps, Chairman of the Montana Food Distributors Association explained they held the hearings to oppose closing off the alcoholic beverage sections during off hours. He encouraged the committee's support. Charles Gravely, attorney from Helena, was concerned about the way the bill was first written but with the proposed amendments he had no problems with it. Their intention is not to expand the hours that liquor can be sold but just would allow the display to be kept open in pharmacies and grocery stores. It would not hamper their merchandising. Bob Durkee, Montana Tavern Association, spoke in favor of the bill with the amendments.

OPPOSERS: There were no opposers to Senate Bill 357.

Questions were then called for. Senator Thayer wondered if there should be an immediate effective date. Charles Gravely felt this would be very beneficial. Senator Goodover wanted to know what the problem was now and was told it would just make it legal to leave the display open but not to have sales during the off hours. Mike Garrity, from the Department of Revenue, explained the law passed effective today defines what is to be closed off and the purpose of the amendment is to make it clear that they can remain open for business just not be able to sell alcoholic beverages. The hearing was closed on Senate Bill 357.

DISPOSITION OF SENATE BILL 357: Senator Fuller moved that the amendments proposed (1 through 8) and to allow an effective date DO PASS. The motion carried. Senator Fuller then moved to PASS AS AMENDED Senate Bill 357. The motion carried.

DISPOSITION OF SENATE BILL 252: Mary McCue, Staff Attorney for Legislative Council, stated that currently in order to get a temporary restraining order they have to clearly show that there is going to be immediate and irreparable injury to a party. If they get the restraining order, the person enjoined can, on only two days notice, get before that judge and get this dismissed. Under the statute you would only have to show where it appears to the Commerce Department to be illegal activity, they can halt the activity and would not have to hold a hearing for ten days and then this hearing would be before the person who filed the injunction. She felt this might present a due process violation. Senator Goodover stated that the auditors felt this would not work and that perhaps it was not a good measure. Senator Goodover then moved that Senate Bill 252 BE TABLED. The motion carried.

DISPOSITION OF SENATE BILL 333: Senator Christiaens explained the amendments that had been proposed to change it back to 25 days were a better time frame. It would just give a person 25 days in which to get a lien perfected. Senator Gage wondered if this had been a problem and Senator Christiaens stated that is was. Senator Fuller made a motion that the amendments proposed by Larry Majerus BE PASSED. The motion carried. Senator Thayer then moved that Senate Bill 333 DO PASS AS AMENDED. The motion carried with Senator Boylan voting no. (EXHIBIT 2)

CONSIDERATION OF SENATE BILL 340: Mary McCue, Legislative Staff Attorney, explained she had done some research on John Cadby's remarks about credit unions. The credit unions usually have a bond of some sort in order to be able to belong. She felt it might be applicable to create an exception such as is done for a person of limited income, spouse of ex-employees of, or this sort of language. Senator Goodover felt they might as well be a bank and felt the idea should be researched more thoroughly. Senator Thayer stated the difference between savings & loans and credit unions is that the savings & loans are not restricted but the credit unions are. Senator Fuller wondered if you would need a separate bill to make this type of exemption such as to include incorporated cities, towns and counties. Senator Goodover made a motion to TABLE Senate Bill 340 and later withdrew his motion after the committee decided to wait for more information.


DISPOSITION OF SENATE BILL 306: Senator Christiaens made a motion to PASS the amendment proposed for Senate Bill 306. (EXHIBIT 3)

This motion carried. Senator Christiaens then moved to PASS AS AMENDED Senate Bill 306. The motion carried 5 to 4 with Senator Goodover, Senator Gage, Senator Kolstad and Senator Boylan voting no.

DISPOSITION OF SENATE BILL 297: Senator Goodover felt there was not enough justification to the Public Service Commission stating "perhaps" there might be a problem and he felt they have enough authority now. Senator Gage stated he was told the reason the company did not want to pay for the audit was because of a ruling that the PSC made back in 1944 and they were now trying to have this rule changed. Senator Kolstad agreed with Senator Boylan that the consumer council does have this authority now and felt there was no need for this legislation. Senator Goodover then made a motion to LAY the bill on the TABLE. After further discussion, Senator Williams made a substitute motion to DO NOT PASS Senate Bill 297. The motion carried.

DISPOSITION OF SENATE BILL 318: Senator Christiaens made a motion that Senate Bill 318 DO NOT PASS. Senator Goodover felt he could not see how any business can survive if you tie their hands as to what you can or can not do to save money. He could not see any reason why it would not hurt to close some stations for economic reasons. He did not think that it should be a legislative decision though if the situation is still in court. Jim Mular stated they felt that the PSC was just asking carte blanc to be able to close down any stations they pleased. Senator Christiaens felt this legislation if passed could possibly cause closures all over the state. Senator Thayer had mixed feelings concerning this bill and warned the unions to prepare their people for the eventuality of closures. The motion to DO NOT PASS Senate Bill 318 carried on a roll call vote, 8 to 1 with Senator Goodover abstaining and Senator Thayer voting no.

