

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
51st LEGISLATURE - REGULAR SESSION

HOUSE COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT

Call to Order: By Rep. Bob Pavlovich, on March 9, 1989, at 8:30 a.m.

ROLL CALL

Members Present: All

Members Excused: None

Members Absent: None

Staff Present: Paul Verdon and Sue Pennington

Announcements/Discussion: None

DISPOSITION OF SENATE BILL 18

Motion: Rep. Kilpatrick moved BE CONCURRED IN.

Amendments, Discussion, and Votes: None

Recommendation and Vote: SB 18 BE CONCURRED IN unanimously.

DISPOSITION OF SENATE BILL 351

Motion: Rep. Nelson moved BE CONCURRED IN and moved the amendments.

Amendments, Discussion, and Votes: The amendments insert "-- extension permissible" on page 8, line 17, page 10, line 25, following "may", strike ",", on page 10, line 25, through page 11, line 2 following "penalty" on line 25, strike remainder of line 25 through "investments" on line 2, insert "abate the penalty", page 11, line 7, following line 6 insert "(4) The department of revenue may grant an extension of time in which to make qualified investments pursuant to subsection (1) upon application by a capital company showing reasonable cause for an extension." and renumber subsequent subsection. The amendments DO PASS unanimously.

Recommendation and Vote: SB 351 BE CONCURRED IN as amended unanimously.

DISPOSITION OF SENATE BILL 303

Motion: Rep. Johnson moved BE CONCURRED IN.

Amendments, Discussion, and Votes: Rep. Simon moved the amendments. The 4 pages of amendments DO PASS unanimously.

Recommendation and Vote: SB 303 BE CONCURRED IN as amended 15-1 vote.

DISPOSITION OF SENATE BILL 369

Motion: Rep. Steppler moved BE NOT CONCURRED IN. Rep. DeMars made a substitute motion to TABLE the bill.

Amendments, Discussion, and Votes: None

Recommendation and Vote: SB 369 TABLED 11-5 VOTE.

HEARING ON SENATE BILL 443

Presentation and Opening Statement by Sponsor:

Sen. Stimatz, Senate District 35, said this will allow the lottery commission to participate with other states in lottery games whether or not the state has a common border with Montana; and amends Section 23-5-1007, MCA.

Testifying Proponents and Who They Represent:

Rep. Bob Pavlovich

Proponent Testimony:

Rep. Pavlovich wants to go on record in support of this bill.

Testifying Opponents and Who They Represent:

None

Opponent Testimony:

None

Questions From Committee Members: None

Closing by Sponsor: Rep. Stimatz said this bill just concerns itself with removal of the word "regional" in the existing law. I would hope the committee gives this bill a favorable vote.

DISPOSITION OF SENATE BILL 443

Motion: Rep. Bachini moved BE CONCURRED IN.

Amendments, Discussion, and Votes: None

Recommendation and Vote: SB 443 BE CONCURRED IN 8-6 vote with one member abstaining.

HEARING ON SENATE BILL 15

Presentation and Opening Statement by Sponsor:

Sen. Halligan said that this bill will require that no instrument or deed evidencing a transfer of property can be filed without an affidavit by the seller stating that the home being sold is equipped with a smoke detector.

Testifying Proponents and Who They Represent:

Charles Gibson, Montana State Fire Chiefs Association
Ray Blehm, State Fire Marshall, Helena
Sharon Cleary, Montana Association of Realtors
Ed Fleece, Helena Fire Department
Bill Reed, Missoula

Proponent Testimony:

Mr. Gibson said that after speaking with Rep. Stella Jean Hansen, I know there is some feeling among you that this is not a strong enough bill, that it should be revised or combined with SB 207. My association supports both bills, but we feel this bill will make effective legislation, your action as legislators will show that you understand the need for smoke detectors and the need for this legislation. We encourage you to support this legislation and if it needs improvements, do this in the future. Eighty percent of fire deaths are at home. It has been proved that smoke detectors save lives and property.

Mr. Blehm said the bottom line is that smoke detectors will save lives. I urge you to give this bill a do pass.

Ms. Cleary stated that she supports this bill. I urge your favorable consideration of this bill.

Mr. Fleece said they think this is a good bill and if it saves only one life it is worth it. I urge you do pass on this bill.

Mr. Reed said that in the 28 years he has been a fire fighter there have been several severe injuries and deaths. Several of the homes did not have smoke detectors. This bill could save lives. I urge you to give this bill a do pass.

Testifying Opponents and Who They Represent:

None

Opponent Testimony:

None

Questions From Committee Members: Rep. Hansen asked Rep.

