

MINUTES OF THE MEETING  
BUSINESS & INDUSTRY COMMITTEE  
MONTANA STATE SENATE

March 11, 1987

The thirty-second meeting of the Business and Industry Committee was called to order by Chairman Allen C. Kolstad at 10:06 a.m. on March 11, 1987 in Room 410 of the Capitol.

ROLL CALL: All committee members were present.

CONSIDERATION OF HOUSE BILL NO. 94: Rep. Clyde Smith, House District 5, Kalispell, chief sponsor, said the bill makes it optional for the state workers' compensation fund to be a member of a rating organization. Presently, the fund must belong to such an organization and this merely makes it optional.

PROPONENTS: Jim Murphy, Bureau Chief for the State Fund, said the division supports HB 94 and explained his written testimony which is attached. (EXHIBIT 1) He explained that the National Council on Compensation Insurance, to which they belong, adjusts premiums to policyholders based on their actual experience and they do this for, not only the State Fund, but for all insurance carriers in the state of Montana and many other states. The State Fund is required to belong to this NCCI at the present time. He said they have been experiencing some problems in obtaining the experience mod factors on a timely basis and may have problems in the future getting experience mod factors, because of the rate structure here, which truly represent the experience of the policyholders. He urged passage of HB 94 which would give them the flexibility to deal with any problems in the future before a crisis and they would be unable to act because of current statutory language.

Keith Olson, Executive Director of the Montana Logging Association, said that as a result of this, private carriers have quit writing workers' compensation in the state of Montana, those customers have had to go to the State Fund for coverage and that Fund has to obtain from NCCI an experience modification for those people. As much as a year after going to the State Fund from the private sector, some of their members, received experience mods that were back dated to the first of each fiscal year. On December 23 of 1986, one of the members received an experience mod of 1.48, effective July 1, 1986 which gave him an unfunded premium of \$23,000 which he suddenly owed the state. This has happened several times since, he said. He said they believed this legislation would help the state put their clients on a proper operating schedule much quicker.

OPPONENTS: There were no opponents.

DISCUSSION OF HOUSE BILL NO. 94: Chairman Kolstad called for questions from the committee. Sen. Boylan asked if this would be contracted out, done in-house and how much did it cost to obtain this information. Mr. Murphy said that presently they

get this information from NCCI and they are assessed a portion, based on premiums, of NCCI's costs just like any other insurance carrier and that has run in excess of \$200,000. He said they had no intention, at that point, of withdrawing from NCCI, but with this bill, if they see ways to obtain those services cheaper, they would have the flexibility to do so.

Sen. Williams asked if NCCI was the only rating organization in the U.S. Mr. Murphy replied that NCCI is pretty much the only rating organization in workers' compensation.

Sen. Boylan asked if this was only for people covered under the State Funds. Mr. Murphy replied that it was not.

Mr. Murphy said as far as establishing rates, by Montana law, they can establish their own rates. By law, now, they are required to belong to NCCI which provides experience mods, classification code system and other services. The \$200,000 is an administrative cost; that is the cost to belong to their organization but it would have an effect on the rates if they could do it cheaper.

There being no further questions, Rep. Smith closed on HB 94. He asked that the committee give a favorable recommendation and, if so, Sen. Thayer would carry it.

CONSIDERATION OF HOUSE BILL NO. 505: Rep. William "Red" Menahan, House District 67, Anaconda, sponsor, said the bill amends the training and examination requirements for licensed acupuncturists. It provides that an applicant for licensure must be a graduate of a school of acupuncture approved by the American Medical Association that offers a course of at least 1,000 hours of training. The bill also provides that an applicant must pass an examination administered by the board or by the national certification commission. He stated there were proponents present to testify for the bill.

PROPONENTS: Dr. Morris Hamill, President and Executive Secretary of the Montana Board of Medical Examiners, said HB 505 was an update for licensing and certifying acupuncturists in the state of Montana which is under the board of medical examiners. The bill allows the board to increase the training hours and also gives more flexibility to accept the national certifying exams, that are being developed, which would be of great value to the board rather than having to administer a state examination. He asked the committee to approve HB 505.

