

MINUTES

MONTANA SENATE  
51st LEGISLATURE - REGULAR SESSION  
COMMITTEE ON BUSINESS AND INDUSTRY

Call to Order: By Chairman Gene Thayer, on March 2, 1989,  
at 10:00 a.m.

ROLL CALL

Members Present: Chairman Thayer, Vice Chairman Meyer,  
Senator Boylan, Senator Noble, Senator Williams,  
Senator Hager, Senator McLane, Senator Weeding,  
Senator Lynch

Members Excused: None

Members Absent: None

Staff Present: Mary McCue, Legislative Council

Announcements/Discussion: Chairman Thayer announced, "HB  
258, that was scheduled for today, was cancelled at the  
request of Representative Spaeth. It has been  
rescheduled for March 10."

HEARING ON HOUSE BILL 417

Presentation and Opening Statement by Sponsor:

Representative Pavlovich, House District 70, said HB  
417 was the result of a boat ride he had taken on  
Flathead Lake. The boat owner had informed him it was  
necessary to secure a catering license each time he  
wished to possess or sell liquor. He said there were  
times when bus loads of people arrived on a Friday or  
Saturday evening and wanted to go on his boat ride. By  
being required to send to Helena for the catering  
license, he wasn't able to obtain the license in time  
for that group of people.

This piece of legislation would allow him a special  
boat permit license. We asked the Department of Revenue  
and got their blessing to introduce this bill. "You  
will see on page 1 a \$200 fee, which is the price of a  
catering license. He will have his own catering  
license. He cannot take that license or that boat from  
Flathead Lake and move it down here on Canyon Ferry.  
If there is somebody here on Canyon Ferry that would  
like to build a tour boat and they want a license here,

they are more than welcome. Presently, this is the only boat on Flathead Lake, or in Montana that does this kind of business."

List of Testifying Proponents and What Group They Represent:

Representative Clyde Smith - House District 5

List of Testifying Opponents and What Group They Represent:

None

Testimony: Representative Smith stated, "I am here in support of Representative Pavlovich's HB 417. What happens with that catering is really no big problem on something scheduled way ahead. In the summertime, we get a lot of tour buses and it's just a great big extra for the community. It is extra dollars in the area. It's a good bill, and I urge you to concur in this."

Questions From Committee Members: Senator Thayer stated, "It looks like you had it amended for the original \$250 down to \$200. Did the House do that on the floor?"

Representative Pavlovich replied, "Those were Department amendments from Mr. Blewitt, and were made in the committee. Those were to name the registered owner of the boat as a resort or beverage licensee or as an individual named on a resort or beverage license, or is at least a stock holder who owns tenpercent. This will take care of the purchase, so nobody else can use it but one person."

Closing by Sponsor: Representative Pavlovich said, "I will close, and ask for your concurrence in the bill. If it does pass, Senator Lynch will carry the bill for me."

DISPOSITION OF HOUSE BILL 417

Discussion: Senator Weeding asked, "Is an endorsement the same as what a bar owner has when he wants to put another bar on?" Senator Lynch replied, "A caterer, that is what this is for."

Amendments and Votes: None

Recommendation and Vote: Senator Meyer moved HB 417 BE

CONCURRED IN. Senator McLane Seconded the motion. The

motion Carried Unanimously. Senator Lynch was assigned to carry HB 417 on the Senate floor.

HEARING ON HOUSE BILL 480

Presentation and Opening Statement by Sponsor:

Representative Knapp, House District 27, said "I am here for HB 480, which was asked for by banks over in the Missoula area. They would like to have some direction, from legislature, on what to do with abandoned escrow accounts. For whatever reason, an escrow account gets abandoned, and people leave the state. We don't have any direction in the codes on what to do with them."

"You will see that Section 5 is just an addition to the code. Section 1 says what to do with abandoned demand savings. Section 2 says shares or other interests. Section 3 is on certificates of deposit. Section 4 is on personal property. Section 5 just adds that escrow direction from the state, on what to do with abandoned escrow accounts.....You will notice the five years is in there. That is consistent with the other sections. After five years, you can declare them to be abandoned."

