

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT

Call to Order: By Bob Pavlovich, on January 12, 1989, at 9 a.m.

ROLL CALL

Members Present: All

Members Excused: None

Members Absent: None

Staff Present: Paul Verdon and Sue Pennington

Announcements/Discussion: There will be no hearing on HB 81, that has been withdrawn at the request of the sponsor.

EXECUTIVE SESSION ON HOUSE BILL 19

Discussion: Rep. Bachini stated that amendments were submitted by the sponsor, Rep. Swysgood, which everyone has a copy of. These amendments require that two-thirds of the board of directors must be residents of Montana and strikes the requirement that a director hold stock the company. At the subcommittee hearing, the Montana Independent Bankers argued that there should be an order that the directors be more responsible. The independent bankers feel that the director should hold some kind of stock within the company. The Montana Banker's amendment leaves it to the by-laws of that institution, some may require it, some may not require it. I did discuss with John Cadby just what the director's liabilities are. Directors are liable for their decisions and actions on their boards. Rep. Blotkamp and I both feel that the reinstatement of the two-thirds which was the major concern of this committee and with the responsibility here, we both concur with the amendment presented to us and we feel that with the by-laws and federal laws, securities laws, and antitrust laws that those people have to serve under, that a person serving as a bank director is going to be responsible without having to own stock in that bank. It is our recommendation that

the committee accept this with their approval.

Amendments and Votes: Rep. Bachini moved HB 19 as a DO PASS and moved the amendments as submitted by Rep. Swysgood of which you have a copy be passed. He has already explained what the amendments do. Amendments passed unanimously.

Recommendation and Vote: HB 19 passed as amended unanimously.

HEARING ON HOUSE BILL 94

Presentation and Opening Statement by Sponsor: Rep. Bob Gilbert stated that this bill allows entities in the state of Montana with more than 100 vehicles to register them at a central point, through the Registrar of Motor Vehicles in Helena, rather than going to the numerous courthouses throughout the state. By doing this they will have one individual making the application here in Helena, there will be a \$7.50 fee charged that the state will retain for administration, there will be a \$3.00 fee that will go back to the counties and go into their fund, the taxes will go to the county, no loss of taxes whatsoever. This will eliminate a lot of time and paper work on behave of the corporations as well as the counties.

List of Testifying Proponents and What Group They Represent:

Gene Phillips, Pacific Power and Light Co.,
Northwestern Telephone Systems
Gene Pidgeon, MDU Resources
Karla Gray, MPC
Tom McGree, US West

List of Testifying Opponents and What Group They Represent:

None

Testimony: Gene Pidgeon stated that with over 200 vehicles in their eastern Montana service territories and the number of counties they have to cover, this is a good bill and they support it.

Karla Gray stated that Montana Power Co. has in excess of 950 vehicles registered throughout the state of Montana. This is a great bill for them and they support it.

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Questions From Committee Members: Rep. Thomas asked Rep. Gilbert if the bill made any basic change in revenue. He assumed there was none by no opposition. Rep. Gilbert stated that the only change is now that the counties do charge a registration fee, that fee will now be taken by the state and the difference is for that fee the counties have to do a certain amount of registering and that fee was basically an administrative fee, the state will be doing that now. The tax dollars will be exactly as they were. Rep. Thomas asked if those vehicles will be licensed in that county or will they just be licensed in Helena? Rep. Gilbert stated that the vehicles will be licensed in that county, with that county's plates.

Rep. Glaser asked Rep. Gilbert how the tax dollar would be distributed? In Section 3, page 3, line 6 talks about the charges for registration and on line 15 the money must be distributed by the department.

Rep. Simon asked Rep. Gilbert how the plate was to be delivered to the individual companies. The vehicles we are talking about have plates on them, we haven't had new plates since 1976. The plates won't change, when they are registered they will be given a sticker, the company will pick up the sticker when they register at the Motor Vehicles, the department will mail them to the company offices and the company will affix the sticker to the proper vehicles.

Rep. Wallin asked Rep. Gilbert if we were talking about renewing or plates issued for the first time. Sonny Frickle of the GVW answered that the plates with the correct prefix will be furnished by the counties right in their office and there are a lot of counties that do not have vehicles domiciled in them. The company will be issued the correct plate for the county in which the vehicle is domiciled.