Annie Bartos, Registered Nurse and attorney from Helena, representing the Montana Medical Association, said they supported HB 505. She said there were two acupuncturists that testified before the House committee and stated their support of the bill.

OPPONENTS: There were no opponents.

DISCUSSION OF HOUSE BILL NO. 505: Chairman Kolstad called for questions from the committee members. Sen. Walker asked what the hour requirements were at the present time. Dr. Hamill replied that was 100 hours and that would be increased to 1,000. Sen. Walker asked if there had been any problems brought before the board. Dr. Hamill said they were requiring it at the present time with a rule change - they have been requiring 1,000 hours the past year. That was the recommendation of the national certifying organization.

Sen. Neuman asked if there were any acupuncturists on the board of medical examiners and Dr. Hamill said there were not. Sen. Neuman then questioned how many applications had been rejected for licensure. Dr. Hamill said to his knowledge, the applicants that had taken the state examination have been certified and licensed; none have been refused. The board, in all its licensees, accepts the national examination and they feel the national board is more capable of providing the examination to cover the subject area more adequately.

There being no further questions, Rep. Menahan closed his presentation, stating that this is being done by rule at the present time and urged the committee's support of the bill.

CONSIDERATION OF HOUSE BILL NO. 449: Rep. Bob Marks, House District 75, Clancy, chief sponsor, said the bill would allow portions of the state's retirement funds to be invested in venture capital under the prudent person rule. Under the prudent expert rule the board of investments is urged to invest up to 3% of the retirement funds in venture capital companies. When possible, they should be companies showing an interest in investing in Montana.

PROPOSERS: Sam Hubbard, Executive Director of the Science and Technology Alliance, said their board of directors passed a resolution at their October meeting encouraging the board of investments to place a portion of the pension funds with venture capital companies for two reasons. (1) They felt it made good sense as an investment opportunity as the returns are 20-25% on the investment portfolio and, in some cases, it has been known to be higher. It also provides an opportunity to diversify a portfolio, particularly for a pension fund. He said that twenty-one other states have invested pension funds in venture capital companies and their commitments range from 1-5%. (2) The second reason is an economic development reason. Some companies, once they get beyond the seed stage but before they get to the point where they can support themselves, may need additional venture capital in usually much larger amounts than any typical seed fund in Montana could provide. They felt if the board were to place money with venture funds, this would significantly increase their interest in looking at Montana. He said they liked the form of the bill, as drafted, since it would give the board of investments the ability to exercise the

prudent person rule to make careful consideration of any investments in this area that it would see fit.

James Hughes, representing U.S. West, a current company of Mountain Bell, said U.S. West had about \$4.5 million pension fund, of which about 3% is allocated for this type of investment in venture capital. They feel the risk is no greater than the possibility of changes in the stock market or interest rates. They are currently invested in about 36 partnerships and have made about 47 direct company investments, 10 companies per partnerships which means they will be investing in over 350 new companies, assuming there is no overlap. Over half of the available funds now for venture capital are coming from the public sector. He said they felt this was a prudent idea and supported passage of the bill.

Dick Bourke, President of the Development Corporation of Montana, said they wished to be on record as supporting this bill. He said this can be a prudent investment and the board does have the ability and the staff and direction to make investments in this area. He also reiterated that 20 states now have venture capital investments with their public pension funds. He said if they could put some money in out of state firms they could build some bridges that could be important to this state.

Don Ingels, Montana Chamber of Commerce, said they would like to go on record supporting HB 449.

OPPONENTS: There were no opponents.

DISCUSSION OF HOUSE BILL NO. 449: Chairman Kolstad called for questions from the committee. Sen. Walker asked what 3% would do to the unfunded accrued liability picture. David Senn, who used to be with PERS and currently administrator of the teachers' retirement system, said it wouldn't do anything to the unfunded liability. The venture capital offers an opportunity to earn substantially more on an investment than they are currently earning. The teachers' retirement system has a member on the board of investments, as does PERS, and they believe those members will serve in the best interests of the retirement systems. He said they had taken no position on the bill, however.

