

## MINUTES

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

#### COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT

Call to Order: By Rep. Bob Pavlovich, on January 26, 1989,  
at 8:30 a.m.

#### ROLL CALL

Members Present: All with the exception of:

Members Excused: None

Members Absent: Rep. Rob Blotkamp

Staff Present: Paul Verdon and Sue Pennington

Announcements/Discussion: None

#### HEARING ON HOUSE BILL 262

Presentation and Opening Statement by Sponsor: Rep.  
Hoffman, District 74, stated that HB 262 revises the  
laws relating to credit life and credit disability  
insurance in an effort to promote uniformity.

List of Testifying Proponents and What Group They Represent:  
Neysha A. Humphreys  
Kathy Irigoin  
James Borchardt  
Mike Sherwood, MTLA  
Bob Pyfer, Montana Credit Unions League  
Larry Akey, MT Association of Life Underwriters

List of Testifying Opponents and What Group They Represent:  
None

Testimony: Ms. Irigoin had written testimony. See exhibit  
1.

Mr. Pyfer stated that his association is in support of  
this bill. The credit unions will provide to their  
members credit life and credit disability insurance at  
no additional charge. There are a couple of technical  
difficulties with the bill, and, therefore, the  
amendments on page 19, line 17 and page 14, line 20,

that Kathy alluded to, we feel are quite important. The one on page 14, line 20, changing premium to rate is important to avoid conflict with the federal regulations. The second amendment on page 19, line 17, referring to the exclusion for insurance agents, where there is no commission being paid, is important to allow credit unions to continue to provide that service at no additional charge and at no commission.

Mr. Akey stated his association supports this bill and asks for a do pass recommendation.

Ms. Humphreys stated that her association supports the bill.

Questions From Committee Members: None

Closing by Sponsor: Rep. Hoffman stated that there was a lot of outside interest in the bill from people in the private sector. The state auditor's office is satisfied with the bill. I hope you will concur with them and pass the bill

#### DISPOSITION OF HOUSE BILL 262

Motion: Rep. Bachini moved a DO PASS.

Discussion: None

Amendments and Votes: Rep. Bachini moved a DO PASS on the amendments. See the attached copy of the amendments.

Recommendation and Vote: HB 262 received an unanimous DO PASS as amended.

#### HEARING ON HOUSE BILL 258

Presentation and Opening Statement by Sponsor: Rep. Spaeth, District 84. This bill will establish a board of passenger tramway safety. It gives the tramway board the responsibilities and duties to regulate the operation of tramways in the state of Montana.

List of Testifying Proponents and What Group They Represent:  
Tim Prather, Red Lodge Mountain Ski Area, Red Lodge  
Terry Allyn, Bridger Bowl Ski Area, Bozeman  
Pat Melby, Montana Ski Area Assoc.  
Jim Kembel, Dept. of Commerce  
Norm Kurtz, Big Mountain, Whitefish

List of Testifying Opponents and What Group They Represent:

None

Testimony: Mr. Prather stated that his association fully supports this bill.

Mr. Allyn from Bridger Bowl stated that they are in support of this bill.

Norm Kurtz stated that Big Mountain supports this bill.

Kevin Taylor said Great Divide also supports this bill.

Questions From Committee Members: Rep. Bachini asked Mr. Kembel how we would address the jurisdiction of a ski resort at the tip of the Indian reservation. Mr. Kembel said that in regard to Bear Paw, we have written a letter extending a hand of cooperation for them to come under state guide of control. It is the department's opinion now and has been for some time that at this point the only way we can have any control is through a mutual cooperative effort with the reservation. We have extended this hand. But we have not received any response as yet. Rep. Bachini asked who the department had been in contact with. Mr. Kembel couldn't remember the contact person's name at this time.

Rep. Kilpatrick asked Rep. Spaeth if there was going to be a fiscal note with this bill. Rep. Spaeth stated that there would not be a fiscal note. This is paid for through a ski tax on ski operators which they have asked to have continue.

