

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

February 14, 1987

The meeting of the Business and Labor Committee was called to order by Chairman Les Kitselman on February 14, 1987 at 8:00 a.m. in Room 312-F of the State Capitol.

ROLL CALL: All members were present.

EXECUTIVE ACTION

ACTION ON HOUSE BILL NO. 694

Rep. Thomas moved that House Bill No. 694 DO PASS.

Rep. Thomas moved the amendments. Exhibit No. 1. The motion carried unanimously.

Rep. Cohen asked Rep. Thomas why there was no fiscal note with this bill as the State Auditor's Office stated it was going to cost \$30,000 to implement. Rep. Thomas stated there would not be much cost involved, all they have to do is file the reports, which should not take much of their time.

Rep. Wallin stated that this seemed a lot of extra work for information that not many people were interested in, and doesn't think the bill is needed.

Rep. Brandewie asked if anybody would be able to read these reports, if the reports come in and nobody compiles them, he sees no reason in having them. Rep. Thomas responded that these forms would be similar to an annual statement that the companies print every year, and they should be readable.

Rep. Simon stated that there has to be some costs involved in this; in compiling summaries of data, adopting rules, etc. Also, he said, the bill requires collecting unnecessary data, and adding extra regulations to the insurance industry unnecessarily.

Rep. Simon moved that House Bill No. 694 BE TABLED. The motion carried with Reps. Hansen, Swysgood, Driscoll, Nisbet, Bachini, Cohen, and Thomas opposed.

ACTION ON HOUSE BILL NO. 648

Rep. Swysgood moved that House Bill No. 648 DO PASS.

Rep. Cohen moved an amendment to exclude calcuttas in any school related sport activities. He said it starts to edge too close to problems that have occurred in other parts of the nation for young people to resist in getting involved in the outcome of the game.

Rep. Driscoll moved a substitute motion on an amendment on page 1, line 18, insert, "sports event" does not mean any elementary school or high school sports event" following "rodeo". The motion carried with Rep. Simon, Rep. Swysgood, Rep. Thomas and Rep. Kitselman opposed.

Rep. Simon moved an amendment on line 11, following "auction pool" insert, "conducted for the benefit of the organizations sponsoring the event". The motion failed.

Rep. Cohen moved that House Bill No. 648 DO PASS AS AMENDED. The motion carried with Rep. Kitselman, Rep. Hansen, and Rep. Cohen opposed.

ACTION ON HOUSE BILL NO. 585

Rep. Driscoll moved that House Bill No. 585 DO PASS.

Rep. Smith stated that there is some merit to this bill, but there is a problem with it, which is taxes. He said what they were trying to do was to expand the areas that cooperatives were working in, and he is uncomfortable with that.

Rep. Simon stated he also has a problem with this because the playing field is leveled only on one side. He said that the cooperatives would be allowed to go in and begin competing against other businesses, but at the same time, the situation is not addressed that they are treated differently for tax purposes than the companies they would be competing against. He recognizes that Mountain Bell was a proponent, but he knows that other telephone companies stated that they are definitely not in favor of the bill. He said he could not support the bill.

Rep. Cohen stated that these cooperatives are providing service at a high cost in low density rural areas, and when the population grows and it is no longer a rural area but something that is a little more profitable, they lose their business to a private company, and the cooperatives are left with the low density, high cost areas. He said he doesn't see where that is in the interest of assisting these people so they can live in rural areas; until there were rural co-ops, there was no telephone service or electrical service, or much of any other services in the rural areas.

Rep. Thomas stated the rural co-ops are serving the low density rural areas, but they are not paying taxes, and are not on a level playing field, but if an area does grow and somebody takes them over, then they start paying taxes and also at the same time their costs should be going down, because of the higher density.

Rep. Driscoll stated co-ops do pay taxes. He said they pay property taxes, and every tax an investor owned corporation pays, except they don't make a profit, because they are a non-profit corporation. If they do make a profit, they lose their status, so they lower their rates or build more lines with the money, but they pay property taxes.