Sen. Walker asked Rep. Marks what guarantee there would be that the money would be back in and the guaranteed interest under the venture capital program. Rep. Marks said it would be the same guarantee as in any investment and many of the investments currently made by the board are not guaranteed. There is a risk in any investments, however, there is a risk in under-investing, he said.

Sen. Walker asked Mr. Hubbard what kind of success ratio would they be looking at. Mr. Hubbard replied they had invested, so

far, in 10 companies and at the moment all of them appear to be healthy and basically on schedule.

Sen. Walker asked if this money could be used anywhere; it doesn't have to be used in Montana. Rep. Marks said it could be invested in any capital companies anyplace. The advantage is that it gets money in from out of state in interest earned.

Sen. Neuman asked Mr. Howeth of the Board of Investments, under their current structure, if they had staff enough to assess these types of investments. Mr. Howeth said their staff is currently somewhat overburdened but the merger of those two boards would alleviate some of those problems. Sen. Neuman then asked if those two boards weren't merged, would they have a difficult time assessing the investments they would make under this bill. Mr. Howeth replied that was correct.

Sen. Neuman said it had been his experience that those members from the retirement systems were the most conservative members of the board and asked Rep. Marks if he had discussed this with them and were they in support of this. Rep. Marks responded that it had been discussed with a couple of them and there seemed to be a difference of opinion on it; one of them didn't understand the bill and the other one did understand the bill and expressed support for it, however, none of them were present to support or oppose the bill. Rep. Marks said the worst investment the board could make would be the one that doesn't earn as much money as they could get elsewhere.

There being no further questions, Rep. Marks. closed on HB 449.

CONSIDERATION OF HOUSE BILL NO. 443: Rep. Dick Corne', House District 77, Bozeman, sponsor, said the bill generally amends the laws relating to the licensure of psychologists. It re-defines the practice of psychology, clarifies the educational qualifications for psychologists, reduces the work experience required for reexamination, and defines psychologists as health care providers. The bill provides that an applicant for licensure must have a doctorate degree in psychology. Presently, an applicant who has a doctorate degree based on a program of studies "primarily psychological in content" may be licensed.

PROPOSERS: Dr. Arthur Beaman, Chairman of the Board of Psychologists and on the faculty on the Department of Psychology at the UofM, Missoula, supported HB 443 and submitted his written testimony. (EXHIBIT 2)

OPPOSERS: There were no opponents.

DISCUSSION OF HOUSE BILL NO. 443: Chairman Kolstad called for questions from the committee members. Sen. Walker asked Dr. Beaman why there was a reduction in the experience required for reexamination. Dr. Beaman said they thought two years was a

long time to wait after failing the test twice. That would mean he would have to work under supervision for two years.

There being no further questions from the committee, Rep. Corne' closed on the bill, stating that if the committee concurred in the bill, Sen. Hager would be willing to carry it in the Senate.

The hearing was closed on HB 443.

DISPOSITION OF HOUSE BILL NO. 443: Sen. Williams MOVED HB 443 BE CONCURRED IN, seconded by Sen. Walker, with the Statement of Intent. However, Ms. McCue said she had a problem with the Statement of Intent in that it appeared to be just statements of fact and the purpose of the statement is to give some directive as to what kind of rules are needed. Therefore, she felt there should be some language added defining unprofessional conduct. She asked the committee for their feeling. She felt they should contact the sponsor to see if there was some directive he would like to put in the statement or if he was satisfied with it as it is.

Chairman Kolstad asked if there could be a simple statement added to the end of the statement of intent to make it a little more complete. Ms. McCue said that would be possible and she didn't think it satisfied the requirement of a statement of intent as it is now. It contains nothing as to the rulemaking. She said if they could tell her what kind of rules they wanted, she could put it into the proper verbage.