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 Members: Chairman Thayer inquired, "Can you explain quickly, what happens to the money?" Representative Knapp replied, "Just like any abandoned property, this would go to the state."

Senator Williams asked, "That goes to school funding, I think, doesn't it?" Representative Knapp answered, "That is one question I can't answer, but I assume that is where it goes."

Senator Williams stated, "Four years ago I carried a bill for some telephone co-ops. They wanted to prevent their capital credits from going into the abandoned property. They wanted to take it back and redistribute it among their consumers. It sounded good to start with. I visited with (Representative) Francis Bardanouve who put this together many years ago. It is a pretty good program. Abandoned bank properties, abandoned anything goes into this fund, and the interest is fed into the school foundation program in some way or another. I don't know what it is."

Closing by Sponsor: Representative Knapp said, "If you concur with this, Senator Van Valkenburg is signed on the bill. He would probably carry it on the Senate floor."

#### DISPOSITION OF HOUSE BILL 480

Discussion: None

Amendments and Votes: None

Recommendation and Vote: Senator Williams made a motion that HB 480 BE CONCURRED IN. Senator Noble seconded the motion. The motion carried Unanimously. Senator Van Valkenburg carried the bill on the Senate floor.

#### DISPOSITION OF HOUSE BILL 209

Discussion: Senator Lynch stated, "I was visiting with Representative Hannah today, and he would respectfully request we wait one more day to act on this."

Chairman Thayer replied, "I think we should always extend that courtesy. If there are no objections, we will take action on this bill tomorrow." Consent was unanimous.

Senator Williams said, "I would like to visit with Representative Hannah, Mr. Chairman. There is a program in place, right now nationally, that would take care of an awful lot of those problems. I am involved with it in five northwestern states here."

Chairman Thayer asked Senator Williams, "Would you like to explain that so everybody could identify with it?"

Senator Williams replied, "It's a plan, they call Billy Mac. It's for the servicing of mortgages. It makes no difference where your mortgage was originated. It makes no difference where the mortgage is being paid. Everything is done electronically through City Bank out of New York City. When there is a problem with a mortgage or payment or anything, they are the ones that take care of it. It is a program that just got started in September. We are working in the state with the credit unions. There are one hundred and four credit unions, and we are trying to get them moving on the program."

#### DISPOSITION OF HOUSE BILL 247

Amendments and Votes: Senator Lynch made a motion to adopt the amendments for HB 247 (See exhibit #1). Senator Lynch rescinded his motion on the amendments.

Discussion: Senator Williams asked, "Why not the amendments?" Senator Lynch answered, "Because, I think it takes away what they wanted to do with the definitions of volatile."

Mary McCue said, "I talked to Representative Whalen about my concern on the use of the word regional. I don't think he considers it the problem I do. To me it denotes some kind of geographical limitation, and maybe it does not." Senator Lynch stated, "The same term is being used in regard to water reserves. You are allowed to get into a regional water reserve, but it doesn't mean that the region has to be contiguous with the state. Mary McCue asked, "That is why they had to come back to you though, was it not? Because, they wanted to get into a lottery with people in Rhode Island, or wherever, they had to come back." Chairman Thayer and Senator Lynch both said she was correct.

Senator Weeding asked, "Could we put a modifier in there? Like a noncontiguous region, or define the region as not necessarily contiguous?"

Senator Lynch stated, "Before we start amending the bill, we had better see if there are enough votes to pass it."

Senator Noble reiterated, "If the bill isn't going to pass, there is no use in taking all kinds of time with amendments."

Recommendation and Vote: Senator Lynch made a motion HB247  
Be Concurred In. Senator Hager Seconded the Motion.

Senator Meyer called for the question.

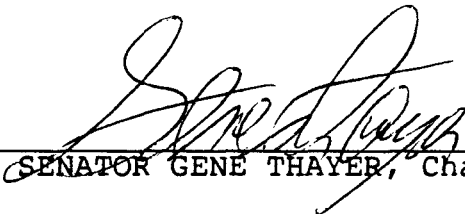
Chairman Thayer stated, "The question has been  
called for on the motion To Concur In HB 247."

A roll call vote was needed.

The motion failed, with three voting in favor, and  
six opposing. Those voting in opposition were Senator  
Meyer, Senator Boylan, Senator Noble, Senator Williams,  
Senator McLane, and Senator Thayer.

