

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT

Call to Order: By REP. BOB BACHINI, CHAIRMAN, on February 21,
1991, at 7:00 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 Steppler (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.

Announcements/Discussion: Bills to be heard were HB 774, HJR
33, HB 698, HB 707, HB 847. Executive action on HB 774, HB
707

HEARING ON HB 774

Presentation and Opening Statement by Sponsor:

REP. ROYAL JOHNSON, HD 88, Billings, explained HB 774 is an Act
to authorize a person to import illegal gambling devices if the
person is licensed to manufacture the devices for export; and
amending Section 23-5-152, MCA. In current law any kind of
gambling device can be manufactured. It can be sold, they are not
regulated under the law. They can manufacture and ship them out.
They can be brought them back in to add parts or be assembled. HB
774 has to do with manufacturing. Page 2, lines 8-12, Subsection

(c) allows the illegal gambling device to be brought into Montana after notifying the department and receiving a permit. Reports have to be filed. This is currently on the books, just a matter of bringing them back into the State. There were a number of people who were a little alarmed about this, so he sent it through the Justice Department, and if they didn't like it, he wouldn't sponsor it. There are some amendments. EXHIBIT 1.

Proponents' Testimony:

Bob Robinson, Administrator, Gambling Control Division, said HB 774 provides a procedure where a licensed manufacturer of either legal or illegal gambling devices can receive shipments of assembled parts or partially assembled video gambling machines. At the present time this is not legal. Manufacturers want to receive written authorization to bring their products into Montana. EXHIBIT 2.

Kay Foster, Billings Chamber of Commerce, said they support HB 774.

Opponent's Testimony: None

Questions from the Committee:

REP. SHEILA RICE asked if there was an immediate effective date. REP. ROYAL JOHNSON said they want to do that.

Closing by the Sponsor:

REP. R. JOHNSON said he hopes the bill will pass as amended. He said to remember the Justice Department will make all of the rules in this particular situation.

EXECUTIVE ACTION ON HB 774

MOTION/VOTE: REP. PAVLOVICH moved HB 774 DO PASS AS AMENDED. REP. PAVLOVICH moved the amendments. Motion on the amendments carried with REPS. TUNBY AND DOWELL voting no. REP. WALLIN was absent.

Vote: Motion DO PASS HB 774 AS AMENDED carried with REPS. BARNETT, KNOX, TUNBY and DOWELL voting No.

HEARING ON HJR 33

Presentation and Opening Statement by Sponsor:

REP. SHEILA RICE, HD 36, Great Falls, informed the Committee that HJR 33 deals with community planning processes totally privately funded in Great Falls by the Vision 2000. It is a joint resolution of the Senate and the House of Representatives of the State of Montana encouraging the Department of Commerce to

develop a long-range planning process for Montana communities. This actually started out as a bill to have the Department of Commerce work on this planning process in other areas of the state. When they looked at the law they found the Department of Commerce already had authority and permission to do planning processes in communities. It was turned into a Joint Resolution to encourage the planning process. 750 people showed up at 18 community meetings, 350 people at a citywide meeting that was open to anyone who chose to come. The people who participated and whose lives were touched by Vision 2000 totaled 83 centuries of living in Great Falls. Some of the things originating from Vision 2000 are Rivers Edge Bike Trail, a former railroad pass turned into an eight mile biking, hiking and walking trail, and a citywide recycling project and the embryo of a labor management cooperation group. Twenty groups are now working with Vision 2000.

Proponents' Testimony:

Bob Heffner, Administrator, Business Development Division, said community planning is one of the current program areas of the Business Development Division. They operate a Certified Communities program for that purpose. Any sort of economic development, whether it be a business expansion or relocation from another area takes place at some locality.

Jerry Tevigia, Montana Department of Commerce, said he operates the Certified Communities Program. In one part of the program they do conduct strategic planning. To date they have worked with 42 communities in this process. Currently they are working with about 10. It is not as sophisticated as the type of operations done in Great Falls. However, they do have a presence out there and with additional resources they would be able to do additional projects.

Opponents' Testimony: None

Closing by Sponsor:

REP. RICE said they had a totally privately funded program of \$22,000 in Great Falls, raised by business, labor and individuals to promote their public projects.

EXECUTIVE ACTION ON HJR 33

Motion/Vote: REP. PAVLOVICH moved HJR 33 DO PASS. Motion passed unanimously. REP. WALLIN was absent.

