

DAILY ROLL CALL
BUSINESS & LABOR COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date January 23, 1987

NAME	PRESENT	ABSENT	EXCUSED
REP. LES KITSELMAN, CHAIRMAN	✓		
REP. FRED THOMAS, VICE-CHAIRMAN	✓		
REP. BOB BACHINI	✓		
REP. RAY BRANDEWIE	✓		
REP. JAN BROWN	✓		
REP. BEN COHEN	✓		
REP. JERRY DRISCOLL	✓		
REP. WILLIAM GLASER	✓		
REP. LARRY GRINDE	✓		
REP. STELLA JEAN HANSEN	✓		
REP. TOM JONES	✓		
REP. LLOYD MCCORMICK	✓		
REP. GERALD NISBET	✓		
REP. BOB PAVLOVICH	✓		
REP. BRUCE SIMON	✓		
REP. CLYDE SMITH	✓		
REP. CHARLES SWYSGOOD	✓		
REP. NORM WALLIN	✓		

MINUTES OF THE MEETING
BUSINESS AND LABOR COMMITTEE
50TH LEGISLATIVE SESSION

January 23, 1987

The meeting of the Business and Labor Committee was called to order by Chairman Les Kitselman on January 23, 1987 at 8:00 a.m. in Room 312-F of the State Capitol.

ROLL CALL: All members were present.

HOUSE BILL NO. 67 - Generally Revise Video Machine Control Act of 1985, sponsored by Rep. Robert Pavlovich, House District No. 70, Butte. Rep. Pavlovich stated that this bill was at the request of the Department of Revenue regarding video and draw poker machines. He said this bill amends some of the sections of the last legislation passed in 1985 giving the Department of Revenue more control of the video poker machines. Rep. Pavlovich explained each section of the bill and what the changes would do.

PROPOSERS

John Willems, Program Manager, Video Poker Control Bureau, Department of Revenue. Mr. Willems stated he would be available to answer any questions.

Gary Bennett, Montana Coin Machine Operators Association. Mr. Bennett stated they are in support of the bill and the amendment proposed by Rep. Pavlovich.

OPPOSERS

None

QUESTIONS

Rep. Cohen asked Mr. Willems to comment on the amendment proposed by Rep. Pavlovich regarding the section originally written that a fine would be set before the hearing, and the amendment to change that. Mr. Willems responded that the original bill was not intended to do that but Rep. Pavlovich's amendment would clarify that and they support the amendment.

Rep. Simon asked about the section that states that each applicant shall disclose to the Department of Revenue his previous experience or involvement with gambling devices and establishments point, if this meant if you would have to disclose such things as the fact that you have played poker

machines at some time, or worked in a tavern that had poker machines. Rep. Pavlovich responded that that was not intended to be that broad a statement in that respect.

Rep. Simon stated he understood that it was not intended to be that broad, but the Department sometimes takes broad interpretations and asked if Rep. Pavlovich did not have a problem with that. Rep. Pavlovich responded that he could accept the language as the Department wanted it, but would not object if Rep. Simon wanted to amend it.

Chairman Kitselman explained that the purpose of the language that the Department intended was if a person had been in Las Vegas as a card dealer, and applied for a license in Montana, then that type of activity would need to be reported.

CLOSING

Rep. Pavlovich stated that if the Committee wanted to consider amendments for the section to clarify the language regarding the applicants he would not object..

HOUSE BILL NO. 189 - Transfer Administration Video Poker Machine Law From Revenue to Commerce, sponsored by Rep. Robert Pavlovich, House District No. 70, Butte. Rep. Pavlovich stated that this bill was requested the Department of Commerce. He said the bill takes the Video Poker Machine Division out of the Department of Revenue and puts it under the Department of Commerce since the Horse Racing Board and the Lottery are in that Department and they all will be under one Division for better control.

Rep. Pavlovich commented that in the original bill there was 5% of the \$1500 fee structure going to administrative purposes, and it was cut to 3%; the Department of Commerce feels that it should be left at 5% and not cut to 3% so that \$75 out of \$1500 would go toward administrative purposes, and he agreed with that.