Rep. Simon asked Rep. Spaeth if the assessment was going to fully pay for this board. Rep. Spaeth stated it was his understanding that it will take care of costs and expenses.

Closing by Sponsor: Rep. Spaeth thinks this represents a responsible move on behalf of the ski operators in the state of Montana to deal with the number one priority in skiing--safety on the slopes. I think the ski operators are to be commended.

DISPOSITION OF HOUSE BILL 258

Motion: Rep. Johnson moved a DO PASS.

Discussion: None

Amendments and Votes: Rep. Johnson moved all amendments DO PASS.

Recommendation and Vote: On page 2, line 13, following "department" insert "of commerce". HB 258 DO PASS as amended unanimously.

HEARING ON HOUSE BILL 239

Presentation and Opening Statement by Sponsor: Rep. Simpkins, District 39, stated that this bill is an updated bill to meet the changing organization of the American Occupational Therapists and will update the certification for therapists.

List of Testifying Proponents and What Group They Represent:

None

List of Testifying Opponents and What Group They Represent:

None

Testimony: None

Questions from Committee: None

Closing by Sponsor: Rep. Simpkins thanked the committee for their consideration of his bill.

DISPOSITION OF HOUSE BILL 239

Motion: Rep. Kilpatrick moved HB 239 DO PASS.

Discussion: Rep. Simon asked that this bill go on the consent calendar. All members voted for this.

Amendments and Votes: None

Recommendation and Vote: HB 239 DO PASS unanimously.

HEARING ON HOUSE BILL 284

Presentation and Opening Statement by Sponsor: Rep. Harper stated that this bill will provide for licensure of radiation therapy technologists and define and generally regulate the practice of therapeutic radiation by radiation therapy technologists.

Testifying Proponents and Who They Represent:

Betty Munoz, Registered Radiation Technologist, Great Falls

Carole L. Angland, Chairperson, Board of Radiologic Technologists, Great Falls

Jim Ahrens, Montana Hospital Association, Helena

Testifying Opponents and Who They Represent: None

Testimony: See exhibits 1 and 2 for Ms. Munoz's and Ms. Angland's testimony.

Mr. Ahrens stated that this is a good bill and with the amendments that have been made, his association is in support of the bill as proposed.

Questions from the Committee: Rep. Pavlovich asked Rep. Harper if on page 11, line 4, where it is defined "not to exceed \$500 for each incident", we are already covered under law 37-14-323 for a fine not to exceed \$500. I don't think we need this in the bill again. Rep. Harper said this was fine.

Rep. Simon asked what the penalty was, other than losing your license, or having them suspended or revoked; I wonder about someone that does not have a license. What penalty or way of stopping people from doing this do we have. Rep. Pavlovich stated that this was covered under 37-14-323.

Closing by Sponsor: Rep. Harper just asked the committee to make a do pass motion on his bill.

DISPOSITION OF HOUSE BILL 284

Motion: Rep. Thomas moved DO PASS.

Discussion: Rep. Pavlovich asked Rep. Thomas if he wanted to moved the amendments also.

Amendments and Vote: See the standing committee report which is included for all of the changes to this bill. The amendments were passed unanimously.

Recommendation and Vote: HB 284 DO PASS as amended unanimously.


Rep. Pavlovich stated that he had a request for a committee bill and handed out information for a nursing home for

the veterans of Montana. He also said with matching funds from the federal government, 65 percent matching funds, if we can raise \$2 million with the cigarette tax increase, we will get \$4 million from the federal government. We will have \$6 million to take care of the nursing homes we need. This is just a resolution to let the people of Montana know what is going on as far as their veterans are concerned. I ask the committee permission to have this drafted as a committee bill.

Rep. Thomas moved we honor Rep. Pavlovich's request. This motion received unanimous DO PASS.

ADJOURNMENT

Adjournment At: 9:45 a.m.

