

MINUTES OF THE MEETING
BUSINESS & INDUSTRY COMMITTEE
MONTANA STATE SENATE

March 21, 1985

The forty-third meeting of the Business & Industry Committee met on March 21, 1985 in Room 410 of the Capitol Building at 10 a.m. The meeting was called to order by Chairman Mike Halligan.

ROLL CALL: The members of the committee were all present except for Senator Neuman who was excused.

CONSIDERATION OF HOUSE BILL 567: Representative James Schultz, House District #30, Lewistown, is the chief sponsor of this measure which would require life and disability insurance companies to send written cancellation notices before cancelling a policy for nonpayment of premiums. He had talked with several constituents and felt this was a problem that needed to be addressed. He noted this is patterned after model legislation passed in 16 states. (EXHIBIT 1)

PROPOSERS: There were none.

OPPOSERS: There were none.

Questions were then called for. Senator Halligan wondered just which policies this measure would cover and was told by Rep. Schultz policies that were primarily annual premiums. He felt it would affect 10 to 25% of the total policies that are currently issued. He was concerned about the 6 month hospital insurance policies but felt that they could not be addressed in this act.

Senator Thayer wondered if there was a way of giving notice on policies that are paid on a monthly basis. He felt the bill should stipulate that in no event can any policy be cancelled without some notification. Rep. Schultz stated he would support any efforts to check into this situation further. He then closed the hearing on House Bill 567.

CONSIDERATION OF HOUSE BILL 606: Representative Bud Campbell, House District #48, Deer Lodge, is the chief sponsor of this measure which he noted was done upon the request of the Department of Justice, Motor Vehicle Division. It would revise and clarify the laws pertaining to the sale and distribution of motor vehicles, establish administrative penalties and amend some sections of the current law. He explained that current law requires a motor vehicle dealer to have a sign indicating the firm name and headquarters at the principal place of business. However this can be confusing when the dealer has a completely different type of business at that location such as a motel or a restaurant. He felt it was reasonable to have a sign to indicate that a dealer has autos for sale. He indicated too that the bill would clearly authorize the division to check dealer records to insure compliance with the law.

PROPOSERS: Larry Majerus, Administrator of the Motor Vehicle

Division of the Department of Justice, stated this legislation would help close some loopholes in the current dealer law. It would require a sign indicating that the dealer has vehicles for sale on the actual place of business.

He also stated that current law requires revocation of a license for even a minor infraction and they would like to see an administrative remedy to be able to take action other than revocation. He noted that having the authority to check the records would also save them time and money. (EXHIBIT 2)

Tom Harrison, representing the Montana Automobile Dealers Association, stated they are in support of the bill. He would like to see people at least acknowledge the fact they are dealers and have a sign to indicate such.

OPPONENTS: There were none.

Questions were then called for from the committee members. Senator Fuller wondered what problems had occurred prompting this legislation. He was told there have been situations where people have been selling cars but have no sign indicating this. Senator Christiaens was told this was just applying to used car dealers and not new car dealers. Senator Christiaens wondered if a person would have to have a sign in front of their home if this is where they sell the cars and Larry Majerus indicated this was correct. He stated to be a licensed dealer you had to sell at least five cars a year.

Senator Christiaens was also concerned about a dealer operating in a nearby town. Larry Majerus explained they need an administrative remedy for this when a dealer uses his plates in another town to make this an abuse of the dealer law. The license could only be used from a single location. He noted in order to maintain a license you must sell 5 cars a year but an individual could sell more than 5 a year on his own without having a dealer license. This would just apply to those who advertise they are in the business of selling cars.

Senator Goodover wondered about consignment lots that sell all types of things and Larry Majerus explained this was covered by statute. He noted the benefits of having a license is for the bonding, for consumer protection and also they have the ability to remove license plates from one vehicle and place it on another while on their lots. Senator Kolstad wondered how each licensure was determined and was told it was done on an individual basis. Representative Bud Campbell then closed the hearing on House Bill 606.