Halligan if the real estate agent would have to buy the smoke detector? It doesn't state in the bill who is required to buy the smoke detector. Rep. Halligan said he did not think the realtor would have anything to do with purchasing the smoke detector. When the seller writes out the statement that the home is equipped with a smoke detector and gives it to the realtor, the realtor can't be held liable. If the owner signs the affidavit the real estate agent is not liable.

Rep. Pavlovich told Rep. Halligan that he had planned to put this bill and SB 207 in a sub-committee and see if they can come up with something with the two bills together, something compatible, as they are almost the same thing. I didn't think it should die on the floor because I think it is a good bill.

Rep. Wallin asked Mr. Blehm how many fatalities were kids home without either parent in the home? How would they have been able to cope with this fire alarm? Mr. Blehm said there is a lot of education in all the schools right now teaching fire safety to the kids. Kids are probably the most educated people, fire safety wise, of the population. The odds are reasonably good that these kids are older, school age, they would be able to get out. If they are under school age the parents should not be leaving them alone, unattended without adult supervision. We know there are irresponsible parents around the country.

Closing by Sponsor: Sen. Halligan said if the committee has some suggestions as to how to make this not mandatory I am willing to work with them. I am willing to accept amendments.

Rep. Pavlovich put SB 15 and SB 207 in a sub-committee with Reps. Hansen, Steppler, and Glaser, with Rep. Hansen chairing the sub-committee.

HEARING ON SENATE BILL 267

Presentation and Opening Statement by Sponsor:

Sen. Meyer, Senate District 17, said this bill will remove prohibition against state chartered savings and loans loaning money on farms.

Testifying Proponents and Who They Represent:

John Buchanan, Chairman of the Board, Fidelity Savings & Loan, Great Falls

Proponent Testimony:

Mr. Buchanan said they are the only state chartered savings and loan. The most important thing right now under state law we do not have the ability to provide checking accounts for our customers and can't loan on property that is outside of the city limits in an agricultural area. These are two real important things our institution must have to thrive and prosper. We are the smallest S&L in the state, our assets are about 30 million dollars. All other S&L's, banks, and credit unions have the ability to provide checking accounts to their customers. Our state law strictly prohibits that.

Testifying Opponents and Who They Represent:

None

Opponent Testimony:

None

Questions From Committee Members: None

Closing by Sponsor: Sen. Meyer said this is for state chartered institutions and there is only one, it is in Great Falls. I feel that it is a good thing for them to be able to make these loans and provide checking service for their customers. I ask your support for the bill.

HEARING ON SENATE BILL 438

Presentation and Opening Statement by Sponsor:

Sen. Eck, Senate District 40, Bozeman, said this bill will allow a corporation or partnership to act as a real estate licensee if every member of the corporation or partnership is licensed.

Testifying Proponents and Who They Represent:

Sharon Cleary, Montana Association of Realtors
Jack Greenway, Bozeman

Proponent Testimony:

Ms. Cleary said she was here today in support of HB 438. Currently there are approximately 4,400 members that are active real estate licensees in the state. Of these, 1,800 are brokers and they are the only ones who have the opportunity to take advantage of using a corporation to provide these benefits. We ask you to extend this provision in the license law to licensed real estate salespersons so that they too may incorporate and take advantage of the fringe benefit programs available to them as a corporation.

Mr. Greenway said he was here in support of the bill and would not duplicate the support given. I ask your support of this bill.

Testifying Opponents and Who They Represent:

None

Opponent Testimony:

None

Questions From Committee Members: None

Closing by Sponsor: Sen. Eck asked the committee to give the bill a do pass.

DISPOSITION OF SENATE BILL 438

Motion: Rep. Bachini moved BE CONCURRED IN.

Amendments, Discussion, and Votes: None

Recommendation and Vote: SB 438 BE CONCURRED IN unanimously.

DISPOSITION OF SENATE BILL 267

Motion: Rep. Bachini moved BE CONCURRED IN.

Amendments, Discussion, and Votes: None

Recommendation and Vote: SB 267 BE CONCURRED IN unanimously.

DISPOSITION OF SENATE BILL 182

Motion: Rep. Thomas moved BE CONCURRED IN.

Discussion: Rep. Kilpatrick had a question about page 4, line 17, asked one of the insurance people on the committee to explain to him, one of the opponents told me that this was going to be prohibitive where the 50-20 is taken out and is just a co-insurance factor applicable for a physical illness. Would you explain to me why this is going to cost so much money? Rep. Thomas said co-insurance that is just like your company pays now, 80 percent after deductible of your cost, other plans are even lower. This would be the same, the bill says with striking that out, you will be paid on the mental illness benefits the same as your other hospital costs, 80 percent, 70 percent or what have you. The cost is still lifetime maximum of \$8,000, that could be paid on a total of \$10,000 of bills over the lifetime. In the present law, 50 percent of the \$8,000 applies to \$16,000 of bills. Rep. Thomas said you might accelerate the payments but not over all increase them over the lifetime. Rep. Kilpatrick said the opponent told him that because of

this it is going to cost him more money. Rep. Nelson said it would cost more money. Rep. Nelson thinks this will promote over use of insurance.