  
REP. BOB PAVLOVICH, Chairman

BP/sp  
2203.min

1-26-89  
2:45  
70

STANDING COMMITTEE REPORT

January 26, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that HOUSE BILL 258 (first reading copy -- white) do pass as amended.

Signed: Robert Pavlovich, Chairman

And, that such amendments read:

1. Page 2, line 13.  
Following: "department"  
Insert: "of commerce"

1-26-81  
245  
✓C

STANDING COMMITTEE REPORT

January 26, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that HOUSE BILL 239 (first reading copy -- white), with statement of intent attached, do pass.

Signed: \_\_\_\_\_  
Robert Pavlovich, Chairman



1-26-89  
3:45  
SC

STANDING COMMITTEE REPORT

January 26, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that HOUSE BILL 284 (first reading copy -- white) do pass as amended.

Signed: \_\_\_\_\_  
Robert Pavlovich, Chairman

And, that such amendments read:

1. Title, line 8.  
Following: "TECHNOLOGISTS;"  
Insert: "AND"
2. Title, line 10.  
Following: "MCA"  
Strike: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"
3. Page 8, line 1.  
Following: "technology;"  
Insert: "or"
4. Page 8, line 3.  
Following: "technology;"  
Insert: "or"
5. Page 8, line 19.  
Strike: "to practice as a radiologic technologist"
6. Page 11, line 1.  
Strike: "-- other penalties"
7. Page 11, line 4.  
Strike: "fined not to exceed \$500 for each incident,"
8. Page 12, line 6.  
Strike: section 8 in its entirety

Amendments to House Bill No. 258  
First Reading Copy

For the Committee on Business and Economic Development

Prepared by Paul Verdon  
January 26, 1989

1. Page 2, line 13.  
Following: "department"  
Insert: "of commerce"

Amendments to House Bill No. 262  
First Reading Copy

For the Committee on Business and Economic Development

Prepared by Paul Verdon  
January 26, 1989

1. Page 14, line 20.

Strike: "premium"

Insert: "rate"

2. Page 16, line 9.

Strike: "In"

Insert: "With respect to credit life insurance or credit  
disability insurance and in"

3. Page 17, line 16.

Following: "Any"

Insert: "An insurer may not issue or use a form after the  
commissioner withdraws approval of the form pursuant to 33-  
1-501."

4. Page 19, line 17.

Following: "must"

Insert: ", except as provided in 33-17-103,"

5. Page 19, lines 17 and 18.

Following: "through" on line 17

Strike: the remainder of line 17 and through "commissioner" on  
line 18

Insert: "a licensed insurance agent"

Amendments to House Bill No. 284  
First Reading Copy

For the Committee on Business and Economic Development

Prepared by Paul Verdon  
January 26, 1989

1. Title, line 8.  
Following: "TECHNOLOGISTS;"  
Insert: "AND"
2. Title, line 10.  
Following: "MCA"  
Strike: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"
3. Page 8, line 1.  
Following: "technology;"  
Insert: "or"
4. Page 8, line 3.  
Following: "technology;"  
Insert: "or"
5. Page 8, line 19.  
Strike: "to practice as a radiologic technologist"
6. Page 11, line 1.  
Strike: "-- other penalties"
7. Page 11, line 4.  
Strike: "fined not to exceed \$500 for each incident,"
8. Page 12, line 6.  
Strike: section 8 in its entirety

# ~~28~~ 1  
HB262  
1/26/89

TESTIMONY ON HOUSE BILL 262  
STATE AUDITOR'S OFFICE  
January 26, 1989

I. General introduction

The general purpose of this bill is to update the laws relating to credit life and credit disability insurers transacting insurance in Montana. In an effort to promote uniformity of insurance laws among states, the bill is patterned after a model bill drafted by the National Association of Insurance Commissioners (NAIC).