PROPONENTS

Andy Poole, Department of Commerce. Mr. Poole stated he would be available to answer questions.

Gary Bennett, Montana Coin Machine Operators Association. Mr. Bennett stated that this is a win situation for them; they have been treated fairly under the Department of Revenue, and if the Department of Commerce treats them equally as well, they have no objections.

OPPONENTS

None.

QUESTIONS

Rep. Jones asked Mr. Poole if there is any financial savings in this change. Mr. Poole responded he did not. He stated that the legislation is intended to keep the administrative costs of the program at 5% and was scheduled to go to 3% during the next fiscal year. He said the reason they want to keep it at 5% is that the Department feels that in order to do necessary inspections and testing of the video poker machines the 5% money is needed and without it there would be no inspections or testing and this is not in the best interests of the public.

Rep. Jones asked if there were any savings in FTE's and the cost of managing this program. Mr. Poole responded that by moving the Video Poker program to the Department of Commerce would not result in a reduction of FTE's because each of the positions have specific duties that they perform and would continue at Commerce. He stated that there would be a savings through the reorganization at the Department but the savings is not related particularly to Video Poker.

Rep. Jones asked if there would be any reduction of FTE's at the Department of Revenue. Mr. Poole responded that it would in a sense that the four FTE's are removed from the Department of Revenue and placed in the Department of Commerce.

Rep. Thomas asked if they could contract the inspections of the machines instead of hiring a state employee to do them. Mr. Willems stated that currently the four FTE's they have perform the regulatory licensing function, and the Video Poker currently contracts with the Investigation Program of the Department of Revenue for the field inspection service, so in a sense they are contracting now.

Rep. Simon asked if the \$85,000 in administrative fees listed in the fiscal note would be enough to take care of the four FTE's. Mr. Poole responded that the \$85,000 relates to keeping the 5% instead of the 3% for next fiscal year, and that percentage difference is intended for investigations, the operation of the program, and the four FTE's that exist within the program would be covered with the 3% regardless of the change in the legislation.

Rep. Glaser asked if they would be contracting with the Department of Revenue to do the inspections, and Mr. Poole responded that was correct.

CLOSING

Rep. Pavlovich stated that the extra 2% was what they needed for the contracting of the inspectors and without the money they wouldn't be able to do the inspections. He said that to assure that everything was done correctly the inspections were needed.

HOUSE BILL NO. 191 - Rulemaking Under Restaurant, Bar, Tavern Wage Protection Act, sponsored by Rep. Robert Pavlovich, House District No. 70, Butte. Rep. Pavlovich stated that this bill was at the request of the Department of Labor and Industry to provide authority to the Department for rulemaking under the Restaurant, Bar, and Tavern Wage Protection Act.

PROPOSERS

Bob Jenson, Administrator of the Employment Relations Division, Department of Labor and Industry. Mr. Jenson stated that the Restaurant, Bar, and Tavern Wage Protection Act under this bill would provide that the Department of Labor and Industry require bars, restaurants, and taverns to post bonds for the first three years of operation for the purpose of assuring payment of wages and payroll taxes. He stated that they are concerned with proper administering of the statute during a time of troubled economy. He commented that employees and unions are telling them they are not properly enforcing the statute, and employers are concerned about their lack of standards and due process under the statute. He further stated that the bond will assure payment for the unemployment insurance taxes. He stated that the administrative rules are probably necessary to describe situations in which the Department exercises its discretionary authority to file civil actions; enjoining businesses from operating pending compliance with the bond requirement. He said they are not asking for rulemaking authority to enlarge upon the statute, but only to develop uniform standards which will apply fairly to employees and employers.

Howard Rosenleaf, representing Local 457, Hotel and Restaurant Employees of Butte. Mr. Rosenleaf stated that in one instance they were over 90 days working with the state and before anything was done in their attempt to get paid from the restaurant.

