

MINUTES OF THE MEETING
BUSINESS & INDUSTRY COMMITTEE
MONTANA STATE SENATE

March 5, 1987

The twenty-eighth meeting of the Business and Industry Committee met on Thursday, March 5, 1987, in Room 410 of the Capitol at 10 a.m. The meeting was called to order by Chairman Allen C. Kolstad.

ROLL CALL: All members were present with Sens. Thayer and Walker excused.

CONSIDERATION OF HOUSE BILL NO. 232: Rep. Fred Thomas, House District 62, chief sponsor of the bill, stated that the bill was introduced at the request of the Office of Secretary of State. He told the committee that the bill was amended considerably in the House and explained that only the last two lines of the Fiscal Note now relate to the bill. The bill would raise the fee from \$5 to \$15 for reactivating or revising the filing for a corporation that is not active, to cover the cost. The second thing would be to change the fee that the federal government pays on filing a lien with the office of the Secretary of State from \$2 which they currently pay. Everyone else in Montana pays \$7. The \$2 fee is set by statute and this would enable the Secretary's office to set the fee as they do the \$7 fee.

PROPOSERS:

Larry Akey, Chief Deputy, Office of Secretary of State, said that Rep. Thomas had explained the purpose of the bill and noted that most of the fees paid to the Secretary's office are currently set by administrative rule. However, a couple other miscellaneous charges that were elsewhere in the statutes were not picked up by the 1985 session. The initial bill would have transferred the operations of the business records portion of the Secretary's office from the general fund to the special revenue fund. The House saw fit to leave the business filings portion of it on state general fund but at some point he thought the legislature would want to consider moving this.

OPPONENTS: There were no opponents.

DISCUSSION OF HOUSE BILL NO. 232: Chairman Kolstad then called for questions from the committee.

Sen. Neuman asked Mr. Akey what the fee would be they would have to charge - he understood it would be set by rule but wanted Mr. Akey to estimate what it would be. Mr. Akey said the federal tax lien fee would be set the same as all the lien filing fees and right now, except for the federal government,

everyone pays \$7 to file a lien and because this was in statute they weren't able to bring that up to cover the cost. He didn't see any reason why small businessmen in the state should pay more for lien filing than the federal government.

There being no further questions, Rep. Thomas closed his presentation on HB 232.

CONSIDERATION OF HOUSE BILL NO. 476: Rep. Budd Gould, House District 61, sponsor, said the bill has been extensively amended at his request. He also said he had asked for a simple bill but when it was drafted it came out very complicated. He explained the reason for the introduction of the bill as being the result of an action being filed to make confidential the earnings of poker machines. He said the Department of Revenue was publishing all of the locations and consequently, burglars, thieves, etc., knew the locations and the routes, etc., - in other words, they were publishing a "road map". This bill would do away with the road map and it would not take away any confidentiality as far as income from the machines. That would all still be available. He said his amendments would remove the Department of Revenue from the bill.

PROPOSERS:

John Poston, lobbyist for the Montana Coin Machine Operators Association, gave some of the background of the machine act. He said in 1985 there were two bills dealing with the video draw poker machines which had minor differences but the legislature amalgamated them into one. When that was done the confidentiality part of one of those bills was dropped but it did require the Department of Revenue to verify the 80% payback on the machines. This was immediately given to the press who published the top ten in the state. This was followed by a rash of burglaries causing them quite a bit of trouble and added expense. He said they filed a lawsuit on behalf of two of these people and the Lewis and Clark District Court got an injunction. He said his Association agreed with the attorneys from the Department of Revenue that they would bring this bill before the legislature and would abide by whatever the legislature decided to do as it really is a legislative matter and not a judicial matter.

Mr. Poston said all the bill does is prohibits the verification reports to be used to identify particular machines and income to those particular machines. It in no way restricts the statistical use of the total amount of money that comes in but it cannot identify the machine individually in its location. He referred to page 4, line 21 and said that is what they proposed. He also said the underlined material on page 5 is more than adequate to do what they want. He pointed out that this business is open to more financial scrutiny than any other business in the state of Montana.