Rep. Hansen asked if the insurance isn't the way to go then what are people who need help supposed to do? Rep. Nelson said he thought maybe we should let the state pay for it. People that propose these things are providers of service, not the people that need the service.

Rep. Nelson sees this as moving towards socialized medicine. Mandated insurance requiring employers to provide coverage may make insurance too expensive for many firms forcing employers to either cut wages or reduce benefits. The number of Americans without health insurance has increased by 25 percent since 1980.

Rep. DeMars asked Sen. Keating about the concern of the U of M. Sen. Keating said fiscal note from the U of M representative showed that the state employees would have to pay an additional \$50-\$60 each. This bill does not affect the state employee at all, that plan is handled under the Blue Cross and is exempt from this situation. It only addresses the U of M plan because it is a self insured plan and they constitute less than 1 percent of the people that would be affected by this bill. They are putting a disproportioned weight on it. Blue Cross said that if there is an increase it would not be more than \$4 or \$5 per month instead of the \$40-\$50 these people are talking about.

Rep. Thomas said that most of the good plans that are offered for health insurance in the state exceed these minimum benefits. These again are minimum benefits for alcoholism and mental illness. Most plans have \$25,000 or something like this at least in them that are being bought out there in the market. You are not adjusting the policies out there. This is preventive cost. Mental illness and alcoholism are diseases that need treatment just like colds and heart conditions and what have you. We should provide these coverages, sure it costs more money. It costs more everyday as time goes on to go to the doctor. These are things that should be treated, they are not things that we should let go. This is health care and this involves mental health too. This is bare minimum coverage, it is not escalating by any big deal. It is a very minor instance.

Rep. Hansen said that in regard to the opposition from the University, they were using the wrong figures when they did their calculating. They were using 1.7 and it should have been 1.07 which makes quite a difference.

Rep. Smith said that this covers group plans. In some cases the employer pays it all for the employee and some just pay a part of the cost. The real problem I have with this is

that I think some of the people will say we just can't pay this any more and drop the insurance all together.

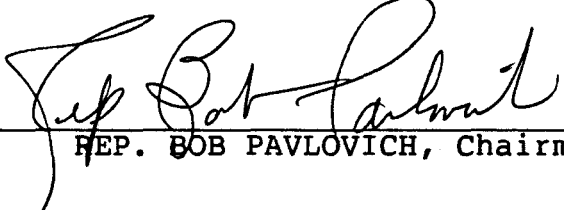
Rep. Wallin made a substitute motion to TABLE the bill. The motion failed 5-10.

Amendments, Discussion, and Votes: The amendments DO PASS unanimously.

Recommendation and Vote: SB 182 BE CONCURRED IN as amended 9-6 vote with 1 member abstaining.

ADJOURNMENT

Adjournment At: 10:20 a.m.



REP. BOB PAVLOVICH, Chairman

BP/sp

5603.min

DAILY ROLL CALL
BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE

51th LEGISLATIVE SESSION -- 1989

Date 3 9 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	✓late		
GLASER, BILL	✓		
KELLER, VERNON	✓		
NELSON, THOMAS	✓		
SIMON, BRUCE	✓		
SMITH, CLYDE	✓		
THOMAS, FRED	✓		
WALLIN, NORM	✓		
PAUL VERDON	✓		

ROLL CALL VOTE

BUSINESS AND ECONOMIC DEVELOPMENT

COMMITTEE

DATE 3/9/89 BILL NO. S/B 369 NUMBER

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

TALLY

11

5

Sue Pennington
Secretary

Bob Pavlovich
Chairman

MOTION:

Tabled

ROLL CALL VOTE

BUSINESS AND ECONOMIC DEVELOPMENT

COMMITTEE

DATE 3/9/89 BILL NO. SAB 303 NUMBER

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

TALLY

15 1

Sue Pennington
Secretary

Bob Pavlovich
Chairman

MOTION: Rep Johnson moved the bill be concurred in.
Rep Simon moved the amendments.

Rep Good will carry

ROLL CALL VOTE

BUSINESS AND ECONOMIC DEVELOPMENT

COMMITTEE

DATE 3/9/89 BILL NO. SB 351 NUMBER

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

TALLY

15

Sue Pennington
Secretary

Bob Pavlovich
Chairman

MOTION: Rep Nelson moved be concurred +
moved the amendment

Rep McCormick will pass

ROLL CALL VOTE

BUSINESS AND ECONOMIC DEVELOPMENT

COMMITTEE

DATE 3/9/89 BILL NO. SB ~~182~~ 182 NUMBER 1

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

TALLY

5 10

Sue Pennington
Secretary

Bob Pavlovich
Chairman

MOTION: Rep. Thomas moved the bill be
concurrent m.