Jim Murry, Executive Secretary, Montana State AFL, CIO. Mr. Murry stated they would like to go on record in support of House Bill 191 for the same reasons cited by both the Department of Labor and the Hotel and Restaurant Workers Union. He said they feel this is an important law and the rulemaking authority is important to the enforcement of those protections of the low paid workers in the state.

OPPONENTS

None.

QUESTIONS

Questions were asked regarding for the cost and the procedures of acquiring a bond for restaurants.

CLOSING

Rep. Pavlovich made no further comments.

EXECUTIVE ACTION - January 23, 1987 - 8:45 a.m.

ACTION ON HOUSE BILL NO. 191

Rep. Pavlovich moved that House Bill No. 191 DO PASS.

Rep. Nisbet moved the Statement of Intent.
The motion carried unanimously.

Rep. Pavlovich moved that House Bill No. 191 DO PASS WITH STATEMENT OF INTENT. The motion failed with a roll call vote of 6 to 11.

Rep. Thomas made a motion of DO NOT PASS, and made a motion to reverse the roll call vote on Rep. Pavlovich's motion. Rep. Thomas's motion carried with a vote of 11 to 6 for a DO NOT PASS recommendation, with Rep. Driscoll absent.

Discussion

The intent of the committee's vote of DO NOT PASS was that had a problem with extending the rulemaking authority to the Department of Labor. During the committee's discussion it was felt that the bond was too difficult and would cause problems for the new owners of restaurants. They also felt that it was discriminatory in that it was segregating one group in requiring them to post a bond.

ACTION ON HOUSE BILL NO. 189

Rep. Pavlovich moved DO PASS. The motion carried with Rep. Driscoll absent.

ACTION ON HOUSE BILL NO. 67

Rep. Pavlovich moved to refer House Bill No. 67 into a subcommittee. Chairman Kitselman referred House Bill No. 67 into a subcommittee composed of Rep. Simon, Rep. Pavlovich, and Rep. Jones, with Rep. Simon as chairman.

ACTION ON HOUSE BILL NO. 165

Rep. Brown moved that House Bill No. 165 DO PASS AS AMENDED.

Rep. Brown moved the amendments. The motion carried unani-
mously.

Rep. Brown moved that House Bill No. 165 DO PASS AS AMENDED.
The motion carried unanimously.

ACTION ON HOUSE BILL NO. 180

Rep. Pavlovich moved DO PASS. The motion carried with Rep.
Jones, Rep. Wallin, Rep. Nisbet, and Rep. Simon opposed.

ADJOURNMENT

The meeting adjourned at 10:30 a.m.



REP. LES KITSELMAN, Chairman

STANDING COMMITTEE REPORT

JANUARY 23

19 37

Mr. Speaker: We, the committee on BUSINESS AND LABOR

report HOUSE BILL NO. 165

do pass
 do not pass

be concurred in
 be not concurred in

as amended
 statement of intent attached

REP. LES KITSELING

Chairman

PHARMACISTS NOT LIABLE FOR PEER REVIEW

AMENDMENTS AS FOLLOWS:

1) Page 1, line 4

Following: "ACT"

Strike: "INCLUDING;"

Insert: "PROVIDING THAT"

2) Page 1, lines 5 and 6

Following: line 4

Strike: line 5 in its entirety and line 6 through "LIABILITY"

Insert: "IS NOT LIABLE"

3) Page 1, line 7

Following: "A"

Strike: "UTILIZATION"

Following: "REVIEW"

Strike: the remainder of line 7

4) Page 1, line 8

Following: "COMMITTEE;"

Strike: "AMENDING SECTION 37-2-201, MCA;"

5) Page 1, line 12, through page 2, line 21

Strike: Section 1 in its entirety

Insert: "Section 1. Nonliability for peer review. No member, employee, or volunteer intervenor of the Montana pharmaceutical association in its peer review program is liable in damages to any person for any action taken or recommendation made within the scope of the program if the member, employee, or volunteer acts in good faith in accordance with the rules of the association.

Section 2. Codification instruction. Section 1 is intended to be codified as an integral part of Title 37, chapter 7, and the provisions of Title 37, chapter 7 apply to section 1."