Phil Benson, representing the Montana Music Rentals, Missoula, said he was at the meeting as a direct result of the newspaper article in December of 1985 stating not only how much money was going through the poker machines but also pinpointing exactly where the machines were located. His organization has had to go to the added expense and added security precautions, even though they have no cash on the premises. They also installed security cameras on their front doors and monitors on their receptionists' desks. They have had to reschedule their collection procedure to get into the taverns early in the morning when there isn't as much activity and the out-of-town collection procedure was changed also. They now send two collectors instead of one for security reasons. He said it was their opinion that it is no one's business except the tavern owners and coin machine operators.

Randy Leep, D&R Music, Bozeman, agreed with Mr. Benson and said it has caused them considerable extra labor, they don't keep as much money around and they had to put on additional help and collect two to three times a week where they had previously been doing it once a week.

Phil Schneider, Bozeman, said he was in the restaurant business and have had to increase their activity by bringing the vendors to them because of the fear of keeping more than a sensible amount of money on the premises. To draw this kind of attention to the machine owners is going to increase problems for their security and this makes it a bigger mess than it already is. He hoped very much that the committee would support this bill.

OPPONENTS: There were none.

DISCUSSION OF HOUSE BILL NO. 476: Chairman Kolstad then called for questions from the committee.

Sen. Neuman asked Mr. Benson, out of curiosity, what the average amount of profit they bring in on the machines. Mr. Benson replied that it was different over the state and said Mr. Willemss would have better knowledge of that but said the average poker machine would generate \$16,000 a year profit but he did say that was just an estimate.

Mr. Benson said they had collected \$3,000 in Canadian quarters the previous week in Missoula so they did show a loss there. He also cited one poker machine that showed a profit that didn't amount to much because of the cost of licensing, etc.

Sen. Neuman asked if it was the contention of the proponents that the increase in burglaries was the result of the publication of the names. Mr. Poston replied that was their position. He told Sen. Neuman he did not know if there had been an increase in the unpublished establishments. He said his organization was very nervous after the newspaper article and they now send two

people on their pick-ups and collections.

Sen. Weeding asked if there wasn't more cash on the premises since the addition of the draw poker machines than before. Larry Lyppin, D&R Music, Missoula, said that was true.

There being no further questions, Rep. Gould closed his presentation of the above bill.

CONSIDERATION OF HOUSE BILL NO. 189: Rep. Bob Pavlovich, sponsor, House District 70, Butte, said this bill takes the poker machine division out of the Department of Revenue and puts it into the Department of Commerce. He referred to an amendment to HB 67 concerning the contract between the Departments of Commerce and Revenue and they also left the 5% in the bill. Two years ago it was a 5% setaside for the Department of Revenue for the administration of the poker machine act and after two years it was to go back down to 3% but the Department said they still needed the 5%. He said there were still several bills alive which could change the 5% and they could also change the \$1500 license fee. All this bill does is move it over to the Department of Commerce.

PROPOSERS:

Andy Poole, Department of Commerce, said the Department supported HB 189 and submitted written testimony. (EXHIBIT 1)

John Poston, Montana Coin Machine Operators Association, said they supported HB 189 but they did not have problems with the Department of Revenue and did not expect to have any with the Department of Commerce.

OPPOSERS: There were none.

DISCUSSION OF HOUSE BILL NO. 189: Chairman Kolstad asked for questions from the committee.

Mr. Poole stated this bill was an administration sponsored bill and the Department of Commerce would concur in its passage.

There being no further questions, Rep. Pavlovich closed his presentation on HB 189.

CONSIDERATION OF HOUSE BILL NO. 648: Rep. Gay Holliday, House District 31, Roundup, chief sponsor, said the bill would legalize calcutta pools in sporting events. The Constitution states any gambling event must be identified in the statutes to be legal. She explained that a calcutta is an auction, nothing more, nothing less and explained the workings of the calcutta.

PROPOSERS: Lorna Frank, Montana Farm Bureau, urged the committee to concur in this bill and submitted EXHIBIT 2.

Carol Mosher, Montana Stockgrowers and the Montana Cattewomen, said they were very much in support of this bill and thanked Rep. Holliday for introducing it. She said they didn't know they had been illegal all this time when they were holding calcuttas on fattened steers they had purchased from ranchers.