The meeting was adjourned at 11:30 a.m.

  
Mike Halligan, Chairman

cd

ROLL CALL

BUSINESS & INDUSTRY

COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date 2-15-85

SENATE  
SEAT  
#

NAME	PRESENT	ABSENT	EXCUSED
Chairman Halligan	X		
V-chrm. Christiaens	X		
Senator Boylan	X		
Senator Fuller	X		
Senator Gage	X		
Senator Goodover	X		
Senator Kolstad	X		
Senator Neuman			E
Senator Thayer	X		
Senator Williams	X		
Senator Weeding	X		

Each day attach to minutes.

DATE 2-15-85

COMMITTEE ON Business & Industry

# VISITORS' REGISTER

[illegible]

(Please leave prepared statement with Secretary)

AMENDMENTS TO INTRODUCED SENATE BILL #357

1. Title, Page 1, line 6.

Strike: "BEER OR BEER AND WINE"

Insert: "ALCOHOLIC BEVERAGES"

2. Page 1, line 24 through line 1, page 2.

Following: "ordinance."

Insert: "During such hours all persons except the alcoholic beverage licensee and employees of such licensed establishment shall be excluded from the licensed premises."

3. Page 2, line 7.

Following: "sale,"

Strike: "or"

4. Page 2, line 8.

Following: "away"

Strike: "any such"

Insert: ", consume or allow the consumption of"

5. Page 2, line 8.

Following: "beverages"

Insert: "."

6. Page 2, line 10.

Following: "~~therefrom~~ "

Strike: "provided,"

7. Page 2, line 11.

Strike: "however, that when"

Insert: "When"

8. Page 2, lines 12 through 14.

Following: "sell":

Strike: "beer or beer and wine at retail also operates on the same premises as"

Insert: "alcoholic beverages is operated in conjunction with"

Amendments to SB 333

1. Page 2, lines 4 through 6.

Following: "The" on line 4

Strike: remainder of line 4 through the end of line 6

Insert: "The"

2. Page 2, line 8.

Following: "party"

Insert: "."

3. Page 2, line 9.

Following line 8

Strike: "and"

Insert: "The division shall"

4. Page 2, line 10.

Following: "certificate"

Strike: ". When"

Insert: "; however, if"

5. Page 6, line 7.

Following: "within"

Strike: "the 20-day grace period"

Insert: "25 days"

6. Page 6, line 12.

Following: "penalty"

Strike: "or"

Insert: ", "

Following: "fees"

Insert: ", or taxes"

7. Page 6, lines 14 through 16.

Following: "61-3-103(1)."

Strike: "When the" through "county treasurer, the" on line 16

Insert: "The"

8. Page 6, line 16.

Following: "treas~~urer~~"

Strike: "shall hold"

Insert: "may not surrender"



PROPOSED AMENDMENTS TO SENATE BILL 306

1. Page 1, line 15.

Following: "board."

Insert: "The actual cost of this examination must be paid from the board's funds."

2. Page 1, line 23.

Following: "board."

Insert: "The actual cost of this examination must be paid from the board's funds."

3. Page 2, line 9.

Following: "board."

Insert: "The actual cost of this examination must be paid from the board's funds."

# STANDING COMMITTEE REPORT

FEBRUARY 15

85

..... 19.....

MR. PRESIDENT

## BUSINESS & INDUSTRY

We, your committee on .....

having had under consideration..... SENATE BILL No. 297

first reading copy ( white )  
color

**ALLOW PSC TO ORDER INDEPENDENT UTILITY AUDIT TO BE PAID FOR BY UTILITY**

Respectfully report as follows: That..... SENATE BILL No. 297

**EMXXS**

DO NOT PASS

Mike Halligan

Chairman.

ROLL CALL VOTE

SENATE COMMITTEE BUSINESS & INDUSTRY

Date February 15, 1985 Bill No. 297 Time

NAME	YES	NO
Chairman Mike Halligan	X	
V-Chrm. B. F. Christiaens	X	
Senator Paul Boylan	X	
Senator David Fuller	X	
Senator Delwyn Gage	X	
Senator Pat Goodover	X	
Senator Allen Kolstad	X	
Senator Ted Neuman	excused	
Senator Gene Thayer	X	
Senator Bob Williams	X	
Senator Cecil Weeding	X	

Carol Duval  
Secretary

Mike Halligan  
Chairman

Motion: Motion by Senator Williams to DO NOT PASS Senate Bill 29

Motion carried by 10 - 0 vote.

# STANDING COMMITTEE REPORT

FEBRUARY 15

85

19.....

MR. PRESIDENT

## BUSINESS & INDUSTRY

We, your committee on.....

having had under consideration..... SENATE BILL No. 396

first reading copy ( white )  
color

## AUDITS OF ECONOMIC DEVELOPMENT BOARD BY BANK EXAMINERS & LEGISLATIVE AUDIT

Respectfully report as follows: That..... SENATE BILL No. 306

be amended as follows:

1. Page 1, line 15.

Following: "board."