Wallin - C B - he
table motion failed
failed

ROLL CALL VOTE

BUSINESS AND ECONOMIC DEVELOPMENT

COMMITTEE

DATE 3/9/89 BILL NO. SB 182 NUMBER 2

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

TALLY

9 6
1-abstained

Sue Pennington
Secretary

Bob Pavlovich
Chairman

MOTION: Rep Thomas moved be concurred
in as amended.

Rep. Simon will carry

ROLL CALL VOTE

BUSINESS AND ECONOMIC DEVELOPMENT

COMMITTEE

DATE 3/9/89 BILL NO. SB 18 NUMBER

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

TALLY

15

Sue Pennington
Secretary

Bob Pavlovich
Chairman

MOTION: Rep Kilpatrick moved be concurred in.

Rep Thomas will carry

ROLL CALL VOTE

BUSINESS AND ECONOMIC DEVELOPMENT

COMMITTEE

DATE 3/9/89 BILL NO. SB267 NUMBER

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

TALLY

16

Sue Pennington
Secretary

Bob Pavlovich
Chairman

MOTION: Rep Bachini moved be concurred in.

Rep Simpson will carry

#1
3/8/89
SB303

Amendments to Senate Bill No. 303
Third Reading Copy

Requested by Sen. Gene Thayer
Prepared by Mary McCue
March 2, 1989

1. Title, line 7.
Strike: "AGENTS"
Insert: "BUSINESSES"
2. Title, lines 8 and 9.
Following: "PENALTIES"
Strike: remainder of line 8 through "REQUIREMENT" on line 9
3. Page 1, line 15.
Strike: "agents"
Insert: "businesses"
4. Page 1, line 18.
Following: "those"
Strike: "who"
Insert: "businesses that"
5. Page 2, line 7.
Strike: "Agents"
Insert: "Businesses"
6. Page 3, lines 12 through 14.
Strike: subsection (4) in its entirety
ReNUMBER: subsequent subsections
7. Page 3, line 19.
Strike: "agent"
Insert: "business"
8. Page 4, lines 10 and 11.
Following: "companies"
Strike: remainder of line 10 through "days" on line 11
9. Page 5, lines 1 and 2.
Following: "(2)" on line 1
Strike: remainder of line 1 through "days." on line 2
10. Page 5, line 12.
Strike: "escrow agents"
Insert: "persons"
11. Page 6, line 1.
Strike: "escrow agent's"
12. Page 6, line 5.
Strike: "as an escrow agent"

ROLL CALL VOTE

BUSINESS AND ECONOMIC DEVELOPMENT

COMMITTEE

DATE 3/9/89 BILL NO. SB 438 NUMBER

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

TALLY

16

Sue Pennington
Secretary

Bob Pavlovich
Chairman

MOTION: Rep Bachini moved be concurred in

Rep T. Nelson will carry

STANDING COMMITTEE REPORT

3/9/89
2:50 PM
PCH

March 9, 1989

Page 1 of 4

Mr. Speaker: We, the committee on Business and Economic Development report that Senate Bill 303 (third reading copy - blue), with statement of intent attached, be concurred in as amended.

Signed: _____
Robert Pavlovich, Chairman

[REP. GOOD WILL CARRY THIS BILL ON THE HOUSE FLOOR]

And, that such amendments read:

1. Title, line 7.

Strike: "AGENTS"

Insert: "BUSINESSES"

2. Title, lines 8 and 9.

Following: "PENALTIES"

Strike: remainder of line 8 through "REQUIREMENT" on line 9

3. Page 1, line 15.

Strike: "agents"

Insert: "businesses"

4. Page 1, line 18.

Following: "those"

Strike: "who"

Insert: "businesses that"

5. Page 2, line 7.

Strike: "Agents"

Insert: "Businesses"

6. Page 3, lines 12 through 14.

Strike: subsection (4) in its entirety

Renumber: subsequent subsections

7. Page 3, line 19.

Strike: "agent"

Insert: "business"

ROLL CALL VOTE

BUSINESS AND ECONOMIC DEVELOPMENT

COMMITTEE

DATE 3/9/89 BILL NO. SB 443 NUMBER

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

TALLY

8 6

Sue Pennington
Secretary

Bob Pavlovich
Chairman

MOTION: Rep Bachini moved be concurred in.