She said this is their #1 fundraiser and in the past eight years they have taken in over \$84,000. She agreed the bill was very much needed.

OPPOSERS: There were no opposers.

DISCUSSION OF HOUSE BILL NO. 648: There were no questions from the committee.

EXECUTIVE SESSION:

DISPOSITION OF HOUSE BILL NO. 648: Sen. Williams MOVED HB 648 BE CONCURRED IN, seconded by Sen. Meyer. The MOTION PASSED with Sen. Hager voting "no". Sen. Williams will carry the bill.

DISPOSITION OF HOUSE BILL NO. 232: Sen. Meyer MOVED HB 232 BE CONCURRED IN, seconded by Sen. Williams. The MOTION CARRIED UNANIMOUSLY. Sen. Meyer will carry the bill in the Senate.

DISPOSITION OF HOUSE BILL NO. 67: Sen. Meyer MOVED ADOPTION OF THE AMENDMENTS, seconded by Sen. Williams. The MOTION PASSED UNANIMOUSLY.

Sen. Meyer, MOVED that HB 67 BE CONCURRED IN AS AMENDED, seconded by Sen. Boylan. The MOTION PASSED 6-2, with Sens. Neuman and Hager voting "no". The excused members will be given the opportunity to vote at a later time. Sen. Thayer left "yes" votes for all bills acted upon this day in committee. Sen. Lynch will carry HB 67 in the Senate.

DISPOSITION OF HOUSE BILL NO. 189: Sen. Neuman MOVED that HB 189 BE CONCURRED IN, seconded by Sen. Meyer. The MOTION PASSED UNANIMOUSLY. Senator Lynch will also carry HB 189 in the Senate.

DISPOSITION OF HOUSE BILL NO. 476: Sen. Meyer MOVED that HB 476 BE CONCURRED IN, seconded by Sen. Williams, the MOTION PASSED with Sens. Weeding and Neuman voting "no". Sen. Williams will carry HB 476.

RECONSIDERATION OF HOUSE BILL NO. 439: Chairman Kolstad deferred to Mary McCue regarding this bill. Ms. McCue said that Sen. Neuman had asked her to check into the information on the Fiscal Note and she explained the figures that were designated as regulatory revenue and the statute says regulatory revenue goes

into an earmarked fund but the tax generated goes into the general fund. She said the figures reflect the tax they think they will collect so this is a misnomer - it should have said additional premium tax revenue. She also said there is the potential that there will be regulatory revenue that will be put into this earmarked fund, however, Kathy Irigoin of the Auditor's office, said they believe it would be very, very small. They don't anticipate that there will be very many of these risk retention groups that will ask to be licensed in the state and that's where the revenue would come in. They could either be licensed here or in another state and do business here. She said if the committee wanted to absolutely assure that any regulatory revenue, however small, goes into the general fund the statute would have to be amended to state that.

Chairman Kolstad asked for the thinking of the committee as to amending this to assure that any of those funds would go into the general fund.

Sen. Meyer asked where this revenue would go if it didn't go into the general fund. Ms. McCue said it goes into the earmarked fund - it is not a statutory appropriation - it goes into the earmarked fund to the Auditor. Since it is not a statutory appropriation any money in there has to be appropriated by the legislature every two years. There are fewer than 10 domestic insurers in the state now so they feel since there are so few domestic insurers that there will be even fewer risk retention groups and the fee for risk retention groups is \$300 per year.

Sen. Boylan favored the adoption of the amendment and Sens. Neuman and Kolstad agreed with Sen. Boylan.

DISPOSITION OF HOUSE BILL NO. 439: Sen. Boylan MOVED ADOPTION OF THE AMENDMENT, seconded by Sen. Neuman. The AMENDMENT WAS ADOPTED UNANIMOUSLY.

Ms. McCue said there was a technical amendment that was needed also, in the purpose section which was section 1, line 12. She noted that it is also the purpose of this bill to regulate purchasing groups and as there are several sections in the bill dealing with that it should be included in section 1 also.