Chairman Kitselman stated that the technology has changed recently and the co-ops can serve the rural areas with the new satellite signals. He said the utilities are assigned territories, and as the urban area grows around them, they lose their service areas because they are no longer rural, and the other utilities come in to compete with them.

There was more discussion on the taxes the cooperatives paid.

Rep. Driscoll's motion of DO PASS was voted on. The motion carried with 8 opposed.

ACTION ON HOUSE JOINT RESOLUTION NO. 8

Rep. Simon moved that House Joint Resolution No. 8 DO PASS.

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

Rep. Simon moved that House Joint Resolution No. 8 DO PASS
AS AMENDED. The motion carried unanimously.

ACTION ON HOUSE BILL NO. 475

Chairman Kitselman stated he would refer this bill to the
Judiciary Committee.

ACTION ON HOUSE BILL NO. 313

Rep. Pavlovich moved to reconsider the action on House Bill
No. 313.

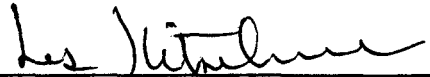
Rep. Pavlovich stated he had more amendments that he wanted
to include.

Rep. Pavlovich moved the technical amendments. The motion carried unanimously.

Rep. Pavlovich moved DO PASS AS AMENDED. The motion carried with Reps. Bachini, Glaser, Wallin, and Kitselman opposed.

ADJOURNMENT

The meeting adjourned at 9:15 a.m.



REP. LES KITSELMAN, Chairman

DAILY ROLL CALL

BUSINESS & LABOR

COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date February 14, 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	✓		

HB 694 - White Copy

AMENDMENTS

1) Page 1, line 10
Strike: "6]"
Insert: "7]"

2) Page 1, line 17
Following: "insurers"
Insert: "licensed to write and"

3) Page 2, line 14
Following: "(a)"
Insert: "direct"

4) Page 2, line 15
Following: "(b)"
Insert: "direct"

5) Page 3, line 21
Following: line 20
Insert: "Section 7. Implementation. The commissioner may by rule implement the provisions of [section 3] by adopting, after notice and hearing, data disclosure requirements developed by the national association of insurance commissioners if the commissioner determines that those disclosure requirements conform with or are more stringent than the provisions of [section 3]."
Renumber: subsequent sections

6) Page 4, line 1
Strike: "6"
Insert: "7"

7) Page 4, line 3
Strike: "6"
Insert: "7"

STANDING COMMITTEE REPORT

February 14

19 87

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

report HOUSE BILL NO. 648

do pass
 do not pass

be concurred in
 be not concurred in

as amended
 statement of intent attached

REP. LES KITSELMAN

Chairman

AMENDMENT AS FOLLOWS:

1) Page 1, line 18

Following: "rodeo"

Insert: ", but "sports event" does not mean any
elementary school or high school sports event"

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STANDING COMMITTEE REPORT

February 14

19 37

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

report HOUSE BILL NO. 313

do pass
 do not pass

be concurred in
 be not concurred in

as amended
 statement of intent attached

REP. LES KITSELMAN

Chairman

AMENDMENTS AS FOLLOWS:

1) Title, line 9
Following: "16-1-103,"
Insert: "15-1-106,"

2) Title, line 10
Following: "16-1-103,"
Strike: "16-1-307, 16-1-303,"

3) Title, line 14
Following: "16-1-104"
Strike: "THROUGH"
Insert: ", 16-1-105,"
Following: "16-1-301"
Insert: "THROUGH 16-1-303"

4) Page 3, line 18
Following: "liquor"
Strike: "and the sale of table wine"

5) Page 4, line 12
Following: "liquor"
Strike: "and wine"

6) Page 3, line 8
Following: "liquor"
Strike: "and"
Following: "TABLE"
Strike: "wine"

7) Page 10, line 23
Following: "liquor"
Strike: "and"
Following: "TABLE"
Strike: "wine"

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8) Page 11, line 5

Following: "liquor"

Strike: "and"

Following: "table"

Strike: "wine"

9) Page 12, line 24

Following: "liquor"