CONSIDERATION OF HOUSE BILL 658: Representative Jack Ramirez, House District #87, Billings, is the chief sponsor of this bill which is an act to establish a joint underwriting association for medical liability insurance and provide for a termination date. He noted it would put back on the books a law we have had before which addressed the situation of people in the medical profession being unable to obtain medical liability insurance. There is some

concern the medical profession may not be able to obtain liability insurance. This measure would just mandate a joint underwriting association to write liability insurance policies to health care professionals on a cost basis. It would be a stopgap measure and would have a termination date.

PROPONENTS: Jerome Loerndorf, representing the Montana Medical Association, stated this measure would only go into operation after a hearing had been held and the commission had been assured that there was no liability insurance available to health care specialists. He noted the rates keep going up all the time and the costs are getting to be prohibitive. Currently the rate in Montana is averaging \$16,000 per year. He noted doctors and hospitals are very reluctant to operate without this type of insurance.

OPPONENTS: There were none.

Questions were then called for from committee members. Senator Christiaens wondered if this would be an assigned risk pool and Rep. Ramirez stated this was not. Rep. Ramirez noted that Aetna Insurance left the state this past year because of the area and the poor risk factor. He was also asked if there were physicians practicing in the state without coverage and he felt there probably were.

Senator Gage felt that with this measure and the punitive damages bill that it might help this situation but if the rates continue to rise it will be extremely difficult for doctors to pay these premiums.

Senator Goodover wondered if those who serve on foundation boards and have money invested in a hospital could be held personally responsible and wondered if insurance could be available to cover these type of situations also. Jerome Loerndorf explained the problem is very broad and today more and more people are suing and the rates are going to continue to rise.

Senator Halligan wondered when a determination would be made that insurance was unavailable and was told it would be when there was a total unavailability of liability insurance. He wondered also why only two years. Rep. Ramirez stated this was only a stopgap measure and felt there might be some other alternative in the future. Senator Gage wondered if this measure had helped to drive insurance companies away when it was in effect before and Rep. Ramirez felt it did not have that much effect. He then closed the hearing on House Bill 658.

CONSIDERATION OF HOUSE BILL 662: Representative Kerry Keyser, House District #74, Madison County, is the chief sponsor of this bill which is an act to define the scope of the securities act of Montana and provides an immediate effective date. He stated it had been requested by the auditor's office. He noted the language had been taken from a uniform security act which has been adopted in over 40 states. He noted sub-section 1 regulates

persons involved in the offering of sales for securities, sub-section 2 regulates persons offering to buy securities, sub-section 3 regulates when an offer to buy or sell takes place in Montana and sub-section 4 sets forth when an offer to buy or sell is accepted in this state. Sub-section 5 discusses when an offer to buy or sell securities is made through the use of the media and sub-section 6 states that this act applies to investments advisors.

PROPONENTS: J. Kim Schulke, Staff Attorney for the State Auditor's office, explained this law protects the investor and promotes uniformity among the states and encourages capital investment in Montana. She submitted a written statement on the auditor's policies. (EXHIBIT 3)

Questions were then called for from the committee members. Senator Halligan asked Kim Schulke to explain the definition of a security. She noted this is very complex but is covered in Sec. 30-10-103. Senator Christiaens wondered about the territorial base for a transaction and was told the act does not apply if none of the transaction occurred in the state. Representative Keyser then urged adoption of this measure and the hearing was closed on House Bill 662.

DISPOSITION OF HOUSE BILL 662: Senator Gage MOVED TO CONCUR IN HOUSE BILL 662. The motion carried. Senator Halligan will carry this on the Senate floor.

DISPOSITION OF HOUSE BILL 658: Senator Christiaens then MOVED THAT HOUSE BILL 658 BE CONCURRED IN. The motion carried. Senator Christiaens will carry the bill on the Senate floor.

DISPOSITION OF HOUSE BILL 606: Senator Thayer MOVED THAT HOUSE BILL 606 BE CONCURRED IN. The motion carried. Senator Boylan voted "no". Senator Thayer will carry the bill on the Senate floor.