Sen. Neuman MOVED ADOPTION OF THE AMENDMENT, seconded by Sen. Meyer. The AMENDMENT WAS ADOPTED UNANIMOUSLY.

Sen. Neuman MOVED HB 439 BE CONCURRED IN AS AMENDED, seconded by Sen. Meyer. The MOTION CARRIED UNANIMOUSLY.

Chairman Kolstad mentioned that a Statement of Intent was attached to the bill and had yet to be adopted. Sen. Neuman MOVED ADOPTION OF THE STATEMENT OF INTENT, seconded by Sen. Meyer. The MOTION PASSED UNANIMOUSLY. Sen. Thayer will carry the bill on the Senate floor.

Business & Industry Committee
March 5, 1987
Page 7

Chairman Kolstad read a letter from the Montana Public Service Commission regarding HB 691 which was to be heard on March 6, 1987. A copy of the letter is attached to the minutes along with their stated reasons why the bill is bad public policy.

Chairman Kolstad said he assumed this committee did not have the policy to preclude state employees from testifying as stated in the letter. Therefore, the secretary was instructed to contact the Public Service Commission and they could give their testimony on this bill on March 6, 1987, which would simply be a courtesy to the Commission.

There being no further business before the committee, the meeting was adjourned at 10:50 a.m.



SEN. ALLEN C. KOLSTAD, CHAIRMAN

PUBLIC SERVICE COMMISSION

2701 Prospect Avenue • Helena, Montana 59620

Telephone: (406) 444-6199

Clyde Jarvis, Chairman
Howard Ellis, Vice Chairman
John Driscoll
Tom Monahan
Danny Oberg

March 3, 1987

Senator Bob Williams
Capitol Station
Helena, MT 59620

Dear Senator Williams:

As you know, HB691 is scheduled for hearing before the Senate Business and Industry Committee on Friday March 5, 1987. This bill decreases rate regulation of some Montana telephone companies. The bill was introduced on February 11, 1987. A hearing was held in the House Business and Labor Committee on February 16, 1987. The Commission was not allowed to testify on the merits of this bill at that level due to a policy in that Committee limiting the testimony of state employees. This bill has developed a very fast schedule and the Commission would urge you to carefully consider the public policy decisions being made in this legislation. I have attached some points that the Commission feels should be carefully considered before a vote on this bill.

The Commission staff would be glad to answer any questions you might have on these telephone companies or on our position. Please call Dan Elliott if you would like to meet with us at any time or with any questions. His telephone number is 444-6180.

Thank you for your time and consideration in this important matter.

MONTANA PUBLIC SERVICE COMMISSION


Howard L. Ellis
Vice Chairman

THIS BILL IS BAD PUBLIC POLICY. HERE ARE FIVE REASONS WHY THE PSC FEELS IT IS NOT DESIRABLE.

1. IT PLACES THE MONTANA CONSUMER COUNSEL IN THE SHOES OF THE PSC, AND MCC DOESN'T HAVE THE SAME STATUTORY MANDATE AS THE PSC. THE MONTANA CONSUMER COUNSEL LOOKS AFTER CONSUMER INTERESTS. THE PSC LOOKS AFTER THE PUBLIC INTEREST, JUST AS THE LEGISLATURE DOES. WE THINK THE LEGISLATURE IS WELL AWARE THAT CONSUMER INTERESTS AT TIMES ARE DIFFERENT THAN THE PUBLIC INTEREST. ALTHOUGH THE PSC CAN STILL INVESTIGATE RATES, PRACTICALLY SPEAKING THIS WILL PROBABLY NOT OCCUR DUE TO THE PSC'S SMALL STAFF SIZE AND MORE PRESSING PRIORITIES.

2. THIS BILL ERODES STATUTORY PROVISIONS AGREED TO BY ALL PRIVATELY OWNED MONOPOLIES WITH THE STATE OF MONTANA. THE AGREEMENT IS THAT IN EXCHANGE FOR BEING ALLOWED A MONOPOLY STATUS THE MONOPOLY OWNERS AGREED TO REGULATION AND SUPERVISION OF THEIR BUSINESS BY THE PSC. THIS BILL ERODES AND PARTIALLY DESTROYS THAT AGREEMENT ENTERED INTO BY THE VERY SAME MONOPOLIES URGING ITS PASSAGE. THESE FIVE UTILITIES ARE NOT COOPERATIVES.