HEARING ON HB 698

Presentation and Opening by Sponsor:

REP. SCOTT, HD 97, Balentine, informed the Committee that HB 698

is a bill concerning the brewers of beer. It is an Act revising the taproom exception to include any brewer licensed by the United States who manufactures less than 60,000 barrels of beer a year; and amending Section 16-3-214, MCA. Montana has a law stating that any importer of beer has to go through a distributor or vendor to distribute their product. If the brewer is within the state, he does not. This is discriminatory. It has not been challenged in court yet, but it probably will be someday. This bill puts a cap on this. It puts the Montana brewers on the same plane as the out-of-state brewers. If they produce more than 60,000 barrels of beer per year, they will have to go through a distributor. Kessler Brewery brews a little less than 4,000 barrels a year and they can sell direct. Someone like Anchor Steam that is distributed nationally, is producing close to 60,000 barrels. They can come in and say they want to sell direct. The State of Montana would say no, they would have to go through a distributor. They can look at someone like Kessler and say discrimination. The Montana distributors do a very good job and at present they handle all of the out-of-state microbreweries. This would protect them.

Proponents' Testimony:

Roger Tippy presented the Committee with a "Fact Sheet on HB 698" explaining the difference between Montana and out-of-state breweries. EXHIBIT 3.

Opponents' Testimony: None

Questions from the Committee: None

Closing by Sponsor:

REP. SCOTT said this bill stops major grocery stores from bringing in their own label and still protects the microbreweries in the state.

EXECUTIVE ACTION ON HB 698

MOTION/VOTE: REP. PAVLOVICH moved HB 698 DO PASS. He moved the amendments be adopted. EXHIBIT 4. The amendments were unanimously adopted. Motion HB 698 DO PASS AS AMENDED carried unanimously.

HEARING ON HB 707

Presentation and Opening Statement by Sponsor:

REP. WILLIAM 'RED' MENAHAN, HD 67, Anaconda, informed the Committee that the bill allows for a cable district to be developed by people in their communities. It is an Act to expand the authority of television districts to include the construction of cable television systems; and amending Section 7-13-2502, MCA.

Proponents' Testimony:

Linda Stoll-Anderson, Lewis and Clark County Commissioner said the county supports HB 707. There are four pages of the television district law that tell everything about the television district laws. What this bill proposes to do is delete a prohibition that was established 30 years ago that stated television districts could not operate community cable or community TV antennas commonly known as cable TV. In the past year considerable controversy has arisen in the Helena area and in many parts of the state about cable television companies. This is essentially an unregulated industry with no competition. The cable industry will tell people that there is competition to cable, with video stores and bowling alleys, etc. There are a number of bowling alleys to visit. There is only one cable television company that services Helena.

What this legislation will do is allow communities within the scope of a television district to add to those services the provision of cable services. This is an important piece of legislation. The amendment she proposed refers to Section 7-13-2511. It is another section of the same law that has the prohibition of the operation of cable TV systems. Without this amendment the bill would be ambiguous stating in one section that they can operate them and in another section it will say that it cannot.

Paul Spangler, Bringback WGN-TV Organization, Helena, supports HB 707. Counties must have the authority to have TV cable districts to bring in cable TV programming that is not provided by commercial companies. Exhibit 5.

Bob Saunders, White Sulphur Springs, submitted written testimony. Exhibit 6. Groups of citizens should be allowed to operate a cable system within an established district.

Mike Murray, Helena City Commissioner, representing himself, said he saw this bill as allowing and fostering competition which is the foundation of all business.

Clyde Jarvis, Helena, said HB 707 would allow for a competitive cable TV system. He said he spoke with some knowledge as to the need for this, having served for 11-1/2 years on the Public Service Commission, as a Commissioner representing District #3. He said he well remembered the numerous howls of complaint against the existing system. The Public Service Commission has absolutely no authority over the cable TV system, so there is nothing the Commission could do or nothing he could do as an individual. Now he said there is a crying need for regulation of the cable TV business, but thanks to the FCC that is not possible. If there can't be regulation, then there should be competition. Under the present circumstances, the consuming public has absolutely no control over the charges being assessed or the channels being offered or the service being rendered. The

present system allows the cable TV company to indiscriminately raise its rates, carry whatever channels it so desires, and provide service whenever it is ready. Since regulation isn't possible, he urged concurrence in HB 707.

Kris Inabnit, Helena submitted written testimony explaining problems with TCI. He supports HB 707. EXHIBIT 7.