DISPOSITION OF HOUSE BILL 183: Senator Weeding MOVED THAT HOUSE BILL 183 BE CONCURRED IN. Senator Boylan then made a SUBSTITUTE MOTION THAT HOUSE BILL 183 NOT BE CONCURRED IN. He felt the bill should be written differently. Senator Gage felt that passage of this measure would just make people more antagonistic and felt that most people would cooperate if asked to refrain from smoking anyway. Senator Thayer felt the bill needed some work but respected the rights of those who would like cleaner air. Senator Williams opposed the measure because he felt small restaurants in rural areas would have trouble complying with these regulations. Senator Christiaens felt the fact this is optional now is something in its favor and would not like to see something become mandatory. On the motion TO NOT BE CONCURRED IN, Senator Christiaens, Senator Halligan, Senator Kolstad, and Senator Fuller voted "no". It was then noted that Senator Neuman had left his vote for this bill and this caused the motion to fail.

Senator Gage then MOVED THAT HOUSE BILL 183 BE TABLED. Senator Kolstad and Senator Halligan voted "no". This motion carried.

DISPOSITION OF HOUSE BILL 577: Proposed amendments to House Bill 577 were turned in by Larry Huss of Mountain Bell along with a handout showing how the amendments would appear in the bill if adopted. (EXHIBIT 4) He noted the amendments proposed had been worked out between all the parties involved and were now acceptable. He then explained the amendments in more detail.

Woodson Wright, representing SPRINT, stated they had participated in the discussions but were not in total agreement with the proposed amendments. They are still concerned about the word "switched" on page 2, line 24 of the bill. They would like this removed. He also added that SPRINT has 1.5 million customers and of these 1.1 million are residential.

Danny Oberg, from the PSC, was also asked to comment. He felt the amendments being proposed were acceptable because they allow for flexibility.

Calvin Suskind, Attorney for the PSC, stated this bill identifies basic telephone services and those services that do not need to be regulated such as mobile phones, answering services, etc. and that this treatment is the same for nonswitch dedicated lines. He feels this is a very competitive area and should remain so.

Jim Payne, Mountain Bell, feels the amendments do not alter their support of the bill. MCI was also in support of the bill and the amendments.

Larry Huss explained the only reason the cable tv people were not concerned is because the word switched is in the bill.


Senator Goodover then MOVED TO PASS THE AMENDMENTS PROPOSED FOR HOUSE BILL 577. (EXHIBIT 4) Danny Oberg explained they are trying to avoid the monopoly situation regarding dedicated lines because this is a very competitive area. He felt that the thrust of the telecommunications area is to have competition and to retain their authority in some areas would only thwart the efforts that have been made thus far and would be very difficult to regulate. The motion TO ADOPT THE AMENDMENTS PROPOSED carried.

Senator Goodover then MOVED THAT HOUSE BILL 577 BE CONCURRED IN AS AMENDED. Senator Boylan felt this bill was very complex. Jim Payne felt if nothing was passed that Mountain Bell would put at a great disadvantage and there would be competitors coming in and offering lower rates and taking away the high volume customers. He could perceive some real problems and litigation disputes. Senator Boylan wondered about just deregulating Mountain Bell. Larry Huss felt this legislation was still necessary. The PSC should still have some authority to rule. Danny Oberg felt we are seeing a movement towards more competition and that this legislation is a step in the right direction.

Senator Goodover felt a great effort had been made to work out agreements by all parties involved and he had no objections to the bill as amended. Senator Christiaens felt the bill was very necessary. The motion TO CONCUR IN HOUSE BILL 577 AS AMENDED carried with Senator Boylan voting "no".

FURTHER CONSIDERATION OF HOUSE BILL 395: Senator Thayer forewarned the committee that he intended to make a motion on the Senate floor to bring Senate Bill 395 back to the committee for further discussion. He was not completely satisfied with the bill as it currently stands. Senator Fuller also expressed some concerns regarding this legislation and would like to see it discussed more also.

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



SENATOR MIKE HALLIGAN, CHAIRMAN

cd

ROLL CALL

BUSINESS & INDUSTRY

COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date 3/21/85

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 | | |
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Each day attach to minutes.