3. THIS BILL DISCRIMINATES AGAINST SOME MONTANANS. CUSTOMERS IN HUNTLEY, FOR EXAMPLE, WHO ARE SERVED BY PROJECT TELEPHONE COMPANY, WOULD HAVE FEWER RIGHTS AND PROTECTION THAN THOSE IN HELENA, WHO ARE SERVED BY MOUNTAIN BELL. ALL CUSTOMERS OF PRIVATELY OWNED MONOPOLIES SHOULD HAVE THE SAME.

4. IF THIS BILL PERTAINED TO COMPETITIVE OR PARTIALLY COMPETITIVE TELEPHONE SERVICES, THE PSC WOULDN'T BE OPPOSED. BUT THIS BILL PERTAINS TO BASIC MONOPOLY LOCAL TELEPHONE SERVICE. THE CUSTOMERS, INCLUDING HUNDREDS OF BUSINESSES, HAVE NO OTHER ALTERNATIVE.

5. THIS BILL PRESUMES PSC REGULATION HAS BEEN BURDENSOME. IT HAS NOT. THE VAST MAJORITY OF REQUESTS PUT BEFORE THE PSC BY THESE 5 TELEPHONE UTILITIES HAVE BEEN GRANTED WITHOUT HEARING. ADDITIONALLY, THE PSC ALREADY REQUIRES FAR LESS INFORMATION FROM THESE UTILITIES THAN BIG ONES DURING RATE INCREASE CASES. ALTHOUGH THESE UTILITIES HAVEN'T FORMALLY ASKED THE PSC, THE PSC HAS MADE IT KNOWN THAT IT WOULD LOOK AT REQUIRING EVEN LESS. ADDITIONALLY, ALL EXPENSES INCURRED BY UTILITIES TO APPEAR BEFORE THE PSC HAVE ALWAYS BEEN PASSED THROUGH INTO RATES. THIS IS REASON ENOUGH FOR THE PSC TO BE CONCERNED THAT THESE COSTS ARE KEPT TO A MINIMUM. FINALLY, WE URGE YOU TO ASK THE REPRESENTATIVES OF THESE FIVE MONOPOLIES HOW MANY MILLIONS IN REVENUES THEY HAVE COLLECTED OVER THE PAST TEN YEARS COMPARED TO THE LEVEL OF EXPENSE INCURRED FOR PSC OVERSIGHT.

ROLL CALL

Business & Industry

COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date 3/5/87

NAME	PRESENT	ABSENT	EXCUSED
ALLEN C. KOLSTAD, CHAIRMAN	✓		
TED NEUMAN, VICE CHAIRMAN	✓		
PAUL BOYLAN	✓		
TOM HAGER	✓		
HARRY H. McLANE	✓		
DARRYL MEYER	✓		
GENE THAYER			✓
MIKE WALKER			✓
CECIL WEEDING	✓		
BOB WILLIAMS	✓		

Each day attach to minutes.

COMMITTEE ON

DATE 3/5/87
Business & Industry

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Dary Bennett	MT Coin Machine Operator	HB 189	X	
"	"	HB 476	X	
John P. Porton	M C M O A	HB 189 476	X	
R Budd Gaud	Self	HB 476	X	
PHIL BENSON	MONTANA MUSIC RENTALS M&A	HB 476	X	
John Dille	Videos Pokes	HB 67		X
ANDY POOLE	Commerce	HB 189	X	
Randy Leep	DTR MUSIC	HB 476	X	
Phil Schneider	self	HB 476	X	
LARA AKEL	SEC OF STATE	HB 232	X	
Lorna Frank	MT. Farm Bureau	HB 648	X	
Dave Nelson	MT. Nils Council	HB 654		
Loral Mosher	MT. Shortgrowers Mt. Cattle Women	HB 648	X	
Larry Fjor	DTR Music	HB 476	X	

HB-189 - Transfer Video Poker

Mr. Chairman, Members of the Committee...