Dr. Beaman said there is already concern in the law regarding alcohol abuse and drug abuse as unprofessional conduct. Ms. McCue said perhaps a statement could be added saying that these rules should follow what they are using now and asked Dr. Beaman to advise her on those rules.

Sen. Neuman asked if this, in any way, expanded the third party payment and Dr. Beaman said currently, a psychologist licensed in the state, does have third party reimbursement - nothing would change in that area.

The question being called, the MOTION CARRIED UNANIMOUSLY.

DISPOSITION OF HOUSE BILL NO. 569: Sen. Walker MOVED HB 569 BE CONCURRED IN, seconded by Sen. Meyer. The MOTION CARRIED UNANIMOUSLY.

DISCUSSION OF HOUSE BILL NO. 240: Chairman Kolstad inquired of Ms. McCue if she had done anything on HB 240. Amendments were proposed by Carl England to which Mr. Drake was adamantly opposed. Sen. Walker commented that this was covered in other sections of the bill, according to Mr. Robischon at the hearing, and therefore, the amendment was not needed. He had no problem with the bill as written.

Sen. Thayer said that the Rep. Thomas had contacted him and he was against the amendments.

Chairman Kolstad asked the committee members to discuss the amendments with Rep. Thomas before action is taken on the bill. It was felt it was a very important bill to the industry and the committee wanted to do what was right with the bill. Executive action was delayed until March 12, 1987.

DISPOSITION OF HOUSE BILL NO. 362: This bill, by Rep. Glaser, was opposed by the Contractors Association, according to Chairman Kolstad. Sen. Thayer MOVED HB 362, BE NOT CONCURRED IN, seconded by Sen. Boylan.

Sen. Thayer, speaking on the motion, said the way the bill was written there were some real problems with the bill. He felt somebody could demand progress payment even though they hadn't fulfilled the requirements of the lien releases. Another thing that was important and was pointed out in the testimony was that these people have the opportunity to address all of this in their subcontracts anyway.

Sen. Walker stated that there are not a lot of contractual agreements involved in most cases. It is not really the policy in most cases, he told Sen. Thayer.

Sen. Williams felt that if the bill were to pass the contractor would require the subcontractor to have a bond for everything. Chairman Kolstad said it seemed that it would get very involved. It was brought out that it is quite costly to get a bond and sometimes impossible. Sen. Williams said if the general contractor had to live by this law, he would make sure that the subcontractor had a bond.

The question being called, the MOTION to Be Not Concurred In CARRIED, with Sens. Walker and Neuman voting "no".

Ms. McCue pointed out to the committee that if this bill would happen to be revived, there were a couple of technical problems that would require amendments. The statutes that were mentioned were going to be repealed in the mechanics' lien bill, which had passed the Senate and was to be heard in the House on March 12th and that bill is expected to pass - the big revision of the mechanics' lien law that came out of the interim committee.

Discussion was held concerning laying the bill on the table and Chairman Kolstad felt the amendments should be adopted before the bill is laid on the table.

Sen. Thayer MOVED RECONSIDERATION OF HB 362, seconded by Sen. Boylan. The MOTION CARRIED UNANIMOUSLY.

RECONSIDERATION OF HOUSE BILL NO. 362: Sen. Thayer MOVED THE

ADOPTION OF THE AMENDMENTS, referred to by Ms. McCue and she was instructed to draft the proper language. The motion was seconded by Sen. Boylan. The MOTION CARRIED with Sen. Hager voting "no".

Sen. Thayer then MOVED HB 362 BE LAID ON THE TABLE, AS AMENDED, seconded by Sen. Boylan. The MOTION CARRIED UNANIMOUSLY.

DISPOSITION OF HOUSE BILL NO. 505: Sen. Weeding asked how long the acupuncturists have been legal and the answer was 1978. Sen. Neuman said it was 1981 because it was when he was in the legislature.

Sen. Walker MOVED HB 505 BE CONCURRED IN, seconded by Sen. Meyer. The MOTION CARRIED UNANIMOUSLY.