DATE: March 21, 1985

COMMITTEE ON Business & Industry

VISITORS' REGISTER

[illegible]

(Please leave prepared statement with Secretary)

Mr. Chairman and Members of the Committee

For the record, my name is James Schultz, Rep.-Dist. 30-Lewistown.

Members of the committee.

House Bill 567 addresses a problem of several senior citizens in my district. That problem is having insurance policies cancelled on ~~little~~ ^{little} brief notice or short notice.

I realize that as we age we may not be as sharp as we were at a younger age and notices may go unnoticed or not paid promptly.

I have no vested interest in the manner that I have placed in this bill regarding proper notice to policy holders. But I can tell you of the devastating effect a policy cancellation has on someone over 60 years of age.

In many cases they have health conditions that developed in later years. Diabetes, high blood pressure and various and sundry other health problems.

In order for these people to be reinsured they must pass a physical examination - this they cannot do - or they can purchase insurance with either a 1 or 2 year preexisting condition clause, which does them very little good.

This is a Good Guy Bad Guy bill. I believe that most insurance companies are honorable, responsible businesses and I am not casting any aspersions on the good guys but lets look at the facts - when you consider the age of the policy holder the insurance company is actuarially better off without the older policy holder.

All we are asking for is a reasonable process before the insurance is cancelled.

HOUSE BILL 606

"AN ACT REVISING AND CLARIFYING THE LAWS PERTAINING TO THE SALE AND DISTRIBUTION OF MOTOR VEHICLES; ESTABLISHING ADMINISTRATIVE PENALTIES; AMENDING SECTIONS 61-4-101 AND 61-4-103 THROUGH 61-4-105, MCA."

PRESENTLY, MONTANA LAW REQUIRES THAT A MOTOR VEHICLE DEALER HAVE A SIGN INDICATING THE FIRM NAME AND HEADQUARTERS AS THE PRINCIPAL PLACE OF BUSINESS. DISPLAYING ONLY THE BUSINESS NAME ON A DEALER SIGN IS VERY MISLEADING TO THE PUBLIC WHEN THE DEALER NAME IMPLIES A COMPLETELY DIFFERENT LINE OF BUSINESS. IT IS ONLY REASONABLE THE SIGN SHOULD INDICATE THAT THE ESTABLISHMENT OFFERS VEHICLES FOR SALE.

IN ADDITION, THIS BILL CLEARLY AUTHORIZES THE DIVISION'S REPRESENTATIVE TO INSPECT DEALER RECORDS. DEALERS ARE REQUIRED BY LAW TO KEEP CERTAIN RECORDS AND ON OCCASION IT MAY BE NECESSARY TO INSPECT THOSE RECORDS TO ENSURE COMPLIANCE WITH THE LAW.

THIRDLY, THE CURRENT LAW PROVIDES FOR THE REVOCATION OF A DEALER LICENSE FOR DEALER VIOLATIONS. SUCH REVOCATION FOR MINOR INFRACTIONS WOULD BE TOO SEVERE AS A PENALTY IF IT WOULD PUT THE DEALER OUT OF BUSINESS. CIVIL PENALTIES FOLLOW CONTESTED CASE PROCEDURES AND WOULD DETER MINOR INFRACTIONS WHICH MAY NOT WARRANT A CRIMINAL PENALTY OR THE REVOCATION OF THE DEALER LICENSE.

TO: SENATE BUSINESS & INDUSTRY COMMITTEE

FROM: KIM SCHULKE, STAFF ATTORNEY
STATE AUDITOR'S OFFICE
SECURITIES DEPARTMENT

RE: HB 662, AN ACT DEFINING THE SCOPE OF THE
SECURITIES ACT OF MONTANA

The Securities Act of Montana is based on three public policies:

1. To protect the investor, persons engaged in securities transactions, and the public interest;
2. To promote uniformity among the states; and
3. To encourage, promote and facilitate capital investment in Montana.

The scope of the Securities Act should further these public policies. The scope of the Act is not currently set forth by statute although the Montana Securities Department has construed the Act in accordance with the language from the Uniform Securities Act as set forth in HB 662. In order to inform those involved in securities transactions within Montana, as to the scope of our Act, the Department is seeking to have this scope language enacted into law.