For the record, my name is Andy Poole representing the Department of Commerce.

The Department of Commerce supports HB-189 because it consolidates all state gaming activity within the same executive branch agency of state government. These programs include the

1. Montana State Lottery
2. Board of Horse Racing
3. Video Poker Program.

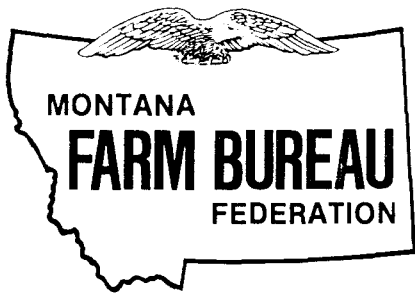
As Representative Pavlovich mentioned, HB-189 also amends existing statute to retain the 5% level of administration for the program. Without the 5% level, the video poker program will not be able to respond to any complaints on the part of video poker machine owners or the playing public.

Without the 5% level for administration, the video poker program will be reduced approximately \$85,000 each fiscal year of the biennium. The effect of this reduction is as follows;

	<u>FY88</u>	<u>FY89</u>
Investigations/Compliance	-\$63,381	-\$73,024
Elimination of 1.0 FTE	-\$21,733	-\$12,955
Total Reduction	<u>-\$85,114</u>	<u>-\$85,979</u>

Without the retention of the 5% level for administration of the video poker program, state government will no longer provide the services required to assure the playing public that the video poker games are fair. In addition, owners of video poker machines will not receive investigative services which are sometimes necessary to apprehend or stop fraudulent play on their machines.

For these reasons we ask that you recommend do-pass for HB-189.



P.O. Box 6400
~~502 South 19th~~

Bozeman, Montana 59715
Phone (406) 587-3153

TESTIMONY BY: Lorna Frank
BILL # HB-648 DATE March 5, 1987
SUPPORT XXX OPPOSE _____

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 2
DATE 3/5/87
BILL NO. HB648

Mr. Chairman, members of the committee, for the record, my name is Lorna Frank, representing Montana Farm Bureau.

This bill addresses the problem that local fair boards have when planning and running a local event. We believe that these events should not be subject to state regulations when in many cases the money is used to support local projects.

Farm Bureau members urge this committee to give a do pass recommendation to HB-648. Thank you.

SIGNED: Lorna Frank

STANDING COMMITTEE REPORT

..... MARCH 5, 1937.....

MR. PRESIDENT

BUSINESS AND INDUSTRY

We, your committee on.....

HOUSE BILL

having had under consideration..... No. **648**

THIRD reading copy (**BLUE**)
color

HOLLIDAY (WILLIAMS)

LEGALIZE CALCUTTA POOLS IN BETTING INVOLVING SPORTS EVENTS

HOUSE BILL

Respectfully report as follows: That..... No. **648**

BE CONCURRED IN

~~XXXXXX~~
DO PASS

~~XXXXXXXX~~
DO NOT PASS



.....
SENATOR KOLSTAD,

Chairman.

STANDING COMMITTEE REPORT

MARCE 5, 19 87

MR. PRESIDENT

We, your committee on BUSINESS AND INDUSTRY

having had under consideration HOUSE BILL No. 232

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color

THOMAS (MEYER)

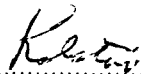
INCREASE FEE FOR REVIVAL OF CORPORATION AFTER SUSPENSION OR FORFEITURE

Respectfully report as follows: That HOUSE BILL No. 232

BE CONCURRED IN

~~XXXXXXXX~~

~~XXXXXXXXXXXX~~



SENATOR ROLSTAD, Chairman.