DISPOSITION OF HOUSE BILL NO. 94: Sen. Thayer MOVED HB 94 BE CONCURRED IN, seconded by Sen. Williams. The MOTION CARRIED UNANIMOUSLY.

DISPOSITION OF HOUSE BILL NO. 449: Sen. Williams MOVED HB 449 BE CONCURRED IN, seconded by Sen. Boylan. Sen. Neuman said he agreed with the bill but Rep. Marks needed to do some work with Sen. Hims1, and some other people, and asked that the bill be held in committee for a day or two. Chairman Kolstad agreed with Sen. Neuman's suggestion, therefore, the bill will be held and the motion was not voted on.

The secretary distributed EXHIBIT 3 to the committee members concerning HB 417, which was a letter and proposed amendments by Patrick E. Melby, Helena.

The next meeting of the Business and Industry Committee was announced for March 12, 1987.

There being no further business, the meeting was adjourned at 11:19 a.m.

  
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SEN. ALLEN C. KOLSTAD, CHAIRMAN



ROLL CALL

*Business & Industry* COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date 3/11/87

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.

## VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
ANNIE BARTOS + Zander	MONTANA MEDICAL ASSO	HB 505	✓	
Don Ingels	Mont Chamber of Commerce	HB 449	✓	
M. J. Hammill	Montana Board Med Exam	HB 505	✓	
Sam Husband	Science & Technology All.	HB 449	✓	
Jim Murphy	Div. Workers Comp State Insd	HB 94	✓	
DICK BOYKIN	GEN COUNCIL OF MT	HB 449	✓	
Jim Hoffman	MONT. BELL	HB 449	✓	
Teresa Selge	Board of Psychologists <del>Montana Council of A.D.A.</del>	HB 443	✓	
Arthur & Beamon	Board of Psychologists	HB 443	✓	
Jim Hewitt	Board of Econ.	HB 449		

3/11/87HB 94Testimony HB94

The State Compensation Insurance Fund (SCIF) and the Division of Workers' Compensation supports HB94.

Current law requires SCIF to be member in a national rating organization. We belong to the National Council on Compensation Insurance (NCCI). NCCI performs required services for SCIF such as:

1. NCCI calculates the experience modification factors for all SCIF policyholders and in fact provides this same service for all insurance carriers. Experience mod factors adjust policy holders premium based on each policyholders actual accident experience measured against a standard of expected loss experience. We submit payroll premium and accident data to NCCI for qualified policyholders and using actuarial formulas NCCI prepares the factors.
2. SCIF also adapts the NCCI class code system for use in Montana by our policyholders. For the most part, we use the NCCI class code numbers and descriptions which are used by other carriers in Montana and in many other states. The class codes are the four digit numbers where policyholders classify their payroll for premium calculation purpose. For example, 8810 - is the secretary code, 2702 - logging, etc.
3. NCCI also provides assistance in determining which type of business or occupation should be classified in which of the 400 plus

class codes. They do this by telephone with our staff and by on-site inspections at the policyholders place of business.

HB94 merely provides SCIF the flexibility to manage its operation. We have no intention of dropping our membership in NCCI, because the services provided are required to better serve our policyholders.

However, if the time comes where we can obtain these services at less cost, or if NCCI cannot provide proper services in a timely manner, we must be able to change without having to wait and get the law changed in the next session. If we have to wait we will not be providing adequate and proper services to Montana employers.

Frankly, we are presently experiencing some problems in obtaining experience mod factors on a timely basis and because of the differences in our rate structure, we may have a problem in the future in getting experience mod factors which truly represent the experience of our policyholders. The SCIF and NCCI have been working for the past several months attempting to resolve some of these problems and we have made progress and our intention is to find solutions so our policyholders are provided proper services. Nevertheless, I would recommend the passage of HB94 so we have the flexibility to deal with any problems in the future before a crisis develops and we are unable to act because of the current statutory language.