Susan Loveless, Helena, submitted written testimony supporting HB 707. EXHIBIT 8.

Cecil Deming, Helena, submitted written testimony supporting HB 707. EXHIBIT 9.

Lisa Loveless, Helena, submitted written testimony supporting HB 707. EXHIBIT 10.

Bob Musselman, Helena, supports HB 707. There seems to be a TCI problem with the consumers of TCI who have not been dealt with fairly. If you don't like it, where are you going to go. They are getting into the production of cable TV. In the absence of regulation, competition is the answer.

REP. PAVLOVICH wanted to go on record as being in support of HB 707.

Opponent's Testimony:

Wes Huffman, General Manager, TCI Cablevision said he represents Northcentral Montana, including Great Falls, Cascade, Fort Benton, Choteau, Conrad, Shelby and Cut Bank. He said he mentioned that because it is a range of different sized communities. They do have competition. No one has mentioned the over-the-air broadcasts that we compete against. The Neilson ratings say consistently that cable network systems demand a share of the market. There are other alternatives that are working in the market place right now. Satellite dishes and existing translator signals. Translator signals are owned and operated by the broadcasting stations throughout Montana. If this bill passes, it would be bad policy to put the government in charge of the media.

It costs about \$15,000 a mile to install cable TV except for isolated areas which costs much more. Population density is very important. The cable company paid over \$120,000 in franchise fees last year and general property taxes. They are very proud of their service and maintenance. If the market is split, basically the operations of both cable companies deteriorate.

Tom Glendenning, TCI Cablevision, Helena, said the additional cost to customers would be about \$1 a month. A lot of operational costs have come up that have to be passed on to customers. A survey was taken to see how many people would like to have WGN, and how many did not. What kind of programs they wanted was

varied. It is impossible to satisfy all of them 100%, so they try to give all a broad range. What is being heard today is more of a local problem than a statewide problem and hopefully it can be resolved satisfactorily to everyone. The translator districts were established 30 years ago and operated at low power. Montana has grown up and has more TV stations, more powerful stations, more translators owned and operated by those TV districts. The bottom line says they are doing their job. They are getting TV out to the majority of Montanans. He was not sure county governments need to get involved in the TV business any more than they are. He opposes HB 707.

Mike Mason, Meta, General Manager TCI Cablevision, Flathead area, Columbia Falls, is absolutely opposed to this bill. As a family they operate a little TV in one of the smallest unincorporated towns in Oregon. They have a great working relationship with them. He has never seen an example of where the government was involved it improved things. Industry should be allowed to operate through free enterprise of translators and fair competition. There are a lot of issues tht need to be studied.

Don DeShaw, Cable TV of Harlowtown, Montana, put in cablevision at the request of the people of the community. It was financed through the local bank. If TCI would come in and take away all their subscribers, they would be out of business. He doesn't think government money should be used against private money.

Ken Young, Cable Montana, operates a small cable system. He has no problem with competition, but in the case of Red Lodge, Montana, one was built in the 70s and the other in the 80s. If a tax free entity is allowed to come into their small business, they will be out of business in a short time. He is opposed to HB 707.

Philip Watts, TCI Cablevision, Anaconda and Deer Lodge, Montana, reiterated previous opponents. The one issue to stress is fairness. He does not see how a taxfree enterprise can be considered on the same basis as one that pays taxes.

Michael Miller, Rock Association, Libby, is opposed to HB 707. In Troy currently it costs \$17.70 a year. Even the district has no control over the TV district. They have a community oriented system that is an independent company and does not have taxpayer money support. The effect of HB 707 would be very harmful in his district.

Bonnie Hansen, Manager of two small TV cable systems in Glasgow and Wolf Point, opposes HB 707. Cable came into their area by the people who backed this bill. This was not intended to be in competition with local cable companies. They are completely against this bill.

Steve Dormaier, TCI Cablevision, Butte, TCI Manager, provides excellent service and quality programs. They are looking at

providing areas not now served in the Butte area. They expanded in Dillon to provide more quality service to an area that had not been serviced. Each year they look to other areas to expand. Look at the real issue and not just concentrate on Helena area.

Andrew M. Bostwick, TCI - CATV, Butte, said there is a new generation of TCI management under the franchise agreements. He is opposed to HB 707.