Strike: "or"

Following: "table"

Strike: "wine"

10) Page 13, line 7

Following: "liquor"

Strike: "or"

Following: "table"

Strike: "wine"

11) Page 15, line 3 through line 15

Following: "rate of" on line 3

Strike: the remainder of line 3, lines 4 through 14 in
their entirety and line 15 through "section"

Insert: "\$1.75 a liter"

12) Page 16, line 20

Following: line 21

Insert: "at the rate"

Following: "of"

Strike: "r"

13) Page 16, line 23, through page 17, line 9

Strike: lines 23 through 35 on page 16 and lines 1 through
9 on page 17 in their entirety and line 9 through
"section"

Insert: "65 cents a liter"

14) Page 19, line 24

Following: line 23

Insert: "Section 13. Section 16-2-106, MCA, is amended to
read:

"16-2-106. Purchase price in advance. ~~Article~~ The
state warehouse manager and other authorized state
warehouse employees may sell to any ~~person~~ licensee
such liquor as that ~~person~~ licensee is entitled to
purchase in conformity with the provisions of this code
and the rules made hereunder, provided that no

delivery shall take place until the purchaser has paid the purchase price."

Renumber: subsequent sections

15) Page 21, line 13 through page 22, line 11

Following: line 17 on page 21

Strike: sections 16 and 17 in their entirety

Renumber: subsequent sections

16) Page 24, line 9

Following: "is to"

Strike: "maintain a system for the importation and sale of wine by the state through the state liquor facilities warehouse and"

17) Page 49, line 11

Following: "that"

Insert: "originally"

18) Page 49, line 14

Following: "not"

Insert: "originally"

19) Page 49, line 22

Following: "licensee."

insert: "A licensee may purchase liquor from another licensee if the liquor was originally purchased from the state warehouse."

20) Page 58, line 21

Following: "16-2-104"

Strike: "through"

Insert: ", 16-2-105,"

Following: "16-2-301"

Insert: "through 16-2-303"

21) Page 58, line 24

Following: "Sections"

Strike: "39, 40"

Insert: "38, 39"

STANDING COMMITTEE REPORT

February 14

19 87

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

report HOUSE JOINT RESOLUTION NO. 9

do pass
 do not pass

be concurred in
 be not concurred in

as amended
 statement of intent attached

REP. LES NITSELMAN

Chairman

AMENDMENTS AS FOLLOWS:

1) Title, line 9
Following: "ANVIEW"
Strike: and remains of line 9

2) Title, line 10
Strike: "DIVESTITURES"
Insert: "DIVESTITURES"

3) Page 1, line 12 through page 3, line 3
Strike: and WHEREAS clause in their entirety
Insert: "WHEREAS, Montana, because of its geographical location and distance from markets, is heavily dependent on transportation services for its economic well-being; and

WHEREAS, rail facilities are vital to the transportation services available to Montana; and

WHEREAS, a trend exists in the railroad industry to dispose of regional railroad property and such disposition could have a significant impact on shippers, industries, small businesses, and the general public in Montana; and

WHEREAS, the current procedures utilized by the Interstate Commerce Commission may not adequately provide for public or governmental input into the approval of divestitures of regional railroad property; and

WHEREAS, newly created regional railroads may face difficulties maintaining equipment and an adequate financial base; and

WHEREAS, the relationship between land grants originally awarded for the construction of railroads and the present holdings of railroad companies is unresolved in the public mind.

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4) Page 3, lines 12 and 13

Following: "review" on line 12

Strike: the remainder of line 12 and line 13 through "from"

5) Page 3, lines 14 through 16

Following: "movement"

Strike: the remainder of line 14, line 15 in its entirety,
and line 16 through "interest,"

6) Page 3, line 17

Following: "fiscal"

Insert: ", economic,"

STANDING COMMITTEE REPORT

February 14

19 87

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

report HOUSE BILL NO. 585

do pass
 do not pass

be concurred in
 be not concurred in

as amended
 statement of intent attached

Chairman

REP. LES KITSELMAN


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