Rep Pavlovich will carry

8. Page 4, lines 10 and 11.

Following: "companies"

Strike: remainder of line 10 through "days" on line 11

9. Page 5, lines 1 and 2.

Following: "(2)" on line 1

Strike: remainder of line 1 through "days." on line 2

10. Page 5, line 12.

Strike: "escrow agents"

Insert: "persons"

11. Page 6, line 1.

Strike: "escrow agent's"

12. Page 6, line 5.

Strike: "as an escrow agent"

13. Page 6, line 8.

Strike: "agent's"

Insert: "business"

14. Page 6, lines 13 and 14.

Strike: "and his residence address"

15. Page 7, line 3.

Strike: "agent's"

Insert: "business"

16. Page 7, line 9.

Strike: "agent"

Insert: "business"

17. Page 7, line 16.

Strike: "agent"

Insert: "business"

18. Page 9, line 4.

Strike: "(a)"

Following: "shall"

Insert: "perform one of the following:

(a)"

19. Page 9, lines 13 through 17.

Strike: lines 13 through 17

Insert: "(b) request that the director examine the financial condition, transactions, and affairs of the licensee pursuant to

March 9, 1989
Page 3 of 4

procedures prescribed by the director."

20. Page 10, line 8.

Strike: "agent"

Insert: "business"

21. Page 10, line 11.

Strike: "agent"

Insert: "business"

22. Page 10, line 17.

Strike: "agent"

Insert: "business"

23. Page 10, line 18.

Strike: "agent"

Insert: "business"

24. Page 10, line 20.

Strike: "agent"

Insert: "business"

25. Page 10, line 22.

Strike: "agent"

Insert: "business"

26. Page 10, line 22.

Strike: "are"

Insert: "is"

27. Page 10, line 25.

Strike: "agent"

Insert: "business"

28. Page 11, line 4.

Strike: "agent"

Insert: "business"

29. Page 11, line 25.

Strike: "agents"

Insert: "businesses"

30. Page 12, line 6.

Strike: "agents"

Insert: "businesses"

31. Page 12, line 10.

Following: "person"

Insert: "is not a licensed"

Strike: "agent"
Insert: "business license"

32. Page 13, line 16.
Strike: "his"
Insert: "the licensee's"

33. Page 13, line 21.
Strike: "agent"
Insert: "business"

34. Page 14, line 3.
Strike: "agent"
Insert: "business"

35. Page 14, lines 6 and 7.
Following: "the"
Strike: "escrow agent's"
Insert: "licensee's"

36. Page 14, line 8.
Strike: "agent"
Insert: "business"

37. Page 16, lines 3 through 5.
Strike: section 17 in its entirety
Renumber: subsequent sections

STANDING COMMITTEE REPORT

March 9, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that Senate Bill 351 (third reading copy - blue) be concurred in as amended.

Signed: _____
Robert Pavlovich, Chairman

[REP. MCCORMICK WILL CARRY THIS BILL ON THE HOUSE FLOOR]

And, that such amendments read:

1. Page 8, line 17.
Following: "penalty"
Insert: "-- extension permissible"
2. Page 10, line 25.
Following: "may"
Strike: "1"
3. Page 10, line 25, through page 11, line 2.
Following: "~~penalty~~" on line 25
Strike: remainder of line 25 through "investments" on line 2
Insert: "abate the penalty"
4. Page 11, line 7.
Following: line 6
Insert: "(4) The department of revenue may grant an extension of time in which to make qualified investments pursuant to subsection (1) upon application by a capital company showing reasonable cause for an extension."
Renumber: subsequent subsection

STANDING COMMITTEE REPORT

March 9, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that Senate Bill 182 (third reading copy - blue) be concurred in as amended.

Signed: Robert Pavlovich, Chairman

[REP. SIMON WILL CARRY THIS BILL ON THE HOUSE FLOOR]

And, that such amendments read:

1. Page 2, line 20.

Following: "~~functions~~"

Insert: "an organic or emotional impairment that has substantial adverse effects on an individual's cognitive or volitional functions and that is"

STANDING COMMITTEE REPORT

March 9, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that SENATE BILL 18 (third reading copy -- blue) be concurred in .

Signed: _____
Robert Pavlovich, Chairman

[REP. THOMAS WILL CARRY THIS BILL ON THE HOUSE FLOOR]

STANDING COMMITTEE REPORT

March 9, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that SENATE BILL 267 (third reading copy - blue) be concurred in .

Signed: _____
Robert Pavlovich, Chairman

[REP. SIMPKINS WILL CARRY THIS BILL ON THE HOUSE FLOOR]

STANDING COMMITTEE REPORT

March 9, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that SENATE BILL 438 (third reading copy - blue) be concurred in .

Signed: _____
Robert Pavlovich, Chairman

[REP. BACHINI WILL CARRY THIS BILL ON THE HOUSE FLOOR]

STANDING COMMITTEE REPORT

March 9, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that SENATE BILL 443 (third reading copy - blue) be concurred in .