Tom Harrison, Montana Cable TV Association, said there is not an outpouring of TV districts looking for this. Just a handful of people have been causing problems because they are not getting a particular cable channel. Cost is the problem. Townsend gets it which allows them to bring that in without it trebling the cost. This is a government caused problem. The FCC regulates all costs for radios. They have to pay about three times the going rate because they already have two long distance channels. In Townsend they get it for 30 cents, to bring it here costs \$1. Private industry ought to consult with their customers. The problem has been handled as well as it could possibly be handled. The cable along with the TV pays the highest personal property tax available. Historic tax was 15% until last session. We will stay up, too, to the highest bracket.

Why would government consider slitting the throat of those they tax the highest and try to put them out of business? If you want more service or lower rates, let's stump for lower taxes. Tax free tax money, tax free operated noncontributing competition, where would that lead? What about owning the utilities, the power companies, and gaming machines. There are counties that think government should run everything.

Questions from the Committee:

REP. BENEDICT asked if he was prepared to go back and tell your neighbors that if they don't want this, they are going to pay a tax anyway. The supporters of HB 707 say to allow some competition for cable companies. It would in effect tax everybody in that district to provide that system whether they want it or not. **Mr. Spangler** was not sure. **Ms. Stoll-Anderson** said if it passes their home and it is available to them, they would have to pay the tax. In order to get the district created in the first place 51% approval is needed. Once that district is created under 7-13-2529 a whole list of people could be exempt if they wished.

REP. BENEDICT said the line you are following is created but there are 49% who would not want it, what would be a valid reason for exemption. **Ms. Stoll-Anderson** said they would have to pay the tax.

REP. DOWELL said they heard about fairness and competition. TCI owns 23% of Turner Broadcasting. They have about 22 stations on their cable, four of which are Turner Broadcasting. Talking about costs, it seems like you are subsidizing your own program. **Mr.**

Glendenning said well before TCI had any investment in that they asked for and demanded certain programs. They were not listening to their customers about what they wanted. People want the CNN Networks, so they put them on. However, they probably can't do that all the time, but they try to respond when they can.

REP. ELLIS asked if he thought competing with one who was taxed at the personal property tax level in Montana was fair. Mr. Harrison said No. He doesn't believe operating tax free is fair in this bill or in any other. REP. ELLIS said TCI is going into the programming business and will have an influence on what people have available to them. Are we setting up a system where a co-op could determine what we have available to us and eliminate what is available in other countries. Mr. Harrison said that is a concern. He realizes that as far as consolidations within the TV system, some big companies are getting bigger. They can provide more service for more people. He is precisely opposed to this to split the subscriber and split the cost.

REP. ELLIS asked if it wouldn't be even easier for government sponsored TV to do that? Mr. Harrison said technically it should be. He has seen that government would foul it up. It should work but it won't.

REP. SCOTT said there is a lot of TV he would like to see. Can't that be received through the TV stations? Mr. Harrison said KOA and if you had a satellite you could pick it up, otherwise you would have to get it through cable.

REP. SONNY HANSON explained how a company put in distribution lines through all the towns proceeding to build and duplicate lines and charging lower rates. It took the local company 8 years and they were out of business. Then the big company took over the whole line and immediately raised the rates went up 30% over what the private company had been charging. The property and personal property tax and other costs make it so expensive a private section company costs are more. Do you see that kind of competition forcing out the private company? Do you see that happening? Ms. Stoll-Anderson said No.

REP. WALLIN said the cable company operates very much like a utility. You have no competition, but you don't do that kind of service. If you have trouble on the weekend, you don't take care of it until Monday. If you want to operate without competition, would it be fair that you provide the same service as utilities do? Mr. Huffman said they have been in business for 12 years and have personally been available 24 hours a day. Organizations have to respond within 24 hours. They stay open five days a week and Saturdays until 5 and then turn over to the telephone. They have two qualified personnel available. REP. WALLIN said that wasn't happening on Super Bowl Sunday. If you don't want competition, they you should provide service. Mr. Huffman said they call back their new customers. The feedback they get from 95% of their customers is that they are doing a good job. They cannot

guarantee 24-hour service. He doesn't see the need for HB 707 at all.

REP. SHEILA RICE asked what would happen to his prices if he lost 50% of his customers to an alternative company. Mr. Huffman said there are many costs they pay. He didn't think they could sustain that very long. They employ 36 people. They could not operate in the red. He didn't think the competing cable company could achieve the level of performance, commitment and customer service they achieved. He would almost welcome competition. His costs are spread over a large consumer base.