Based upon the previously cited public policies, the drafters of the Uniform Securities Act elected to limit the scope of that Act to those transactions which took place at least partially within the state. Citizenship or residence within a particular state was rejected as a policy basis for the application of the Securities Act in favor of a territorial base requiring that the transaction have some physical nexus with the state.

HB 662 defines when a transaction takes place "in this state."

Subsections 1 and 2 contain the two major provisions of the bill. The remaining subsections are merely explanatory provisions supporting and creating certain exceptions from the main provisions.

The difference between subsections 1 and 2 lies in the side of the transaction they control. Subsection 1 deals with persons involved in the offering for sale and sale of securities. Subsection 2, on the other hand, controls persons involved in the offering to buy or the purchase of securities. Thus, subsections 1 and 2 are complementary sections. In a normal transaction which takes place entirely within a state, subsection 1 will control the seller and all his agents, and subsection 2 will control the purchaser and all his agents.

The major substantive difference between the two subsections is the breadth of coverage under the Act to which the parties are subject. Under subsection 1, the offeror, the seller, or their agents are subjected to the full coverage of the Act. Thus, they must comply with the antifraud, the broker-dealer and agent registration, and securities registration provisions, as well as the provisions prohibiting statements that review by the Securities Department constitutes a recommendation of the securities, or that the Department has passed on the merits or qualifications of the securities. Furthermore, the seller or his agents are subjected to the civil liability provision under the Act.

On the other hand, under subsection 2, a person offering to purchase, a purchaser, or their agents are subjected only to the antifraud, broker-dealer registration, and anti-recommendation provisions of the Act.

The reason for the distinction in treatment between subsections 1 and 2 lies in the policy and organization of the Act. Under the Act, compliance with the registration provisions always falls upon the seller of the securities, never the purchaser. Obviously then, the purchaser can never be liable for failing to register the securities. Thus, there is no need to subject purchasers under subsection 2 to the coverage of the registration sections. This still leaves the possibility of liability for material omissions or misrepresentations.

The most obvious situation where an offer to sell is made in the state is when both parties to the transaction are physically present within the state and the entire negotiation and transfer of the security takes place there. The Act does not apply in the converse situation where neither party is physically in the state and none of the negotiations nor the transfer of the securities takes place within the state, even though one or more of the parties is a resident of the state.

The applicability of the Securities Act becomes much more complicated when one of the parties is not physically within the state and either uses a local agent or directs written or oral communications to or from the state, or where a part of the transaction takes place elsewhere. Subsection 3 applies to this situation.

The simplest transaction under subsection 3 is where the person offering the securities for sale directs a written offer into Montana or calls into Montana. The state has an interest in protecting its residents from such uncontrolled transactions and therefore the Securities Act of Montana applies.

Subsection 3 also provides that an offer or sale shall be governed by our Securities Act if the offer or sale originates in this state. The amendment proposed by the Securities Department is consistent with this idea but it excepts the securities registration statute from the operation of the Act when offers originate in Montana but are accepted outside the state.

The rationale for subsection 3 is that a state has an interest in seeing that its territory is not used as a base of operations to conduct illegal sales in other states.

Subsection 4 outlines when an acceptance is considered to have been "made in this state." There are two conditions which must be met before an acceptance will be considered "made in this state." First, the acceptance must be communicated to the offeror within the state. Second, there must not have been an earlier acceptance communicated to the offeror outside the state.

The most clear-cut application of subsection 4 arises when both the buyer and seller are physically present in Montana and the entire transaction takes place here. The acceptance is considered to have been made here because the seller is located here, he makes his acceptance here and communicates his acceptance from here to the buyer who is here.

Thus, before the seller can accept the offer to buy, even though it may have been totally unsolicited, he will have to register the securities in question or will have to qualify them for an exemption.

Subsection 5 applies to the use of various means of mass communications such as magazines, newspapers, and radio and television broadcasts as a vehicle for the dissemination of offers to buy or sell securities. The placing of an ad in one of these publications or broadcast constitutes the making of an offer through the agency of the publication or broadcaster.