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6) Page 2, line 22
Following: line 21
Strike: "NEW SECTION"

7) Page 2, line 22
Following: "Section"
Strike: "2"
Insert: "3"

STANDING COMMITTEE REPORT

January 23

19 87

Mr. Speaker: We, the committee on BUSINESS AND LABOR

report House Bill No. 180

do pass
 do not pass

be concurred in
 be not concurred in

as amended
 statement of intent attached

Rep. Les Kittelman

Chairman

ALLOW AGENCY TO BUY SUPPLIES USING ADVERTISED/CATALOG PRICES IN SOME CASES

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STANDING COMMITTEE REPORT

January 23

19 87

Mr. Speaker: We, the committee on BUSINESS AND LABOR

report HOUSE BILL NO. 189

do pass
 do not pass

be concurred in
 be not concurred in

as amended
 statement of intent attached

REP. LES KITSELMAN

Chairman

**TRANSFER ADMINISTRATION VIDEO POKER MACHINE LAW FROM REVENUE TO
COMMERCE**

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STANDING COMMITTEE REPORT

January 23

19 37

Mr. Speaker: We, the committee on BUSINESS AND LABOR

report HOUSE BILL NO. 131

do pass
 do not pass

be concurred in
 be not concurred in

as amended
 statement of intent attached

REP. LES KITSELMAN

Chairman

RULEMAKING UNDER RESTAURANT, BAR, TAVERN WAGE PROTECTION ACT

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ROLL CALL VOTE

BUSINESS & LABOR

COMMITTEE

DATE 12/13/87 BILL NO. 111 NUMBER 1

NAME	AYE	NAY
REP. STEVE WELLS, CHAIRMAN		✓
REP. FRANK THOMAS, VICE-CHAIRMAN		✓
REP. BOB BACHINI	✓	
REP. RAY BRANDEWIE		✓
REP. JAN BROWN	✓	
REP. BEN COHEN		✓
REP. JERRY DRISCOLL - absent -		
REP. WILLIAM HAGER		✓
REP. LARRY GRINDE		✓
REP. STEILA JEAN HANSEN		✓
REP. TOM JONES		✓
REP. LLOYD MCCORMICK	✓	
REP. GERALD HISBET	✓	
REP. BOB PAVLOVICH	✓	
REP. BRUCE SIMON		✓
REP. CLYDE SMITH		✓
REP. CHARLES SWYSGOOD		✓
REP. NORM WALLIN	✓	

TALLY

6

11

Secretary

Chairman

MOTION: Representative Pavolich moved DO PASS with Statement of Intent. Motion failed 6 to 11, with Representative Driscoll absent.

VISITORS' REGISTER

BUSINESS AND LABOR

COMMITTEE

BILL NO. HOUSE BILL NO. 67

DATE January 23, 1987

SPONSOR Rep. Robert Pavlovich

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
MT Can Market Center	Massachusetts	X	
Bob Decker	MTA Helena	X	
John D.	LAKE	X	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

BUSINESS AND LABOR

COMMITTEE

BILL NO. House Bill No. 191

DATE January 23, 1987

SPONSOR Rep. Robert Pavlovich

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Bob Jensen	1121 Ch... Helena	X	
MIKE STUMP	416 12th AVE	X	
Bob Burke	MTA Helena	X	
Jim Murray	W/out AFL-CIO	X	
Howard... Howard	local 457 HERE	X	
John... John	M + Fed. Teachers	X	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

BUSINESS AND LABOR

COMMITTEE

BILL NO. HB 189

DATE January 23, 1987

SPONSOR Rep. Robert Pavlovich

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Keith L. Colbo	1037 Cedarwood, Illwa	✓	
Dixie Jones	4715 Hwy 127, Illwa	✓	
Mt. Air Machine Operators	Missouri	✓	
Barb Durkee	MTA Helena	✓	
James Males	Nst. Fed teachers	✓	
<i>(Signature)</i>	DOR		

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.