Signed: _____
Robert Pavlovich, Chairman

[REP. DARKO WILL CARRY THIS BILL ON THE HOUSE FLOOR]

Amendments to Senate Bill No. 303
Third Reading Copy

Requested by Sen. Gene Thayer
Prepared by Mary McCue
March 2, 1989

1. Title, line 7.
Strike: "AGENTS"
Insert: "BUSINESSES"
2. Title, lines 8 and 9.
Following: "PENALTIES"
Strike: remainder of line 8 through "REQUIREMENT" on line 9
3. Page 1, line 15.
Strike: "agents"
Insert: "businesses"
4. Page 1, line 18.
Following: "those"
Strike: "who"
Insert: "businesses that"
5. Page 2, line 7.
Strike: "Agents"
Insert: "Businesses"
6. Page 3, lines 12 through 14.
Strike: subsection (4) in its entirety
ReNUMBER: subsequent subsections
7. Page 3, line 19.
Strike: "agent"
Insert: "business"
8. Page 4, lines 10 and 11.
Following: "companies"
Strike: remainder of line 10 through "days" on line 11
9. Page 5, lines 1 and 2.
Following: "(2)" on line 1
Strike: remainder of line 1 through "days." on line 2
10. Page 5, line 12.
Strike: "escrow agents"
Insert: "persons"
11. Page 6, line 1.
Strike: "escrow agent's"
12. Page 6, line 5.
Strike: "as an escrow agent"

13. Page 6, line 8.

Strike: "agent's"

Insert: "business"

14. Page 6, lines 13 and 14.

Strike: "and his residence address"

15. Page 7, line 3.

Strike: "agent's"

Insert: "business"

16. Page 7, line 9.

Strike: "agent"

Insert: "business"

17. Page 7, line 16.

Strike: "agent"

Insert: "business"

18. Page 9, line 4.

Strike: "(a)"

Following: "shall"

Insert: "perform one of the following:

(a)"

19. Page 9, lines 13 through 17.

Strike: lines 13 through 17

Insert: "(b) request that the director examine the financial condition, transactions, and affairs of the licensee pursuant to procedures prescribed by the director."

20. Page 10, line 8.

Strike: "agent"

Insert: "business"

21. Page 10, line 11.

Strike: "agent"

Insert: "business"

22. Page 10, line 17.

Strike: "agent"

Insert: "business"

23. Page 10, line 18.

Strike: "agent"

Insert: "business"

24. Page 10, line 20.

Strike: "agent"

Insert: "business"

25. Page 10, line 22.

Strike: "agent"

Insert: "business"

26. Page 10, line 22.

Strike: "are"

Insert: "is"

27. Page 10, line 25.

Strike: "agent"

Insert: "business"

28. Page 11, line 4.

Strike: "agent"

Insert: "business"

29. Page 11, line 25.

Strike: "agents"

Insert: "businesses"

30. Page 12, line 6.

Strike: "agents"

Insert: "businesses"

31. Page 12, line 10.

Following: "person"

Insert: "is not a licensed"

Strike: "agent"

Insert: "business license"

32. Page 13, line 16.

Strike: "his"

Insert: "the licensee's"

33. Page 13, line 21.

Strike: "agent"

Insert: "business"

34. Page 14, line 3.

Strike: "agent"

Insert: "business"

35. Page 14, lines 6 and 7.

Following: "the"

Strike: "escrow agent's"

Insert: "licensee's"

36. Page 14, line 8.

Strike: "agent"

Insert: "business"

37. Page 16, lines 3 through 5.

Strike: section 17 in its entirety

Renumber: subsequent sections

Amendments to Senate Bill No. 351
Third Reading Copy

For the Committee on Business and Economic Development

Prepared by Paul Verdon
March 9, 1989

1. Page 8, line 17.

Following: "penalty"

Insert: "-- extension permissible"

2. Page 10, line 25.

Following: "may"

Strike: "_"

3. Page 10, line 25, through page 11, line 2.

Following: "~~penalty~~" on line 25

Strike: remainder of line 25 through "investments" on line 2

Insert: "abate the penalty"

4. Page 11, line 7.

Following: line 6

Insert: "(4) The department of revenue may grant an extension of
time in which to make qualified investments pursuant to
subsection (1) upon application by a capital company showing
reasonable cause for an extension."