II. Section-by-section explanation

Section 1 and section 11 prohibit an insurer from delivering or issuing for delivery a policy or certificate of credit life or credit disability insurance before it is filed with and approved by the commissioner. The scope of the credit life and credit disability insurance laws is restricted in section 2. Definitions for "credit transaction" and "open-end credit" are added in section 3.

Section 8 of the bill has two effects: (1) it eliminates the unsupported distinction between loans of \$15,000 or less and loans exceeding \$15,000\*; and (2) it recognizes the controversy surrounding the amount of coverage (gross versus net), acknowledging that various techniques are available to provide a benefit that covers delinquencies and thereby precludes the development of deficiency balances when coverage is restricted to "net".

In response to recent developments in the financial services industry, which underscore the need for flexibility and innovation in credit life and credit disability insurance, section 9 of the bill provides for truncated (partial) or critical period credit life and credit disability coverages or for delinquency, extensions, or other repayment variations by clarifying that the term of insurance might not coincide with the term of the credit transaction. Subsection (4) of section 10 clarifies that an individual policy or group certificate of insurance delivered in connection with an open-end credit (defined in section 2 of the bill) agreement is considered to be delivered at the time the indebtedness is incurred if delivery occurs on or before the date the indebtedness is incurred.

Each section includes stylistic changes suggested in the Legislative Council's Bill Drafting Manual.

\*(Under current law, if the amount of the indebtedness is \$15,000 or less, the amount of credit life insurance must equal

the amount of the indebtedness. If the amount of the indebtedness exceeds \$15,000, then the amount of the credit life insurance may not exceed, but may be less than, the amount of the indebtedness.)

### III. Amendments

To address industry concerns and correct minor errors, I propose five amendments. The first amendment simply corrects an inadvertent error, changing "premium" back to "rate". The second amendment clarifies that the authority conferred, in section 11, upon the Commissioner of Insurance to disapprove a form is limited to disapproval of a form relating to credit life or credit disability insurance. Consistent with both current Montana law and the NAIC Model from which this bill was drafted, the third amendment clarifies that an insurer may not issue or use a form after the commissioner withdraws approval of the form. The last two amendments clarify that, in limited circumstances, a certificate of credit life or credit disability insurance may be issued only through a licensed insurance agent.

### IV. Conclusion

House Bill 262 updates Montana's credit life and credit disability insurance laws and makes them more like the laws in surrounding states. The State Auditor's Office urges this committee to give House Bill 262 a "do pass" recommendation.

Kathy M. Irigoin  
State Auditor's Office  
444-2040

AMENDMENT TO HOUSE BILL 262  
January 26, 1989

1. Page 14, line 20.

Strike: "premium"

Insert: "rate"

2. Page 16, line 9.

Strike: "In"

Insert: "With respect to credit life insurance or credit  
disability insurance and in"

3. Page 17, line 16.

Following: "(4) Any"

Insert: "An insurer may not issue or use a form after the  
commissioner withdraws approval of the form pursuant to  
33-1-501."

4. Page 19, line 17.

Following: "must"

Insert: ", except as provided in 33-17-103."

5. Page 19, lines 17 through 18.

Strike: "holders of licenses or authorizations issued by the  
commissioner"

Insert: "a licensed insurance agent"

#2  
NB262  
1/26/89

#1  
1/26/89  
HB262

( Radiologic Technology is the umbrella name for three specialties that use radiation in the delivery of medical care. Radiographers are the x-ray technologists who take x-rays of your broken bones and other parts of the body. Nuclear medicine technologists inject radioactive isotopes into a patients body that specific areas of the body will absorb. These areas are scanned by geiger counter type machines to produce a picture. Radiation therapy technologists help in planning a therapeutic radiation course and do the actual delivery of the radiation to the cancer patient. Both nuclear medicine and radiation therapy have grown into specialties of their own over the past twenty-thirty years with the advances of science and technology. With this growth special training and certification exams have been developed and acknowledged by the AMA and CAHEA. One no longer needs to be an x-ray technologist in order to attend a radiation therapy school.

