

## MINUTES

### MONTANA HOUSE OF REPRESENTATIVES 51st LEGISLATURE - REGULAR SESSION

#### COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT

Call to Order: By Bob Pavlovich, on January 23, 1989, at  
10:30 a.m.

#### ROLL CALL

Members Present: All with the exception of:

Members Excused: None

Members Absent: Rep. Blotkamp

Staff Present: Paul Verdon and Sue Pennington

Announcements/Discussion: None

#### HEARING ON HOUSE BILL 240

Presentation and Opening Statement by Sponsor: John Vincent, House District 80. The amount of money in the bill is fairly small, and it must be matched by the private sector if it is to be spent at all. We need to put the problems and suggestions of the Montana business in the spotlight once a year, out in the open where everybody can participate in order to create the kind of partnership between government and business that I think we need to solve some of the problems we have, to develop sound policies for business and for a good sound economic development strategy. We have state of state speeches, we have state of judiciary speeches, we don't have state of business speech. An annual conference on the state of business in Montana would be a positive thing that would promote the partnership that I addressed. It would be entirely up to the department of commerce to put the program together working hand in hand with businesses in the state. There are no restrictions, and not even a provision in this bill relative to communication between the department and the house and senate. So the department of commerce may put together a solid program that would address issues of common concern to business and government in Montana to improve the situation for business in our state. The conference could be put together so that businesses could address problems associated with workers' comp and to address new strategies in economic development so that it is multi-faceted. There are any number of things that business might be concerned with, they would be

obviously playing a significant part in putting the program together. The bill calls for the appropriation of \$5,000 in fiscal year 1990, and \$5,000 in fiscal year 1991, and if that amount is matched or any amount up to that is matched, then that total amount would be dedicated towards putting on the conference. The department of commerce could decide what to use that money for. A very small investment would benefit business and improve relations between business and government in Montana.

List of Testifying Proponents and What Group They Represent:

F. H. "Buck" Boles, Montana Chamber of Commerce, Helena  
Mike Pichette, Montana Power Company, Helena  
Bill Leary, Montana Banker's Assoc., Helena

List of Testifying Opponents and What Group They Represent:

None

Testimony: Mr. Boles said that in past years when conferences and programs were put on by government, the university system, or members of the congressional delegation, they usually had in mind pretty well what they wanted to do, and they asked the business community to help fund it. If the private sector is called on to grant this money, then the private sector should have a strong hand in what the program consists of. The bill calls for all persons and entities with any interest at all in the economy be included, this is a tall order. By and large this is a good idea and he supports the bill.

Mr. Leary stated that his association is in full support of this bill. They do feel it is extremely important that mainstreet business be involved to the fullest degree possible. Since banking is a key element of the success or failure of businesses in various communities across the state in terms of economic development, we do support this bill.

Mr. Pichette favors this bill.

Questions From Committee Members: Rep. Pavlovich said that the bill would have to go to Appropriations Committee. We won't need a fiscal note.

Rep. Thomas asked Rep. Vincent if in Section 2 (2) if we have a charge to attend this conference, and that would be from a private source, could that be construed as part of a match 5-10 and I paid \$50 for the 10,

could that be construed as part of the match? Wouldn't that be what we would direct in the future so that this can be readily done instead of going out and asking all these corporations for a match that some of the fees and dues to attend would go towards this match also. Would you agree. Rep. Vincent said he would have no objection to this. Most of the time, as with the Supercollider, the donation is up front, rather than collecting it at the door. He isn't sure, but thinks it would be possible to work something out like this. He prefers to leave this up the director of the department of commerce to determine if this is a good approach.

Rep. Simon asked if the private sector could be included in the planning stage. Rep. Vincent had no objections to the insertion of the word "planning".

Closing by Sponsor: Rep. Vincent closed.

#### DISPOSITION OF HOUSE BILL 240

Motion: Rep. Thomas moved a DO PASS. Rep. Simon moved an amendment be made.

Discussion: Rep. Simon wondered if it was appropriate to insert planning in the bill in Section 1(2). Paul Verdon, committee researcher, thought it would be best to insert "in the planning of and" on page 1, line 21.

Amendments and Votes: The amendment to HB 240 passed unanimously.

Recommendation and Vote: HB 240 passed as amended unanimously.

Rep. McCormick presented copies of a memo he had received from the department of commerce in regard to his request for draft legislation to allow for less restrictions on a bill acceptor mechanism to existing video gaming machines. The department wants the law amended so that the machines do not need the two counters required under current law. He wants this put in as a committee bill since it is too late for any other bill drafting.

Rep. Simon stated that it was his understanding that the law requires two coin slots on keno and poker machines, it isn't required in other areas to use those kinds of machines and he was not certain why we need to have two coin slots on every poker machine and so on.

Is the law creating a problem for some of the coin op people? Maybe we should also look at trying to correct that situation at the same time.

Rep. McCormick stated that we do not need the bill counter because when you put in bills they are automatically switched to coins. If you put in \$5 you get 20 plays.

