

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT

Call to Order: By CHAIRMAN BACHINI on January 9, 1991, at 9:00 a.m.

ROLL CALL

Members Present:

Bob Bachini, Chairman (D)
Sheila Rice, Vice-Chair (D)
Joe Barnett (R)
Steve Benedict (R)
Brent Cromley (D)
Tim Dowell (D)
Alvin Ellis, Jr. (R)
Stella Jean Hansen (D)
H.S. "Sonny" Hanson (R)
Tom Kilpatrick (D)
Dick Knox (R)
Don Larson (D)
Scott McCulloch (D)
Bob Pavlovich (D)
John Scott (D)
Don Stepler (D)
Rolph Tunby (R)
Norm Wallin (R)

Staff Present: Paul Verdon, Legislative Council
Jo Lahti, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

HEARING ON HOUSE BILL 97

Presentation and Opening Statement by Sponsor:

REP. MARK O'KEEFE, House District 45, Helena, explained this is a bill to clean up language, ambiguity and requirements with electrical inspection tags. There are no substantive changes. HB 97 replaces an outdated buildings code term with an electrical permit. Section 50-60-606, MCA will be repealed. That section requires utilities to send copies of inspection tags to the bureau but it is against the law to remove inspection tags from the facility. Thus it would be very difficult to remove the tags and send them to the bureau.

These are minor adjustments - amendments to the law. Although the law did not pose much problem because the suppliers and the agency have ignored it for years, the legislative audit has consistently noted the ambiguity the last several audits, and the administration felt it should be corrected.

Proponents' Testimony:

W. Jim Kembel, Administrator, Public Safety Division, Department of Commerce, acquiesced with Rep. O'Keefe's explanation.

Gary Willis, Montana Power Company, said MPC supports HB 97. As an electrical supplier MPC has been abiding with the electrical inspection permit. It has been workable. Section 50-60-606 requiring removal of the inspection tag from the meter base and delivering it back to the Department is unworkable, and hasn't been done. This would correct that situation.

Gene Phillips, Pacific Power & Light Company, Kalispell, supports HB 97.

Jim Paladichak, Montana-Dakota Utilities, Sidney, supports HB 97.

Questions from Committee Members:

REP. BARNETT asked if line 3 on page 2 says a person can make an application for an electrical permit and get it. An application is not the same as permit granted. The old law reads: "An application for an electrical permit covering the installation, together with the inspection fee, has been forwarded to the Department of Commerce". Mr. Kembel responded that it does prohibit anyone other than a power supplier from energizing the installation. The reason is that the contractors need electrical power to build the facility. They work very closely with the power company before they do the final energizing permit so that it complies with the standards.

REP. BARNETT asked if that would have more weight if 'application for' was corrected to read 'permit granted'. Mr. Kembel said this has been working all right with the application.

REP. SCOTT asked if this bill eliminated the physical inspection before power is supplied with just a permit. Mr. Kembel said section 50-60-604 does require an inspection tag to be placed on the installation before energizing. The inspections would still be done. 50-60-604 does read that the Department of Commerce shall make inspections of the installation, issue an inspection tag, and establish a reasonable and uniform inspection fee.

REP. STELLA JEAN HANSEN asked if by eliminating the inspection tag and replacing it with an electrical permit, is it necessary to deliver an electrical permit? Or will it do away with the law that says an inspection tag has to be delivered altogether?

Mr. Kembel said it does away with the power company having to deliver it to the Bureau. It is not their responsibility. It is the owner's or contractor's problem.

REP. KNOX thought it confusing to say it would be energized after the permit has been filed. Mr. Kembel said the power company can energize before the permit is issued. The final inspection is made before the user can hook up. In some out-of-the-way places hookups are made before final inspection because of the lack of inspectors. They have 12 inspectors running 10-12,000 permits a year, and it gets difficult sometimes to get the inspections made immediately. They do inspections during construction and on completion.

PAUL VERDON, Legislative Researcher, questioned page 1, lines 21-22 where it takes the 'inspection tag' wording out. It also says the Department of Commerce shall make inspections for the electrical installation, and issue inspection tags. Should 50-60-604 be changed. Mr. Kembel said 50-60-604 should not be changed because they will issue the inspection tag after the job is completed. It is usually placed on the meter base so that everyone knows it has been approved. They still feel that is necessary.

Mr. Verdon asked if there is a difference between an inspection tag and a permit. Mr. Kembel's office issues the permits. What they do is based on the permit rather than the inspection tag which is the final step in the process. A permit application condones the construction of the building. Inspections are made during the construction period and then the final seal which is an inspection tag is issued.

Mr. Verdon thought the terminology confusing. Section 50-60-605 says a permit has to be issued to the power supplier. Mr. Kembel said they ask that an application be made prior to installation of the power pole. This gives the power company permission to set up the power pole.

REP. STELLA JEAN HANSEN asked if this did away with the inspection tag. The law said you had to have a permit and an inspection tag. Mr. Kembel said there would still be inspection tags as well as permits. The tags no longer have to be delivered to the Bureau.