Bob Robinson, Administrator of the Motor Vehicles Division, stated that his understanding after talking with Bud Schoen, who is the registrar, all of the licenses will be issued from the GVW, division of the highway department, and we will supply them with a

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number of plates and the tabs to correspond with the demand that they anticipate after being informed by the fleets. The key thing is to make sure that the taxes go back to the appropriate counties. It is our understanding that they have the computer system set with everybody's mill levies and allocated by school district, city, county and the whole thing. The money will go back to the correct county as well as the license plate reflecting the appropriate county.

Rep. Simon asked that when working on the amendment for this bill that it is for renewal rather than initial licensing. I think that will solve Rep. Wallin's problem.

Closing by Sponsor: Rep. Gilbert stated that HB 94 is a convenience bill, it may save some money for the fleets but not hardly. We try to make life for our citizens as easy as we can, often times we don't. This is a bill that does. We are trying to make things better for the citizens of the state the taxpayers. There will be no loss to any county, they will get their money. This is a simple bill which allows these corporations to do this. The amendment does need some work on it, and I ask that you pass the bill.

DISPOSITION OF HOUSE BILL 94

Motion: None

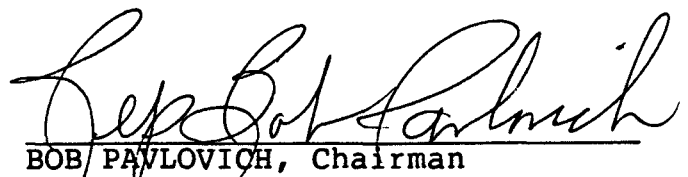
Discussion: We will meet on Tuesday, January 17, 1989 to finish this bill.

Amendments and Votes: None

Recommendation and Vote: None

ADJOURNMENT

Adjournment At: 9:45 a.m.


BOB PAVLOVICH, Chairman

PB/sp
1003.min

DAILY ROLL CALL

BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE

51th LEGISLATIVE SESSION -- 1989

Date 01 12 89

NAME	PRESENT	ABSENT	EXCUSED
PAVLOVICH, BOB	X		
DeMARS, GENE	X		
BACHINI, BOB	X		
BLOTKAMP, ROB	X		
HANSEN, STELLA JEAN	X		
JOHNSON, JOHN	X		
KILPATRICK, TOM	X		
McCORMICK, LLOYD "MAC"	X		
STEPPLER, DON	X		
GLASER, BILL	X		
KELLER, VERNON	X		
NELSON, THOMAS	X		
SIMON, BRUCE	X		
SMITH, CLYDE	X		
THOMAS, FRED	X		
WALLIN, NORM	X		
PAUL VERDON	X		

ROLL CALL VOTE

BUSINESS & ECONOMIC DEVELOPMENT

COMMITTEE

DATE 1/17 BILL NO. HB 19 NUMBER 1

[illegible]

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16

Sue Pennington
Secretary

Bob Paylovich
Chairman

MOTION: Motion was made to pass as amended.

STANDING COMMITTEE REPORT

January 12, 1989

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Mr. Speaker: We, the committee on Business and Economic Development report that HOUSE BILL 19 (first reading copy -- white) do pass as amended .

Signed: Robert Pavlovich
Robert Pavlovich, Chairman

And that such amendments to HOUSE BILL 19 read as follows:

1. Title, line 5.

Following: "STOCKHOLDERS"

Strike: the remainder of line 5 and line 6 through "STATE"

2. Page 1, line 17.

Following: "~~estate~~"

Insert: ", of whom at least two-thirds must be residents of Montana"

3. Page 1, line 17.

Following: " be"

Strike: the remainder of line 17 and line 18 through "or"

Amendments to House Bill No. 19
First Reading Copy

Requested by Representative Swysgood
For the Committee on Business and Economic Development

Prepared by Paul Verdon
January 5, 1989

1. Title, line 5.

Following: "STOCKHOLDERS"

Strike: the remainder of line 5 and line 6 through "STATE"

2. Page 1, line 17.

Following: "~~state~~"

Insert: ", of whom at least two-thirds must be residents of
Montana"

3. Page 1, line 17.

Following: " be"

Strike: the remainder of line 17 and line 18 through "or"

Business & Economic Dev. COMMITTEE

DATE 1/12/89

[illegible]

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.