ADJOURNMENT

Adjournment At: 10:33 a.m.

  
\_\_\_\_\_  
SENATOR GENE THAYER, Chairman

GT/ct



**SENATE STANDING COMMITTEE REPORT**

March 2, 1989

**MR. PRESIDENT:**

We, your committee on Business and Industry, having had under consideration HB 417 (third reading copy -- blue), respectfully report that HB 417 be concurred in.

Sponsor: Pavlovich (Lynch)

**BE CONCURRED IN**

Signed: 

Gene Thayer, Chairman

4/10  
3/2/89  
J. P. M.

scrhb417.302



**SENATE STANDING COMMITTEE REPORT**

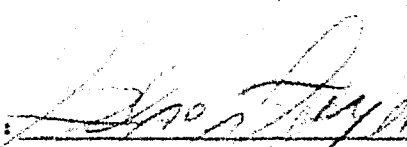
March 2, 1989

**MR. PRESIDENT:**

We, your committee on Business and Industry, having had under consideration HB 480 (third reading copy -- blue), respectfully report that HB 480 be concurred in.

Sponsor: Knapp (Van Valkenburg)

**BE CONCURRED IN**

Signed: 

Gene Thayer, Chairman

410-54  
3/2/89  
2:00 p.m.

**SENATE STANDING COMMITTEE REPORT**

March 2, 1989

**MR. PRESIDENT:**

We, your committee on Business and Industry, having had under consideration HB 247 (third reading copy -- blue), respectfully report that HB 247 be not concurred in.

Sponsor: Whalen (Meyer)

**BE NOT CONCURRED IN**

Signed: \_\_\_\_\_  
Gene Thayer, Chairman

Amendments to House Bill No. 247  
Third Reading Copy

Requested by R. Stephen Browning  
For the Committee on Business and Industry

Prepared by Mary McCue  
February 28, 1989

1. Title, lines 6 and 7.  
Following: "CONSIDERED" on line 6  
Strike: "VOLATILE OR"  
Following: "DEFINE" on line 6  
Strike: "VOLATILE AND"
2. Page 2, line 2.  
Strike: "or volatile"
3. Page 2, line 7.  
Strike: "or volatile"
4. Page 3, line 23 through line 1, page 4.  
Following: ""noncompetitive"" on line 23  
Strike: remainder of line 23 through end of line 1 on page 4  
Insert: "in any one of the following circumstances:  
(1) there are fewer than five insurers actually issuing the line of insurance in the state, as determined by the commissioner;  
(2) three insurers are transacting more than 90% of the business for that line of insurance in the state;  
(3) two insurers are transacting more than 80% of the business for that line of insurance in the state; or  
(4) there is reasonable evidence, as determined by the commissioner, of collusion among insurers in setting prices for the line of insurance."
5. Page 4, line 3.  
Strike: "or volatile"
6. Page 4, line 7.  
Strike: "or volatile"
7. Page 4, line 10.  
Strike: "or volatile"
8. Page 4, line 13.  
Strike: "or volatile"
9. Page 5, line 14.  
Strike: "or volatile"
10. Page 6, line 3.  
Strike: "or volatile"



ROLL CALL VOTE

SENATE COMMITTEE BUSINESS & INDUSTRY

Date March 2, 1989 Bill No. HB 247 Time 10:23

NAME	SEAT NO.	YES	NO
SENATOR DARRYL MEYER	35		✓
SENATOR PAUL BOYLAN	50		✓
SENATOR JERRY NOBLE	34		✓
SENATOR BOB WILLIAMS	39		✓
SENATOR TOM HAGER	42	✓	
SENATOR HARRY "DOC" MC LANE	33		✓
SENATOR CECIL WEEDING	28	✓	
SENATOR JOHN "J.D." LYNCH	5	✓	
SENATOR GENE THAYER	23		✓

Carla M Turk  
Secretary, CARLA TURK

<sup>3</sup>  
Gene Thayer  
Chairman, GENE THAYER <sup>6</sup>

Motion: Senator Lynch made a motion to  
Concur in HB 247. Senator Hager seconded.  
Failed