

MINUTES OF THE MEETING
BUSINESS & INDUSTRY COMMITTEE
MONTANA STATE SENATE

February 22, 1985

The twenty-ninth meeting of the Business & Industry Committee met on February 22 at 2:30 p.m. 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.

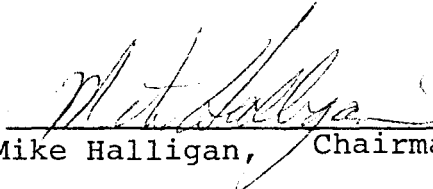
DISPOSITION OF SENATE BILL 340: Mary McCue distributed copies of House Bill 475 for reference which has language giving credit unions authority by statute to act as fiscal agents for a state entity. She explained that earlier Senator Fuller had asked if we were discussing city and county moneys and that we are talking about certain state moneys also. It would allow them to accept moneys just as a deposit but not as a member. Jeff Kirkland, representing the Montana Credit Union's League, said presently the federal credit unions have the authority to accept public funds. All that Senate Bill 340 does is to say that a credit union could be a permissible investment vehicle for public funds. Senator Goodover asked if the purpose of this bill was to make the state credit unions equal to the federal credit unions. Jeff Kirkland stated a number of provisions in the bill would give state credit unions parity with federal unions. Senator Goodover wondered why we just didn't make them all the same but Mr. Kirkland stated there are still advantages to being a state credit union. Mary McCue stated the statute reads presently that the state can give any authority that a federal credit union has but it is upon application for that permission. With the language that Senator Christiaens suggested they would not have to apply for that permission. Senator Thayer felt perhaps one set of rules should be applied for all. Jeff Kirkland explained that the capital structures are different than banks and therefore they have a more limited set of services available. Senator Goodover felt that every session they come in with more requests and it is getting out of hand. Senator Christiaens then moved to PASS Senate Bill 340. Senator Thayer felt if they can get better rates by investing in credit unions then that is fine but if there is a difference in capitalization rates because of the way they are structured perhaps one should not have an advantage over another. Senator Christiaens felt we will see some changes in the future from Washington someday. On a roll call vote, the motion carried 6 to 3 with Senator Gage, Senator Goodover, and Senator Kolstad voting no. Senator Neuman and Senator Fuller were not present for the vote.

DISPOSITION OF SENATE BILL 423: Senator Halligan noted that Les Alke and John Cadby from the Montana Bankers Association, had told him they were willing to give notices on holding policies of their banks to customers. He suggested striking all the requirements for check holding and just require the notice to

customers on their various check holding policies. After discussion it was decided to change the name banks to "financial institutions" also in the bill. Senator Williams then moved TO PASS the amendments on Senate Bill 423.

(EXHIBIT 1) Senator Thayer wondered if this was broad enough to include brokerage houses and Senator Christiaens felt we should leave it in the broadest terms possible because there are others such as K-Mart's that may still be getting into the banking business. The motion carried. Senator Williams then moved to DO PASS AS AMENDED Senate Bill 423. The motion carried with Senator Thayer voting no.

The meeting adjourned at 3 p.m.


Mike Halligan, Chairman

cd

ROLL CALL

BUSINESS & INDUSTRY

COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date 2/22/85

SENATE
SENT

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			/
Senator Thayer	X		
Senator Williams	X		
Senator Weeding	X		

Each day attach to minutes.

DATE FEBRUARY 21, 1985

COMMITTEE ON BUSINESS & INDUSTRY

VISITORS' REGISTER

[illegible]

(Please leave prepared statement with Secretary)

Proposed amendments to SB 423

1. Title, lines 4 through 6.
Following: "AN ACT"
Strike: remainder of line 4 through "COLLECTION;"
on line 6
2. Title, line 6.
Following: "REQUIRING"
Strike: "BANKS"
Insert: "FINANCIAL INSTITUTIONS"
3. Title, line 8.
Following: "AVAILABLE"
Strike: remainder of title through "MCA" on line 9
4. Pages 1 through 4.
Strike: sections 1 and 2 in their entirety
Renumber: subsequent section
5. Page 4, line 4.
Strike: "NEW SECTION. Section 3. Bank's"
Insert: "Section 1. Financial institution's"
6. Page 4, line 7.
Following: "periods"
Strike: "provided in [section 2]"
7. Page 4, line 11.
Following: "by the"
Strike: "bank"
Insert: "financial institution"
8. Page 4, line 13.
Following: "next"
Strike: "banking"
Insert: "business"
9. Page 4, line 17.
Following: "of the"
Strike: "bank's"
Insert: "financial institution's"
10. Page 4, line 19.
Following: "each"
Strike: "bank"
Insert: "financial institution"
11. Page 4, line 23.
Following: "depository"
Strike: "bank"
Insert: "financial institution"
12. Pages 5 through 7.
Strike: sections 4 and 5 in their entirety

STANDING COMMITTEE REPORT

FEBRUARY 22

85

19.....