Submitted by

James J. Murphy, Bureau Chief  
State Compensation Insurance Fund

SENATE BUSINESS & INDUSTRY  
EXHIBIT NO. 1  
DATE 3-11-87  
BILL NO. H.B. 443

TESTIMONY TO THE SENATE  
STANDING COMMITTEE  
BUSINESS AND INDUSTRY

March 11, 1987  
Arthur L. Beaman, Ph.D.  
Professor of Social Psychology  
University of Montana  
Chairman: Board of Psychologists

Mr. Chairman, members of the committee, my name is Dr. Arthur Beaman. I am the Chair of the Board of Psychologists and am on the faculty on the Department of Psychology at the University of Montana. This is my third year on the board and, as you know, the board is concerned with the protection of the public. When a person represents herself or himself as a psychologist the public has a right to know that the title implies some minimal level of training and competence. Additionally the board must evaluate credentials, administer the national licensing examination, and process complaints made against licensed psychologists.

The proposed revision in our law follows advice from our lawyer to produce consistency with other Montana licensing laws. Also protection is provided so complainants are protected from liability facilitating objective and fair disposition of ethical complaints.

The revision also represents an attempt by the board to assist and facilitate the licensed professionals by updating the section of the practice of psychology. The changes produce consistency with other state laws by adopting the national suggested statement of the practice of psychology. The change maintains currency in the description of contemporary psychology practice. The statement reflects activities that psychologists now do - activities pertaining to other professional groups are unaffected and no extension beyond current endeavors are made. This change also keeps Montana abreast of national considerations so our licensed psychologists may benefit by qualifying for licensure by reciprocity in other states.

Ever since Montana's passage of the first licensing bill for psychologists in the early 1970's there has been ambiguities in interpreting the educational requirements. For example I am a social psychologist and am not trained to provide clinical mental health services to the public. I do publish research in the related areas of social and personality. Yet I needed to become licensed in 1978 in order to perform a consulting job for which I was qualified because our law seemed to apply to all psychologists. We on the board spend a large amount of time evaluating credentials and corresponding with persons who wonder whether they qualify for licensure. We wish to improve the clarity of our law to remove some ambiguity while maintaining the current standards and the current spirit of the law.

EXHIBIT NO. 2DATE 3-11-87BILL NO. H.B. 443

The subspecialty in psychology that trains persons to provide therapeutic services is called clinical psychology. The change in our law maintains the educational level at the doctoral level but more clearly indicates that it pertains to clinical psychology. As research provides new knowledge and new techniques, and therefore new training needs, the American Psychological Association updates requirements which university programs must meet in order to be approved. Our bill refers to these APA standards thus avoiding the necessity of revising our bill every time improvements in the field require alterations in educational programs.

Additionally<sup>since</sup> our current bill became law APA has clearly stated methods whereby a doctoral level nonclinical psychologists may be retrained in clinical psychology. We have included in our proposed revision a section incorporating this so that persons so trained will be able to take the examination for licensure.

Lastly, persons who have appropriate training but have received that training in a nontraditional program or a program in the process of being approved by APA may qualify for licensure by demonstrating they have acceptable educational preparation as referred to in the revised law.

The board strongly feels that passing this bill will profit potential applicants by adding clarity, will reduce unnecessary efforts made by the board in attempting to clarify the requirements on a case by case basis. Of most importance is maintaining standards so the public will be protected and may be assured that anyone representing him or herself as a psychologist has the required credentials.

Thank you.

# LUXAN & MURFITT

ATTORNEYS AT LAW

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MICHAEL J. MULRONEY  
GARY L. DAVIS  
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DALE E. REAGOR  
PATRICK E. MELBY  
MICHAEL J. RIELEY  
JACK M. MCLEAN

SENATE BUSINESS & INDUSTRY

EXHIBIT NO. 3

DATE 3-11-87

BILL NO. HB 417

March 10, 1987

## HAND DELIVERED

Sen. Alan Kolstad  
Chairman  
Senate Business and Industry  
Committee  
State Capitol  
Helena, MT 59620

Re: House Bill 417

Dear Senator Kolstad:

As requested by the committee yesterday at the hearing on the above mentioned bill, I have prepared an amendment as suggested by Northern School Supply and Johnson Controls. A copy of that amendment is attached to this letter.