REP. CROMLEY asked about the relationship between the city and TCI. Mr. Harrison said there is a relationship. It is a franchise fee. REP. CROMLEY asked if that was for a monopoly. Mr. Harrison said no, the theoretic basis for the franchise fee is the ability to be there and utilize the alleyways and the other public areas within the city. It is a non-exclusive franchise. He said he didn't know of one franchise in the state that is exclusive. Some big cities in the United States have never built cable systems. Washington D.C. does not have cable in the city. There are many small cable companies. REP. S. RICE asked how the franchise works outside of incorporated areas. She asked if they received county franchises. Mr. Harrison said he was not familiar with it. Linda Stoll-Anderson said she was not aware of county franchises. They only exist for cities.

REP. BARNETT asked if people who choose to move outside of the city, should expect to burden the rest of the people, so they can get services. Ms. Inabnit said she thought they should be able to form together and get Cable. REP. BARNETT asked if TCI is discriminating against her or did she think it was a cost factor. Ms. Inabit said they would argue against that. There are twenty homes to finish in their area. They are going up but not quite to the end. They are not far from the road. There are other homes within a space of two miles.

CHAIRMAN BACHINI asked how far is it from the end of the line. Ms. Inabit said it would be 1/8 mile.

REP. LARSON asked what percent of the operating costs of their Great Falls operation are personal property taxes or franchise fees. Mr. Huffman said he couldn't tell percentages. He said there are only two of the seven communities he represents who don't have a franchise fee. The maximum of the other five is a five percentage of the gross revenue. The one in Great Falls is three percent on an annual basis. REP. LARSON asked what other taxes would Cable TV pay. Mr. Huffman said they pay real property tax, the vehicle tax, the franchise fees and the copyright fees are also a tax. REP. LARSON asked for the makeup of ownership in Montana of the Cable TV operations. He would like to know what percent of the viewers in Cable TV districts are serviced by out-of-state Cable TV operations. What percent are locally owned. Mr. Huffman said he would be guessing, but he thought TCI is now

the largest Cable operator in the Country. It was born in Montana. Its corporate officers are Montanans.

REP. PAVLOVICH asked if there were regulations on how many channels there are on the system. Mr. Harrison said he didn't think there was a regulation, but there is a practical limit of thirty. If you had the money, you could put in 100 channels.

REP. ELLIS asked if he would support this measure, if it were amended, if they couldn't go in the areas currently served by the cable. REP. MENAHAN said he would go on population for the smaller areas. He thought it is in the bigger areas and larger cities and he would not want the small ones excluded.

REP. LARSON asked if he would support a need and convenience test of some sort. REP. MENAHAN said yes.

Closing by the Sponsor: REP. MENAHAN said he had introduced a bill to control cable television in the 70s. During the 80s regulations were established. He said cable television has the government representing them. He said millions of dollars were spent in Washington D.C. to defeat the issue of free competition. He said they have been to the Montana Legislature to tell the other side of the story. He said Montana is being had. Many small areas would not even have electricity if it weren't for co-operatives and government help. He said radio air waves were scrambled. If people go on vacation there are no provisions for cable to be limited. If channels are out there are still charges for cable.

HEARING ON HB 847

Opening by the Sponsor:

REP. THOMAS LEE, HD 49, Bigfork, said HB 847 will exempt senior citizens from licensure, permit fees and taxes on their card games and bingo games. The amendments have been offered by the Gaming Control Commission. The games have involved less than \$100. EXHIBIT 11.

Proponents' Testimony:

Hank Hudson, Governor's Coordinator on Aging, said during last session they had not realized the social activities of the senior citizens would also come under that legislation. They found it difficult to comply with the legislation. They agree with the gambling control philosophy. They agree the public needs protection and control over the growth of gambling. In senior centers they were talking about small sums of money and a lack of serious competition. They operate senior centers to offer socialization. This legislation came out of the Legacy Legislature.

Randy Satellite, Aging Director, Cascade County, said he represents that agency and the Montana Area Agencies on Aging.

Bingo is a major pastime at senior centers. He said they had pinochle games with twenty tables. To continue those games it would have cost them \$10,000. There was no profit nor any benefit to anyone except for a recreational activity. The 501 (C)(3) was interesting because not all of them are non-profit. Many are connected to governmental agencies, and governmental agencies cannot be a 501(C)(3). He thinks it would be wise to exempt the senior centers.