Renumber: subsequent subsection

Amendments to Senate Bill No. 182
Third Reading Copy

For the Committee on Business and Economic Development

Prepared by Paul Verdon
March 9, 1989

1. Page 2, line 20.

Following: "~~functions~~"

Insert: "an organic or emotional impairment that has substantial
adverse effects on an individual's cognitive or volitional
functions and that is"

MONTANA



Tavern Association

Affiliated and Associated with the NLBA

PROFESSIONAL PLAZA - SUITE AB-2
900 N. MONTANA AVENUE - P.O. BOX 851
Helena, MT 59624 / PHONE 406-442-5040

March 3, 1989

TO: Rep. Robert Pavlovich, Chairman, and
Members of the House Business & Economic Development Committee

RE: HB743

At the March 1, 1989, hearing on subject bill, MTA testified as neither proponent nor opponent because we did not have an opportunity to review the amendments and Statement of Intent presented by the proponents at the start of the hearing.

Having now done so, we ask that the Montana Tavern Association be recorded as an opponent to the passage of this bill.

On Line 19, Page 1, the bill states that "all types of wine need to be marketed on the same basis." The only reason for this pronouncement is that the grocery stores, which are the biggest customers of the beer/wine distributors, want to get more of the camel's anatomy inside the tent. Both groups are moving toward their long-desired goal of allowing spirits to be sold in grocery stores, and this bill is a giant step in that direction. First, they got beer, then table wines, now they want the fortified wines, and once they have all three, they'll be after spirits.

We direct the Committee's attention to a copy of a portion of the Washington State Legislature's Legislative Digest, specifically their HB1977. This bill was introduced by Rep. Locke, who is chairman of their House Appropriations Committee, in answer to the growing problem they are experiencing in their urban areas because of easy availability of the 24% wines to a vulnerable segment of their society.

This problem is also occurring in Oregon and Utah, two more of our sister control states. Information received from both states indicates that they are blocking off areas of their major cities which transients and inebriates frequent in an attempt to alleviate their control problems. In Utah, specifically, this has caused those patrons to travel to the suburban areas to buy the fortified wines; they use the public transportation system to reach the suburban outlets, then return with their purchases to their favorite areas that are in close proximity to shelters and soup kitchens. This has also caused bootlegging. Those who do not elect to travel to the suburbs buy from others who bring the wines back into the area to resell.

March 3, 1989

We do not think the state of Montana should deliberately add to the social problems attendant to alcohol abuse by making fortified wines more available. If it is made more difficult for these patrons to acquire the higher alcohol content products, it may be a deterrent to their consumption.

We respectfully ask that this Committee do not pass HB743.

Very truly yours,



STEVE WILKEN, President
Montana Tavern Association

SW/d

Enclosures



EDITION NO. 4*
**Legislative Digest and
History of Bills**
of the
**Senate and
House of Representatives**

FIFTY-FIRST LEGISLATURE

1989 Regular Session: Convened January 9, 1989

**DIGEST & HISTORY ON LEGISLATIVE BILLS, MEMORIALS AND RESOLUTIONS;
RCW — BILL TABLE; and TOPICAL INDEX.**

**** Compiled to and Inclusive of February 19, 1989 ****

GORDON A. GOLOB
Secretary of the Senate

ALAN THOMPSON
Chief Clerk, House of Representatives

With the Cooperation of the Statute Law Committee
& the Legislative Service Center

* **LATER PUBLICATION:** This publication should be discarded upon the receipt of Edition No. 5 of the "Legislative Digest and History of Bills."

Legislative Digest and History of Bills

453

Creating a citizen review board system for substitute care of children.

Provides for a system to act in an advisory capacity to the judiciary, the department of social and health services, and the legislature.

Establishes the system's purposes.

Makes the procedures mandatory in certain counties, and optional in others.

Defines terms.

Requires the state supreme court to take certain actions to establish such boards, and to report thereon by January 1, 1991.

Provides for board organization, functioning, confidentiality, and immunity.

Establishes procedures that apply to certain cases where a child has been placed in substitute care, and modifies certain existing provisions relating to dependent children.

Modifies requirements relating to permanent placement of children.

Requires certain notice to parents when children are taken into custody.

--1989 REGULAR SESSION--

Feb 15 First reading, referred to Human Services.

H. B. 1974 by Representatives Jacobsen, Peery, Nelson, Anderson

Naming the giant sloth as the official state fossil.

Recognizes the efforts of school students to determine an appropriate fossil.

--1989 REGULAR SESSION--

Feb 15 First reading, referred to State Government.

H. B. 1975 by Representatives Doty, Brooks, Rayburn, Baugher

Permitting use of cabulances for patient transport.

Exempts cabulance type vehicles from the prohibition of RCW 18.73.180 that limits the use of certain vehicles for transporting patients who either must be carried on a stretcher, or who may require medical attention en route.

--1989 REGULAR SESSION--

Feb 15 First reading, referred to Health Care.

S. Wilson, Gallagher, Baugher, Schmidt, Walk

Extending the project cost evaluation methodology program.

Extends from 1990 to 1991 the pilot program under RCW 47.28.190 which excepts certain roadway and maintenance projects from open competitive public bidding requirements.