Without subsection 5, an out-of-state promoter would become subject to the securities registration requirements of our Act by placing an ad in a Montana newspaper or arranging for an ad to be broadcast by a local radio or television station.

An ad in a truly local newspaper is an offer in the state in which the paper is published if one-third of the circulation is also made within that state.

Subsection 5 also solves the problem of the unintended circulation of essentially local papers beyond the state of their original publication by simply providing that the ads contained in such papers do not constitute offers in states in which the paper is not published. Again, this is in keeping with the idea that an advertiser ought not, at his peril, to be required to determine beforehand every state into which the paper might circulate a copy. The unintended circulation by others, is covered by the last clause of subsection 5, making unknown and unintended additional circulation not an offer in the second state.

Subsection 6 provides that the Montana Securities Act applies to investment advisers when any act instrumental in the furtherance of prohibited conduct is done in this state.

JKS2/lmA34

House Bill No. 577
Third Reading Copy

- 1) Page 3, l. 13
Following: "private"
Insert: "telecommunications"
- 2) Page 3, l. 24
Following: 13].
Insert: "An occasional or accomodative use
of a private telecommunication sys-
tem by a third person is not a
violation of this section."
- 3) Page 4, l. 22
Following: "regulated:
Strike: ".
Insert: "or are not tariffed"
- 4) Page 4, l. 22
Following: "regulated."
Strike: "Revenues and expenses"
Insert: "Expenses"
- 5) Page 4, l. 23
Following: "regulated"
Insert: "or not tariffed"
- 6) Page 4, l. 24
Following: "attributed to"
Strike: "or used to subsidize"
- 7) Page 5, l. 24
Preceding: "COMPENSATORY"
Strike: "FULLY"
Insert: "COST"
- 8) Page 6, line 1
Following: "13]."
Insert: "(3) In determining applications
under subsection (2), the commission
shall consider the following
factors:

(a) the number, size and distribu-
tion of alternative providers
of service;

- (b) the extent to which services are available from alternative providers in the relevant market;
- (c) the ability of alternative providers to make functionally equivalent or substitute services readily available;
- (d) the overall impact of the proposed terms and conditions on the continued availability of existing services at just and reasonable rates; and
- (e) such other factors as the commission may prescribe through rulemaking which are appropriate to fulfill the purposes of the Act.

(4) Provided, however, that nothing in this section shall authorize the application of subsection (2) to any services for which there are no alternative providers of such services."

9) Page 6, 1.2

Strike:

(3)

Insert:

(5)

10) Page 6, 1.6

Following:

Strike:

Insert:

"comparable"

the balance of 1.6 through 1.8

"to the extent alternative providers can make functionally equivalent substitutes or substitute services readily available."

HOUSE BILL 577, SECTION 7, AS AMENDED

Regulation of rates and charges. (1) As to that telecommunications service which is provided under regulation, the commission may establish specific rates, tariffs, or fares for the provision of such service to the public. The rates, tariffs, or fares must be just, reasonable, and nondiscriminatory.

(2) Alternatively, the commission may authorize the provision of regulated telecommunications service under such terms and conditions as may best serve the declared policy of this state. The commission is not required to fix and determine specific rates, tariffs, or fares for the service and in lieu thereof may:

(a) totally detariff the service;

(b) detariff rates for the service but retain tariffs for service standards and requirements;

(c) detariff rates but require notice of price changes to the commission and subscribers;

(d) establish only maximum rates, only minimum rates, or permissible price ranges as long as the minimum rate is cost compensatory; or

(e) provide such other rate or service regulation as will promote the purposes of [sections 2 through 10 and 13].

(3) In determining applications under subsection (2), the commission shall consider the following factors:

(a) the number, size and distribution of alternative providers of service;

(b) the extent to which services are available from alternative providers in the relevant market;

(c) the ability of alternative providers to make functionally equivalent or substitute services readily available;

(d) the overall impact of the proposed terms and conditions on the continued availability of existing services at just and reasonable rates; and

(e) such other factors as the commission may prescribe through rulemaking which are appropriate to fulfill the purposes of the Act.

(4) Provided, however, that nothing in this section shall authorize the application of subsection (2) to any services for which there are no alternative providers of such services.