MR. PRESIDENT

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

having had under consideration.....**SENATE BILL** No. **423**

first reading copy (white)
color

LIMIT BANK DELAY IN MAKING FUNDS AVAILABLE TO DEPOSITOR; REQUIRE NOTICE

Respectfully report as follows: That.....**SENATE BILL** No. **423**

be amended as follows:

1. Title, lines 4 through 6.
Following: "ENTITLED: AN ACT"
Strike: remainder of line 4 through "COLLECTION;"
on line 6
2. Title, line 6.
Following: "REQUIRING"
Strike: "BANKS"
Insert: "FINANCIAL INSTITUTIONS"
3. Title, lines 8 and 9.
Following: "AVAILABLE"
Strike: remainder of line 8 through "MCA" on line 9
4. Page 1, line 12 through line 3, page 4.
Strike: sections 1 and 2 in their entirety
Renumber: subsequent section
5. Page 4, line 4.
Strike: "NEW SECTION. Section 3. Bank's"
Insert: "Section 1. Financial institution's"

~~DO PASS~~
~~XXXXXX~~

~~DO NOT PASS~~
~~XXXXXXXX~~

(continued on page 2)

.....
Chairman.

6. Page 4, line 7.
Following: "periods"
Strike: "provided in [section 2]"
7. Page 4, line 11.
Following: "by the"
Strike: "bank"
Insert: "financial institution"
8. Page 4, line 13.
Following: "next"
Strike: "banking"
Insert: "business"
9. Page 4, line 17.
Following: "of the"
Strike: "bank's"
Insert: "financial institution's"
10. Page 4, line 19.
Following: "each"
Strike: "bank"
Insert: "financial institution"
11. Page 4, line 23.
Following: "depository"
Strike: "bank"
Insert: "financial institution"
12. Page 5, line 3 through line 6, page 7.
Strike: sections 4 and 5 in their entirety

AND AS AMENDED

DO PASS

STANDING COMMITTEE REPORT

FEBRUARY 22

85

19.....

MR. PRESIDENT

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

having had under consideration.....**SENATE BILL**..... No. **340**.....

first reading copy (white)
color

AUTHORIZE DEPOSIT OF PUBLIC MONEY IN CREDIT UNIONS & SAVINGS AND LOANS

Respectfully report as follows: That.....**SENATE BILL**..... No. **340**.....

DO PASS

~~DO NOT PASS~~

.....**Nike Halligan**.....

Chairman.

ROLL CALL VOTE

SENATE COMMITTEE BUSINESS & INDUSTRY

Date 2/22/85 Bill No. 340 Time 2:30 p.m.


NAME	YES	NO
Chairman Mike Halligan	X	
V-Chrm. B. F. Christiaens	X	
Senator Paul Boylan	X	
Senator David Fuller		excused .
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 Christiaens to DO PASS Senate Bill
340. Carried 6 to 3 with Senator Gage, Senator Goodover and
Senator Kolstad voting no. Senator Fuller and Senator Neuman
were excused.

The Senate Business and Industry Committee met at 8:25 p.m. on February 25, 1985, to consider action on SJR 30. Senator Pat Goodover moved that SJR 30 be adopted and that motion passed unanimously. The meeting adjourned at 8:30 p.m.


Senator B.F. "Chris" Christiaens
Acting Secretary

BFC:tr

STANDING COMMITTEE REPORT

FEBRUARY 25, 19 85

MR. PRESIDENT

We, your committee on BUSINESS AND INDUSTRY
having had under consideration SENATE JOINT RESOLUTION No. 30
first reading copy (white)
color

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES
OF THE STATE OF MONTANA HONORING THE RURAL ELECTRIFICATION
ADMINISTRATION ON ITS 50TH ANNIVERSARY.

Respectfully report as follows: That SENATE JOINT RESOLUTION No. 30

DO PASS

DO NOT PASS

MIKE HALLIGAN,

Chairman.