--1989 REGULAR SESSION--

Feb 15 First reading, referred to Transportation.

H. B. 1977 by Representatives Locke, Silver, Phillips, H. Sommers, Brough, Vekich, Winsley, Hankins, Anderson, Ferguson, Wood, D. Sommers, Todd, Horn

Regulating the sale of fortified wine.

Recognizes certain characteristics of alcoholism in urban settings.

Authorizes the liquor control board to prohibit the sale of fortified wine in certain stores upon a finding that the sale of fortified wine is against the public interest.

Provides for a fortified wine retailer's license for stores having class F licenses, and provides for limiting the issuance of such licenses. Designates class F licenses as table wine retailers' licenses.

Allows retail wine sellers to provide free samples to customers for sales promotion purposes.

Deletes certain existing provisions relating to restrictions on class F licenses.

Takes effect January 1, 1990.

--1989 REGULAR SESSION--

Feb 15 First reading, referred to Commerce & Labor.

H. B. 1978 by Representatives Jacobsen, Nelson, Belcher

Revising provisions for application of the state building code.

Relates to women's public restrooms and other matters.

Provides for relatively more restroom facilities for women in places of public assembly, and allows local governments to retain authority to amend the state building code in structures which are not used for public assembly.

Requires, specifically, the adoption of the appendices to the Uniform

Customers Are Driven to Suburbia for Strong Wine

By Dave Johnson
Tribune Staff Writer

Suburban Salt Lake City liquor stores are seeing a rash of new customers for low-cost fortified wines and several stores have had to quadruple warehouse orders to stay in stock after downtown stores stopped selling them on July 1.

Customers are arriving by bus and car pooling to the Murray, Sugar House and South Salt Lake stores and some are making cash-for-purchases of cheap fortified wines, typically \$2.65 half-gallons of Thunderbird, more officials said.

The South Salt Lake store on Miller Avenue 13175 South just off State Street, has experienced a 50 percent sales increase in low-cost, 20 percent wines, and has increased its warehouse orders from the typical five

cases of half-gallons per week to 25. Orders for fifth sizes have been upped similarly. Difficulties for the Murray store, 5140 South State, officials said.

Purchases may not be just for themselves, one store assistant manager said. "They're taking it back to Pioneer Park and selling it — that's what's happening," he declared.

A two-month moratorium on sales of the strong wines at 800 West, 400 South and 1457 S. Main stores began just July 1 and so it is too soon to have actual sales figures. Operations Manager Dennis Kellen said.

Paul Fred Turner, warehouse manager, said the Ashton Ave., Miller Ave. and Redwood Road stores have all upped their orders from two to five times normal to keep up with the burgeoning demand.

The 400 South store is one block from Pioneer Park, which is a favorite for transients because of its proximity to shelters, soup kitchens and freewheeling overpasses.

Mike Brown, Sugar House store assistant manager, said he sales one-sized sales and known bootlegging is going on, but it didn't start with the sales moratorium. When he was an employee at the downtown store he learned that embarking persons with cars buy Thunderbird on Saturdays and sell it — at Pioneer Park — on Sundays when state stores are closed, for as much as \$5 a fifth.

Salt Lake City officials had ordered the Board of Alcoholic Beverage Control to remove the cheap wines from the three downtown-area stores, to help alleviate problems with intoxicated and disruptive patrons hanging around the area of 200 West at 400 South.

The demand for the product hasn't so much diminished since July 1 as just temporarily, officials said. Mr. Brown said he has seen just "a few" of the 400 South patrons show up at the Sugar House store since the moratorium. But sales of the product are, nonetheless, up significantly.

Mr. Kellen said downtown store sales of cheap spirits are also up, something he feared would happen. Persons who often will purchase for enough money to buy a bottle are switching to the cheapest vodka or bourbon. With wine at hand, the drinkers get some sugar with their alcohol.

Mr. Brown said the new concern is the sobriety of the persons who drive others to the outlying stores.

"Someone's going to get hurt," he said.

Mr. Kellen said the Redwood Store has

noted a small extra demand for cheap wine but the impact is expected to be less because the store isn't as easily accessible.

He added that the moratorium situation without any trouble. Though most of downtown store's wine customers showed that moratorium still expecting to buy a brand.

"They didn't know, or believe, that it was going to happen," he said.

Out of concern there might be trouble, DABC hired some extra security personnel for the downtown store (off-duty Salt Lake City police officers) but found it so quiet the extra security was soon canceled.

Similarly, the displaced customers were hanging to other stores for their purchases but not caused any problems, he said.

The Salt Lake Tribune Local

Wednesday Morning—July 13, 1988
Section B Page 1

Supercamp for Superkids With Lung Disease

Demos Precede The Attack