Insert: "The actual cost of this examination must be paid  
from the board's funds."

2. Page 1, line 23.

Following: "board."

Insert: "The actual cost of this examination must be paid  
from the board's funds."

3. Page 2, line 9.

Following: "board."

Insert: "The actual cost of this examination must be paid  
from the board's funds."

AND AS AMENDED

DO PASS

~~DO NOT PASS~~

Mike Halligan

Chairman.

# STANDING COMMITTEE REPORT

FEBRUARY 15

85

19.....

MR. PRESIDENT

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

having had under consideration..... **SENATE BILL** No. **333**

**first** reading copy ( **white** )  
color

**SECURED PARTY OR CREDITOR MAY TRANSFER TITLE AND RECORD LIEN AFTER 20-DAY**

Respectfully report as follows: That..... **SENATE BILL** No. **333**

**be amended as follows:**

1. Page 2, lines 4 through 6.

Following: "The" on line 4

Strike: remainder of line 4 through the end of line 6

Insert: "The"

2. Page 2, line 8.

Following: "party"

Insert: "."

3. Page 2, line 9.

Following: line 8

Strike: "and"

Insert: "The division shall"

4. Page 2, line 10.

Following: "certificate"

Strike: ". When"

Insert: "; however, if"

5. Page 6, line 7.

Following: "within"

Strike: "the 20-day grace period"

Insert: "25 days"

XXXXX  
DO PASS

XXXXXXXXX  
DO NOT PASS

(continued on page 2)

Chairman.

FEBRUARY 15

1985

6. Page 6, line 12.  
Following: "penalty"  
Strike: "or"  
Insert: ","  
Following: "fees"  
Insert: ", or taxes"

AND AS AMENDED

DO PASS

Mike Halligan.....Chairman

# STANDING COMMITTEE REPORT

FEBRUARY 15

1935

MR. PRESIDENT

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

having had under consideration **SENATE BILL** No. **318**

**first** reading copy (**white**)  
color

**PUBLIC SERV. COMM. MAY PERMIT CLOSURE OF NONESSENTIAL RAILROAD FACILITIES**

Respectfully report as follows: That **SENATE BILL** No. **318**

~~XXXX~~  
DO NOT PASS

DO NOT PASS

**Mike Halligan**

Chairman.

ROLL CALL VOTE

SENATE COMMITTEE BUSINESS & INDUSTRY

Date February 12 Bill No. 318 Time

NAME	YES	NO
Chairman Mike Halligan	X	
V-Chrm. B. F. Christiaens	X	
Senator Paul Boylan	X	
Senator David Fuller	X	
Senator Delwyn Gage	X	
Senator Pat Goodover	abstained	
Senator Allen Kolstad	X	
Senator Ted Neuman	Excused	
Senator Gene Thayer		X
Senator Bob Williams	X	
Senator Cecil Weeding	X	

Carol Duval  
Secretary

Mike Halligan  
Chairman

Motion: Motion by Senator Christiaens to DO NOT PASS Senate  
Bill 318. Carried 8 to 1 with one abstention and one no vote.



# STANDING COMMITTEE REPORT

FEBRUARY 15

19 85

MR. PRESIDENT

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

having had under consideration **SENATE BILL** No. **357**

first reading copy ( white )  
color

**PORTION OF BUSINESS SELLING BEER NEED NOT BE CLOSED OFF DURING CLOSING HOURS**

Respectfully report as follows: That **SENATE BILL** No. **357**

be amended as follows:

1. Title, line 6.

Following: "SELL"

Strike: "BEER OR BEER AND WINE"

Insert: "ALCOHOLIC BEVERAGES"

2. Title, line 9.

Following: "MCA"

Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"

3. Page 1, line 24 through line 1, page 2.

Following: "ordinance."

Insert: "During such hours all persons except the alcoholic beverage licensee and employees of such licensed establishment shall be excluded from the licensed premises."

4. Page 2, line 7.

Following: "sale,"

Strike: "or"

5. Page 2, line 8.

Following: "away"

Strike: "any such"

Insert: ", consume, or allow the consumption of"

Following: "beverages"

Insert: "."

XXXXXXXXXX

XXXXXXXXXXXX

(continued on page 2)

Chairman.

FEBRUARY 15

85

19.....

6. Page 2, line 10.

Following: "therefrom"

Strike: "; provided,"

7. Page 2, line 11.

Strike: "however, that when"

Insert: "when"

8. Page 2, line 12 through 14.

Following: "sell"

Strike: "beer or beer and wine at retail also operates on the same premises as"

Insert: "alcoholic beverages is operated in conjunction with"

9. Page 2, following line 18.

Insert: "NEW SECTION. Section 3. Effective date. This act is effective on passage and approval."

AND AS AMENDED

DO PASS

Mike Halligan, Chairman