(5) All providers of comparable regulated telecommunications services within a market area must be subject to the same standards of regulation. For purposes of this section, regulated telecommunications services are comparable if they are reasonable substitutes for one another, to the extent that subscribers generally would accept either service as meeting their needs.

STANDING COMMITTEE REPORT

MARCH 21 1985

Page 1 of 2

MR. PRESIDENT

BUSINESS & INDUSTRY

We, your committee on

having had under consideration

HOUSE BILL No. 577

third reading copy (blue color)

DEFINE REGULATED TELECOMMUNICATION SERVICE; ALLOW TRANSITION TO COMPETITION
(Haffey)

Respectfully report as follows: That

HOUSE BILL No. 577

be amended as follows:

1. Page 3, line 13.

Following: "private"

Insert: "telecommunications"

2. Page 3, line 24.

Following: "13]."

Insert: "An occasional or accomodative use of a private telecommunication system by a third person is not a violation of this section."

3. Page 4, line 22.

Following: "regulated"

Insert: "or are not tarified"

Following: "."

Strike: "Revenues and expenses"

Insert: "Expenses"

4. Page 4, line 23.

Following: "regulated"

Insert: "or not tarified"

5. Page 4, line 24.

Following: "attributed to"

Strike: "or used to subsidize"

(continued on page 2)

~~XXXXXX~~

~~XXXXXXXXXX~~

Chairman.

6. Page 5, line 24
Following: line 23
Strike: ~~"FULLY"~~
Insert: "cost"

7. Page 6, line 2.
Following: line 1
Insert: "(3) In determining applications under subsection (2), the commission shall consider the following factors: (a) the number, size, and distribution of alternative providers of service; (b) the extent to which services are available from alternative providers in the relevant market; (c) the ability of alternative providers to make functionally equivalent or substitute services readily available; (d) the overall impact of the proposed terms and conditions on the continued availability of existing services at just and reasonable rates; and (e) such other factors as the commission may prescribe through rulemaking which are appropriate to fulfill the purposes of [the act]. (4) Nothing in this section shall authorize the application of subsection (2) to any services for which there are no alternative providers of such services."
Renumber: subsequent subsection

8. Page 6, lines 6 through 8.
Following: "comparable" on line 6
Strike: remainder of line 6 through "needs" on line 8
Insert: "to the extent alternative providers can make functionally equivalent substitutes or substitute services readily available"

AND AS AMENDED
BE CONCURRED IN

STANDING COMMITTEE REPORT

MARCH 21

85

19

MR. PRESIDENT

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

having had under consideration **HOUSE BILL** No. **662**

third reading copy (**blue**)
color

DEFINING SCOPE OF MONTANE SECURITIES LAW
(Halligan)

Respectfully report as follows: That **HOUSE BILL** No. **662**

BE CONCURRED IN

~~XXXXXX~~

~~XXXXXXXXXX~~
DO NOT PASS

Sen. Mike Halligan

Chairman.

STANDING COMMITTEE REPORT

MARCH 21 1985

MR. PRESIDENT

BUSINESS & INDUSTRY

We, your committee on

having had under consideration

HOUSE BILL 658

No.

third reading copy (blue)
color

CREATE JOINT UNDERWRITING ASSOCIATION FOR MEDICAL LIABILITY INSURANCE
(Christiaens)

Respectfully report as follows: That

HOUSE BILL 658

No.

BE CONCURRED IN

~~XXXXXX~~

~~XXXXXXXXXX~~

Sen. Mike Halligan

Chairman.

STANDING COMMITTEE REPORT

MARCH 21

85

19.....

MR. PRESIDENT

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

having had under consideration..... **HOUSE BILL** No. **606**

third reading copy (blue)
color

**CLARIFY LAWS ON SALE & DISTRIBUTION OF MOTOR VEHICLES; PROVIDE CIVIL
PENALTY (Thayer)**

Respectfully report as follows: That..... **HOUSE BILL** No. **606**

BE CONCURRED IN

~~XXXXXX~~

~~XXXXXXXXXX~~

Sen. Mike Halligan

Chairman.