REP. SCOTT asked if an installation may be energized before a final physical inspection is made. Mr. Kembel answered that an application is made for the contractor to be able to use electricity for building the facility. It is inspected during construction, and when finished an inspection tag is placed on the meter base. Each job is different and the electric contractor has to make a separate application for each one. One copy goes to the power company notifying them of inspection.

Closing by Sponsor:


REP. O'KEEFE said it is a question of timing. There are two items: the electrical permit which is presently called an inspection tag. They have been giving it the name of electrical permit which allows construction of the power pole. An inspection tag is still needed in order to energize the building. It was understood there was no need to pull language from 50-60-604. He hoped the committee would stay within the codes with this problem.

DISPOSITION OF HOUSE BILL 97


Motion/Vote: REP. PAVLOVICH MOVED HB 97 DO PASS. Motion carried unanimously.

ADJOURNMENT

Adjournment: 10:20 A.M.



REP. BOB BACHINI, Chairman



JO LAHTI, Secretary

BB/jl

STANDING COMMITTEE REPORT

January 11, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that House Bill 97 (first reading copy -- white) do pass.

Signed: *Bob Bachini*
Bob Bachini, Chairman

Ex. 1
1/9/91
HB 97

WITNESS STATEMENT

NAME W. JAMES KEMBEL BILL NO. HB 97

ADDRESS PUBLIC SAFETY DIVISION / DEPT. OF COMMERCE

WHOM DO YOU REPRESENT? DEPT. OF COMMERCE

SUPPORT OPPOSE _____ AMEND _____

COMMENTS: ATTACHED

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.



Ex. 1
1-9-91
HB 97

BUILDING CODES BUREAU
PUBLIC SAFETY DIVISION
DEPARTMENT OF COMMERCE

House Bill 97 is at the request of the Department of Commerce. The purpose of the legislation is to satisfy a June 30, 1989 Legislative Audit, a copy of which is submitted herewith, which pointed out the fact that the Bureau was not operating in compliance with Sections 50-60-605 thru 607, MCA.

The current statute requires a power supplier to notify the Bureau when an electrical installation is energized, by delivering to the Bureau an "inspection tag". The delivery of the "inspection tag" to the Bureau is impossible since the subject tags are not to be removed from the installation.

As now proposed by HB 97, the wording "inspection tag" would be changed to "electrical permit", in Sections 50-60-605 and 607, MCA and Section 50-60-606, MCA, which required the power supplier to deliver the "inspection tag" to the Bureau, is deleted. With this change the current practice of the Bureau is in compliance with the statutes.

EX. 1
1-9-91
HB 97

Section 37-60-202(3), MCA, requires the board to adopt and enforce reasonable rules for establishing application and examination fees for original or renewal licenses, registration, and identification cards, and to provide for refunding of any such fees. Because rules for providing refunds do not exist, the potential for inconsistent refunding exists.

8. The Board of Private Security Patrolmen and Investigators meets at least annually; however, it does not hold an election each year for the chairman and secretary. According to the board's administrative assistant, the board has discussed the positions every year but has been satisfied with the present chairman and secretary and has not considered it necessary to re-elect them annually. These discussions have not been documented in the board's minutes. Section 37-60-201, MCA, states the board is to meet annually and elect a president and secretary from among the seven members.
9. Approximately two years ago the Division of Aeronautics determined that the amount of liability insurance required for commercial air operators would be the same as that required in federal regulations. Section 67-3-402, MCA, requires the department to establish reasonable rates. The division did not revise the administrative rule which implements the statute (by publicizing the amount of liability insurance required) to reflect the currently enforced coverage until we brought the inconsistency to its attention. The rule was revised as of September 30, 1987.
10. The Building Codes Division has not implemented standard procedures for power suppliers to notify it when an installation has been energized. Section 50-60-606, MCA, states, "Immediately after an installation has been energized, the power supplier shall deliver to the department of commerce the inspection tag covering the installation." Building codes inspectors put a tag on an installation after they have inspected it. The tags have "Do Not Remove" printed on them and building codes personnel want the tags left on the installation to provide evidence the unit has been inspected. However, by not being able to remove the tags to send to the department notifying them of an energized installation, the department is not in compliance with the above referenced law. The department could develop a two part tag which would allow for documenting both inspections and notifications. Another option is to seek legislation to amend or repeal section 50-60-606, MCA.
11. The Board of Social Workers has not adopted rules of professional and ethical standards for licensed masters of social work as required by section 37-22-201, MCA. Not having written rules for professional and ethical standards for social workers creates a potential for inconsistent decisions regarding the licensing of social workers.
12. In fiscal year 1985-86, the Board of Social Workers issued renewal notices at \$75 for an annual renewal rather than \$150 for a biennial

VISITORS' REGISTER

Business & Econ Dev.

COMMITTEE

BILL NO. HB 97

DATE 1/9/91

SPONSOR REP. O'KEEFE

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
W. JAMES KEMBEL	Public Safety Division DEPT OF Commerce	✓	
Robert K Murphy	LU 185 IBEW	✓	
GENE PHILLIPS	RALISPELL	✓	
JIM PAIADICHAK	M. D. U.	✓	
Gary Willis	M. P. C.	✓	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.