( One in four people will contract cancer. One's image of a life with cancer is one of great pain, suffering and little hope of cure. The stories one hears about the treatments makes one feel that even death would be more welcome. In my twenty years of practice I have seen many advances in the delivery of cancer treatment. The number of side effects and complications have decreased because our ability to deliver a tumorcidal dose of radiation to the cancer has increased. This is because of personnel and equipment.

( Radiation therapy technologists deliver potentially lethal doses of radiation to cancer patients. Paralysis, blindness and loss of kidneys are some complications that can occur if treatments are not delivered properly. Technologists play as much a role in proper delivery as the physicians do in prescribing and supervising the treatment course.



Radiation therapy technologists use radiation that is 20 - 100 times more powerful than the x-rays used to visualize a broken arm. Everyone reacts when they hear of radiation accidents. Nuclear power plants, nuclear waste and atomic bombs can have a deadly effect on our environment when used improperly or stored improperly. Medical radiation is no different. Under the present law, any x-ray technologist can deliver therapeutic radiation whether or not they have had any training in radiation therapy. Radiation therapy has not been a part of the diagnostic radiology curriculum for at least fifteen years. Anyone can deliver gamma (Cobalt) or electron radiation under our present law depending on who interprets the words. I'm sure stories about Cobalt burns have been heard by the people in this room.

HB 284 will amend the present licensure bill and remove the gray areas relative to radiation therapy. It will ensure as much as is humanly possible that the cancer patient in Montana is protected from untrained operators. If your mother or father needed treatments, who would you want to deliver the treatments? Please support this amendment.

Respectfully submitted,

Betty L. Munoz, R.T.T.

R.T.T.

1/26/89  
HB 284  
#2

Board of Radiologic Technologists  
2617 Ninth Avenue South  
Great Falls, Montana 59405

January 23, 1989

Representative Hal Harper  
Capital Building  
Helena, Montana 59601

Dear Representative Harper:

Due to a recent family illness I unfortunately will not be able to attend the hearing relative to HB 284.

Please place this letter as written support on behalf of the Board of Radiologic Technologists.

I would like to bring to your attention once again an error in Section 4: 37-14-306. Permits; line two and three "to practice as a radiologic technologist" should be deleted.

Respectfully yours,



Carole L. Angland  
Chairman Board of Radiologic Technologists

Enclosure

cc: Board of Radiologic Technologists  
Betty Munoz

WITNESS STATEMENT

NAME Kathn M. Iriagoin BUDGET \_\_\_\_\_

ADDRESS State Auditor's Office  
P.O. Box 4009 Helena, MT 59604

WHOM DO YOU REPRESENT? State Auditor's Office

SUPPORT HB 262 OPPOSE AMEND

COMMENTS:

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

## VISITORS' REGISTER

Business &amp; Economic COMMITTEE

 Y  
 BILL NO. <sup>239</sup> 262 <sup>284</sup> 284 <sup>258</sup> 258 DATE <sup>Deaf</sup> 1/26/89
SPONSOR Simpkins Hoffman Harper  
SparethPlease Put  
Number of H.B.

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE	thout
Betty L Munoz	4202 Clark GTF	284		
NEYSHA A. HUMPHREYS	HELENA	262 X		
Jim KEMBEL	Dept of Commerce	258		
Dot Melby	Mont. Ski Areas Ass'n	258		
Kathy Irigoini	Helena	262		
James W. Borchardt	Helena	262		
Way Allen	Mont. Ski Areas	258		
Constance L. Gray	Boulder	239		
Helena Lee	Helena	239		
Mike Sherwood	MTLA	262		
Bob Ryfer	Mont. Credit Union League	262		
LARRY RILEY	MT ASSOC OF LIFE UNDERWRITERS	262		
NORM KURTZ	WHITEFISH MT	258		
TIMOTHY M. Prather	RED LODGE, MT	258		

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.