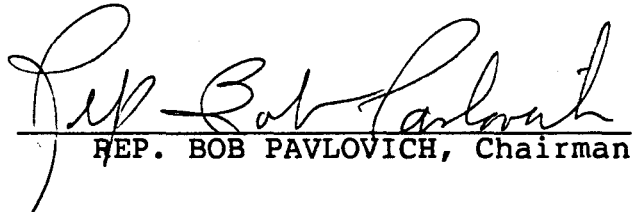
Rep. Pavlovich stated the reason for the two counters is that the coins have a habit of jamming when they go in. There are times when the coins may be sticky or something like that and the coin mechanism will jam. With the coin mechanism it is nice to have the second chute. It is all itemized on one meter. The problem we have here is that we have two separate meters. One counts the quarters and one counts the bills. What they want is one that counts all of it at the same time so that you don't have to take all of these readings. There are a lot of forms that operators of the machines have to fill out every quarter, with the coin or bill acceptor in there it is just more paper work on top of paper work really. This should be simplified. They have the print out and two separate hard meters. This would simplify it and make it a lot better for the department. The department is in favor of this. This is a drafting request for a committee bill, requested by Rep. McCormick if we can do it. We need a motion to this affect.

Rep. Bachini made a motion to accept Rep. McCormick's request to have the committee bill drafted for this purpose.

The motion was passed unanimously by the committee.

#### ADJOURNMENT

Adjournment At: 10:50 a.m.

  
REP. BOB PAVLOVICH, Chairman

## DAILY ROLL CALL

BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE

51th LEGISLATIVE SESSION -- 1989

Date 1 23 89

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

# ROLL CALL VOTE

BUSINESS & ECONOMIC DEVELOPMENT

COMMITTEE

DATE 1/23/89 BILL NO. HB 240 NUMBER 1

NAME	AYE	NAY
Bob Pavlovich	✓	
Gene DeMars	✓	
Bob Bachini	✓	
Rob Blotkamp		
Stella Hansen	✓	
John Johnson	✓	
Tom Kilpatrick	✓	
Lloyd McCormick	✓	
Don Stepler	✓	
Bill Glaser		
Vernon Keller	✓	
Thomas Nelson	✓	
Bruce Simon	✓	
Clyde Smith	✓	
Fred Thomas	✓	
Norm Wallin	✓	

TALLY

14 —

Sue Pennington  
Secretary

Bob Pavlovich  
Chairman

MOTION: Thomas moved a do pass. Rep. Simon  
moved an amendment be made, the amendment  
did pass. The bill passed unanimously.

STANDING COMMITTEE REPORT

January 23, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that HOUSE BILL 240 (first reading copy -- white) do pass as amended.

Signed: Robert Pavlovich, Chairman

And, that such amendments read:

1. Page 1, line 21.

Following: "participation"

Insert: "in the planning of and"

Amendments to House Bill No. 240  
First Reading Copy

For the Committee on Business and Economic Development

Prepared by Paul Verdon  
January 23, 1989

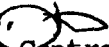
1. Page 1, line 21.  
Following: "participation"  
Insert: "in the planning of and"



Montana Department of Commerce  
Video Gaming Control Bureau  
1125 Missoula Ave.  
Helena, MT 59620  
406-442-7325

January 16, 1989

TO: Lloyd "Mac" McCormick, Representative  
Montana State Legislature

FROM: John Willems,   
Video Gaming Control Bureau

SUBJECT: Bill Acceptor Modification Legislation

I have been requested to respond to your request for draft legislation that will allow for less restrictions in installing a bill acceptor mechanism to existing machines. Attached is memorandum from our lab supervisor that will accomplish that request. However, please understand we have a concern about how this modification occurs. This is basic to our ability to control these machines in a meaningful way. If we have every distributor placing bill acceptors on these machines we'll end up with about 120 different methods of installation for each make and model of machine. Given we have 27 different models of machines that means the possibility of nearly 3,240 different methods of installation. What we would like to see is these still require factory involvement. That will allow us to work with the factories and have a consistent method for installation. It is much easier for us to deal with 14 or 15 factories than 120 distributors. Our experience shows this is the best way to accomplish the task. Therefore in addition to the changes that our lab supervisor has suggested I would ask the following language be included.

23-5-606 MCA

(4) (h) (ii)

after the word "a" and before the word "mechanism" insert "machine manufacturer".

23-5-609 MCA

(4) (f)

Last sentence: after the word "a" and before the word "mechanism" insert "machine manufacturer".

This will allow us to retain adequate and consistent control over the machines that operate within this state while making the changes requested. Those changes being the elimination of dual counting mechanisms. If you have further questions concerning this matter please let me know.

MONTANA DEPARTMENT OF COMMERCE  
Video Gaming Control Bureau  
1125 Missoula Avenue  
Helena, Montana 59620  
Phone (406)442-7325

January 16, 1989

MEMORANDUM

To: John Willems, Bureau Chief

From: Ben Kamerzel, Gaming Tester

SUBJECT: Bill Acceptor Modification w/o modification of software

23-5-606

(4)(n)(i) Strike all

(4)(n)(i) Insert "Total coins accepted by mechanism 1 and mechanism 2 combined, total credits in the bill acceptor, and total credits accepted by mechanism 1, mechanism 2 and the bill acceptor combined".

(4)(n)(ii) Strike all

23-5-609

(4)(k) Insert after (k) and before (k)(i) "total credits in bill acceptor if the machine has a bill acceptor".

(4)(l)(i) Strike all

(4)(l)(i) Insert "Total coins accepted by mechanism 1 and mechanism 2 combined, total credits in the bill acceptor, and total credits accepted by mechanism 1, mechanism 2 and the bill acceptor combined".

(4)(l)(ii) Strike all

## Business & Economic COMMITTEE

DATE 1/23/89

[illegible]

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.