Please be advised that I have drafted this amendment only as a courtesy to the committee and not because I or my client support it. In fact, I have serious concerns about including this amendment in House Bill 417. First of all it substantially changes the definition of resident for purposes of preferences in the awarding of public contracts. This is a substantial change to the preference laws which was not contemplated in the bill or its title. I am confident that, had the change in definition been included in the original bill, there would have been substantial opposition to it at the House and Senate hearings. For example, Senate Bill 117 introduced by Mike Halligan would have substantially changed the definition of resident as it relates to domestic corporations for preferences in the awarding of public contracts. This bill received so much opposition that a hearing was not even held on it.

Secondly, I think that the proposed amendment really goes beyond the scope of the title of House Bill 417 and essentially would allow for legislation without public notice and a hearing. I am concerned that including the amendment in House Bill 417 could subject House Bill 417 to a challenge under art. 5, § 11 of the Montana Constitution.

Sen. Alan Kolstad  
March 10, 1987  
Page Two

While I am not necessarily opposed to the concern of the gentlemen from Northern School Supply and Johnson Controls, I believe that the solution to their problem is an independent piece of legislation and not an amendment to this bill at this stage of the legislative process.

If you have any questions regarding this matter, please don't hesitate to contact me.

Sincerely,

PATRICK E. MELBY



for LUXAN & MURFITT

PEM/gv

Enc.

cc: Eric Schindler  
Mike Muszkiewicz  
Northern School Supply



SENATE BUSINESS & INDUSTRY  
EXHIBIT NO. 3  
DATE 3-11-87  
BILL NO. H. B. 417

PROPOSED AMENDMENT

HB 417 Third Reading (Blue) Copy

Page 5, Line 24:

Following: line 24

Insert: "(4) For purposes of 18-1-102(1), (b) only, and pursuant to rules adopted by the department, a foreign corporation, or subsidiary, affiliate or operating branch thereof, may be considered a resident by a public agency if it has conducted a bona fide business within the state for a period of not less than one year, maintains a place of business within the state by which it directly or indirectly pays property taxes, and employs on an annual basis the equivalent of ten bona fide residents of Montana as defined in 18-2-401."

Page 5, Line 25:

Delete: "(4)"

Insert: "(5)"

REPORT ON TABLED BILL WITH AMENDMENTS

SENATE BUSINESS AND INDUSTRY COMMITTEE

MARCH 11, 1987

HB362 PENALTY FOR BUILDING CONTRACTOR FAILING TO PAY SUBCON-  
TRACTOR PROMPTLY

EXECUTIVE ACTION ON HB362:

3/11/87 -- A motion by Senator Thayer and seconded by Senator  
Boylan that HB362 BE NOT CONCURRED IN passed with  
Senators Walker and Neuman voting NO.

3/11/87 -- A motion by Senator Thayer and seconded by Senator  
Boylan that HB362 be reconsidered passed unanimously.

3/11/87 -- A motion by Senator Thayer and seconded by Senator  
Boylan to adopt the amendments to HB362 passed. Sena-  
tor Hager voted NO.

3/11/87 -- A motion by Senator Thayer and seconded by Senator  
Boylan that HB362 be TABLED AS AMENDED passed unani-  
mously.

AMENDMENTS TO HB362 -- Third reading (blue) copy as adopted by  
the Business and Industry Committee on 3/11/87:

1. Page 1, lines 13 and 14.

Strike: "an owner as defined in 71-3-503"

Insert: "a contracting owner"

2. Page 1, line 18.

Strike: "71-3-501"

Insert: "this part"

3. Page 2, following line 5.

Insert: "Section 2. Codification instruction. Section 1 is  
intended to be codified as an integral part of Title 71,  
chapter 3, part 5, and the provisions of Title 71, chapter 3,  
part 5, apply to Section 1."