STANDING COMMITTEE REPORT

March 5, 1937

MR. PRESIDENT

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

having had under consideration **HOUSE BILL** No. **67**

Third reading copy (**blue**)

PAVLOVICH (LYNCH) color

GENERALLY REVISE VIDEO MACHINE CONTROL ACT OF 1935

Respectfully report as follows: That **HOUSE BILL** No. **67**

be amended as follows:

1. Title, line 6.
Strike: "AND"
2. Title, line 8.
Following: "MCA"
Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"
3. Page 2, line 1.
Following: "employees"
Insert: "and duly authorized department representatives"
4. Page 7, line 25.
Following: "department"
Insert: "or duly authorized department representatives"
5. Page 8, line 13.
Following: "department"
Insert: "or duly authorized department representatives"
6. Page 11, following line 2.
Insert: "NEW SECTION. Section 11. Effective date. This act is effective on passage and approval."

AND AS AMENDED
BE CONCURRED IN

XXXXXX
DO PASS

XXXXXXXXXX
DO NOT PASS

Kolstad
ALLEN C. KOLSTAD,

Chairman.

STANDING COMMITTEE REPORT

MARCH 5, 1987

MR. PRESIDENT

We, your committee on BUSINESS AND INDUSTRY

having had under consideration HOUSE BILL No. 189

THIRD reading copy (BLUE)
color

PAVLOVICH (LYNCH)

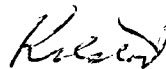
**TRANSFER ADMINISTRATION VIDEO POKER MACHINE LAW FROM
REVENUE TO COMMERCE**

Respectfully report as follows: That HOUSE BILL No. 189

BE CONCURRED IN

~~XXXXXX~~
DO PASS

~~XXXXXXXX~~
DO NOT PASS



SENATOR KOLSTAD,

Chairman.

STANDING COMMITTEE REPORT

MARCH 5, 19 37

MR. PRESIDENT

We, your committee on BUSINESS AND INDUSTRY

having had under consideration HOUSE BILL No. 476

THIRD reading copy (BLUE)

GOULD (WILLIAMS)
color

CONFIDENTIALITY OF VIDEO DRAW POKER MACHINE INCOME STATISTICS

Respectfully report as follows: That HOUSE BILL No. 476

BE CONCURRED IN

~~DO NOT PASS~~

~~DO NOT PASS~~

Kolstad

SENATOR KOLSTAD, Chairman.

STANDING COMMITTEE REPORT

SCRM8439

..... MARCH 5, 19 57

MR. PRESIDENT

Business and Industries

We, your committee on

House Bill

439

having had under consideration..... No.....

PRINTED

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reading copy (.....)

color

GRADY

(THAYER)

CODIFYING LAWS ON RISK RETENTION GROUPS AND PURCHASING GROUPS

Respectfully report as follows: That..... House Bill..... No..... 439.....

BE AMENDED AS FOLLOWS:

1. Title, following line 6.

Insert: "AMENDING SECTION 33-2-708, NCA"

2. Page 1, line 12.

Following: "groups"

Insert: "and purchasing groups"

3. Page 17, following line 6.

Insert: "Section 15. Section 33-2-708, NCA, is amended to read:

"33-2-708. Fees and licenses. (1) The commissioner shall collect in advance and the persons so carved shall so pay to the commissioner the following fees and licenses:

(a) certificates of authority:

(i) for filing applications for original certificates of authority, articles of incorporation (except original articles of incorporation of domestic insurers as provided in subsection (b) below) and other charter documents, bylaws, financial statement, examination report, power of attorney to the commissioner, and all other documents and filings required in connection with such application and for issuance of an original certificate of authority, if issued:

(A) domestic insurers	\$ 30.00
(B) foreign insurers	300.00
(ii) annual continuation of certificate of authority	300.00
(iii) reinstatement of certificate of authority	15.00
(b) articles of incorporation:	

XXXXXX
DO PASS

XXXXXXXXXX
DO NOT PASS

CONTINUED

Chairman.