February 23, 1987

Business and Industry Committee  
% Montana Legislature  
Capitol Building  
Helena, Montana 59620

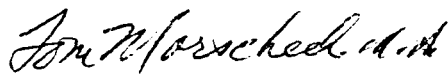
To: All Members of the Business and Industry Committee,

**I am writing to express my support of House Bill No. 443 as introduced by Assemblyman Dick Corne. I am particularly in favor of the proposed amendments to section 37-17-302; educational qualifications for licensure as a psychologist in Montana.**

As a private citizen, who is currently in clinical psychological training, with a preference to practise in my native Montana, I adjure you to vote "yes"; or marshall support with those who may vote, in order that amendments to section 37-17-302 might pass.

As I read the documents, the present amendments to section 37-17-302 would serve the best interest of the citizens of Montana by ensuring a common standard of excellence in the educational training of psychologists. These proposed educational qualifications for licensure would be consistent with accepted national standards (ie. American Psychological Association) without being exclusionary (ie. 37-17-302 (d)(iii)) of other quality training programs.

Sincerely,



Tom Morscheck, M.A.  
14120 Foster Road  
La Mirada, CA 90638

# STANDING COMMITTEE REPORT

MARCH 11, 19 87

MR. PRESIDENT

We, your committee on BUSINESS AND INDUSTRY

having had under consideration HOUSE BILL No. 94

THIRD reading copy ( BLUE )  
color

MAKE MEMBERSHIP IN RATING ORGANIZATION OPTIONAL FOR STATE WORKERS' COMP FUND

SMITH (THAYER)

Respectfully report as follows: That HOUSE BILL No. 94

BE CONCURRED IN

XXXXXX  
DO PASS

XXXXXXXXXX  
DO NOT PASS

SENATOR ALLEN C. KOLSTAD, Chairman.

# STANDING COMMITTEE REPORT

March 11, 1987

MR. PRESIDENT

We, your committee on BUSINESS AND INDUSTRY

having had under consideration HOUSE BILL No. 443

THIRD reading copy ( BLUE )  
color

**REVISING LAWS RELATING TO PRACTICE AND LICENSURE OF PSYCHOLOGY**

**CORNE ( WILLIAMS )**

Respectfully report as follows: That HOUSE BILL No. 443  
**be amended as follows:**

1. Statement of Intent, line 9.

Following: "licensees."

Insert: "Using the ethical standards of american psychological association as a guide, the board shall adopt rules consistent with its duty to protect the public's health, safety, and welfare."

AND AS AMENDED,  
BE CONCURRED IN

XXXXXXX  
DO PASS

XXXXXXXXX  
DO NOT PASS

SENATOR ALLEN C. KOLSTAD,

Chairman.

# STANDING COMMITTEE REPORT

MARCH 11, 1937

MR. PRESIDENT

We, your committee on BUSINESS AND INDUSTRY

having had under consideration HOUSE BILL No. 505

THIRD reading copy ( BLUE color )

REVISING ACUPUNCTURIST LICENSING REQUIREMENTS

MEWAHAN (KOLSTAD)

Respectfully report as follows: That HOUSE BILL No. 505

BE CONCURRED IN

~~XXXXXX~~  
DO PASS

~~XXXXXXXXXX~~  
DO NOT PASS

SENATOR ALLEN, C. KOLSTAD, Chairman.

# STANDING COMMITTEE REPORT

MARCH 11, 1987

MR. PRESIDENT

We, your committee on BUSINESS AND INDUSTRY

having had under consideration HOUSE BILL No. 569

THIRD reading copy ( BLUE )  
color

**EXPAND APPLICABILITY OF RESIDENCY DEFINITION USED IN PREFERENCE LAWS**

**GRADY (MC LANE)**

Respectfully report as follows: That HOUSE BILL No. 569

BE CONCURRED IN

~~XXXXXX~~  
DO PASS

~~XXXXXXXXXX~~  
DO NOT PASS

SENATOR ALLEN C. KOLSTAD,

Chairman.