Aaron S,

27

19

(i) filing original articles of incorporation of domestic insurer, exclusive of fees required to be paid by the corporation to the secretary of state	\$ 25.00
(ii) filing amendment of articles of incorporation, domestic and foreign insurers, exclusive of fees required to be paid to the secretary of state by a domestic corporation	10.00
(c) filing bylaws or amendment thereto where required	5.00
(d) filing annual statement of insurer, other than as part of application for original certificate of authority	25.00
(e) resident agent's license:	
(i) application for original license, including issuance of license, if issued (life and/or disability)	10.00
(ii) application for original license, including issuance of license, if issued (other than life and/or disability)	10.00
(iii) appointment of agent, each insurer	10.00
(iv) annual renewal, each insurer	10.00
(v) temporary license	10.00
(vi) amendment of license (excluding additions thereto) or reissuance of master license	10.00
(f) nonresident agent's license:	
(i) application for original license, including issuance of license, if issued (life and/or disability)	100.00
(ii) application for original license, including issuance of license, if issued (other than life and/or disability)	100.00
(iii) appointment of agent, each insurer	10.00
(iv) annual renewal, each insurer	20.00
(v) amendment of license (excluding additions thereto) or reissuance of master license	10.00
(g) solicitor's license:	
(i) application for original license, including issuance of license, if issued	5.00
(ii) annual renewal of license	5.00
(iii) examination for license as agent or solicitor, each examination	10.00
(h) surplus line agent's license:	
(i) application for original license and for issuance of license, if issued	25.00
(ii) annual renewal of license	25.00
(i) adjuster's license:	
(i) application for original license and for issuance of license, if issued	10.00
(ii) annual renewal of license	10.00
(k) insurance vending machine license, each machine, each year	10.00
(l) commissioner's certificate under seal (except when on certificates of authority or licenses)	1.00
(m) copies of documents on file in the commissioner's office, per page	.00
(n) policy forms:	
(i) filing each policy form	15.00
(ii) filing each application, rider, endorsement, amendment, insert page, schedule of rates, and description of risks	10.00
(iii) maximum charge if policy and all forms submitted at one time or resubmitted for approval within 180 days	50.00

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(3) The commissioner shall promptly deposit with the state treasurer to the credit of the general fund of this state all fines and penalties and those amounts received pursuant to 33-2-311, 33-2-705, and 33-2-706, and any fees and examination and miscellaneous charges received pursuant to [sections 1 through 14] that are collected by him pursuant to Title 33 and the rules adopted thereunder.

(3) All fees are considered fully earned when received. In the event of overpayment, only those amounts in excess of \$10 will be refunded.

(4) All fees and examination and miscellaneous charges, except fines or penalties or those amounts received pursuant to 33-2-311, 33-2-705, or 33-2-706, collected by the commissioner pursuant to Title 33 and the rules adopted thereunder must be deposited in the insurance regulatory trust account pursuant to 17-2-121 through 17-2-123. "H

Resubmit: subsequent sections

4. Insert: "NEW SECTION." preceding "Section" in the following locations:

- Page 1, lines 10 and 15.
- Page 7, line 14.
- Page 8, line 4
- Page 12, lines 14 and 25.
- Page 13, lines 4 and 19.
- Page 15, lines 5 and 17.
- Page 16, lines 8, 13, and 20.
- Page 17, lines 2, 7, 11, and 17.

AND AS AMENDED,

BE CONCURRED IN

STATEMENT OF INTENT ADOPTED AND ATTACHED

Rolstad
.....
Senator Rolstad, CHAIRMAN

March 5, 1987

MR. PRESIDENT:

WE, YOUR COMMITTEE ON BUSINESS AND INDUSTRY HAVING HAD
UNDER CONSIDERATION HOUSE BILL NO. 439, ATTACH THE FOLLOWING
STATEMENT OF INTENT:

50th Legislature

LC 1042/si

STATEMENT OF INTENT
HB BILL NO. 439

A statement of intent is required for this bill because section 14 authorizes the commissioner of insurance of the state of Montana to make and amend reasonable rules relating to risk retention groups and purchasing groups as may be necessary or desirable to carry out the provisions of the bill. The legislature intends that the rules, which the commissioner adopts to implement this bill, be designed principally to protect Montana insurance consumers while making liability insurance more available in this state. The legislature further intends that the commissioner adopt those rules in accordance with 33-1-313, MCA, which grants the commissioner general rulemaking authority and which permits the commissioner:

- (1) to make only reasonable rules that do not extend, modify, or conflict with any law of this state or with any reasonable implication of those laws; and
- (2) to make or amend those rules only after a hearing of which notice has been given as required by 33-1-703, MCA.