Duane Ludke, Director of Area 6, Agency on Aging, said he supports the bill.

Bob Robinson, Administrator, Gambling Control Division, said when SB 431 was enacted during the 1989 Legislature, it focused nearly entirely on the commercial gambling aspects. All regulations and requirements of their agency were directed toward commercial gambling enterprises. Through oversight, social games were not included. As they began the licensing process, it became clear that even though senior citizen centers could become licensed for no cost or taxes, the licensing requirements that have to be applied to everyone were significant for the senior citizens. The law is strict with card games. They support the concept of exempting senior citizens from the poker, bingo license and the fee and tax requirements. The way the bill is drafted says "all of the requirements". They are somewhat concerned about that, in that, it goes beyond the license and the fee and the dealer requirements. It would allow unlimited bingo games and unlimited pots in poker games. It would exempt them from the limited games the law allows. It could allow other types of banking card games if all of the regulation is removed. They support the amendments and with that it would provide an option for recreational senior citizen centers.

Larry Akey, Gaming Industry Association of Montana and the Montana Tavern Association, said they support the concept contained in HB 847. They had some serious concerns with the original drafting. The amendments proposed by the sponsor go a long way toward solving those concerns. They still have a few concerns about the bill. Even with the sponsors' amendments, there is still the ability under the bill to turn a senior citizen center into a poker card room. He was not saying that any of the proponents would do that, but the Committee needs to be conscious that would be a possibility under the bill. There are two other bills in House Judiciary. Both are considered appropriations or revenue bills that he thinks deal with the problem in a better fashion. It is more expansive than this bill, in that it addresses not only senior citizen's centers but also retirement homes and long-term care facilities. It takes the games that are social card games that are in the statute identified as gambling and moves them into a separate category as social card games. Poker and pan, the two commercial card games are under strict regulation. He thinks those bills address the concerns in a better fashion than HB 847, even with the sponsor's amendment. He still would urge them to adopt the sponsor's

amendment and pass HB 847.

Opponent's Testimony: None

Questions from the Committee:

REP. LARSON said he owns a tavern. When the senior citizens in his area have a bingo game, he said he might as well close. He said it is not inclusive of just senior citizens, nearly everyone in town goes to the game. He asked about a penalty provision to penalize the senior citizen center when it advertises a bingo night for everybody in town. Mr. Robinson said the current law with non-profit charitable bingo organizations does allow them to operate in a commercial atmosphere. This bill would be limited to those locations that are just for members of the senior citizens and their friends. The last amendment basically says that if it is operated in a predominantly commercial manner, which they would define as advertising to get people in or promoting the game, as a commercial business, then they would be in violation of the section. There is the capability in the current law for a non-profit to operate in a commercial manner. REP. LARSON asked if he would object to a penalty provision. Mr. Robinson said that was a policy decision that the Legislature makes. If there is penalty provision of some type, they would enforce it.

REP. DOWELL asked if a senior citizen center advertised, was that commercial. He said in Kalispell every grocery store has a poster about bingo night at the senior center. Mr. Robinson said they can do that now if they are licensed. They are exempt from taxes and from the permit fees if they meet certain requirements. That provision was added in 1989 for the express purpose of allowing the Big Brothers and Sisters in Missoula to operate a commercial bingo operation which was one of the largest in that community.

REP. PAVLOVICH asked what the age limits are for the bill. Mr. Robinson said he should ask the sponsor. He didn't know if that would cause a problem.

REP. CROMLEY asked what is a senior citizen by statute? Mr. Hudson said a senior citizen under their laws and regulations is someone sixty years of age or older. Mr. Satellite said senior citizens are labeled at different ages. He said each senior center decides on the age. AARP uses 50. He said in Great Falls they have a public building, so nobody could be excluded.

REP. LARSON asked for his opinion on the bill. Mr. Warner said he had been silent by intention. The Association of Churches did not see this bill as an increase in gambling. It was that simple.

REP. CROMLEY asked if there was anything in the law to define senior citizen. Mr. Hudson said most of their money is federal money. It says people will be served with meals or transportation or home health or senior centers if they are sixty years of age or older and fees cannot be charged. If other people want to

participate and they can be accommodated for other age groups, they will but they will be charged for the services. Communities design their own programs. Any age group can belong. They do encourage seniors to bring relatives. The age limit may be a complicated factor and they would have to check identification.

CHAIRMAN BACHINI asked which churches he represents. **Mr. Warner** said he would use his business card. He represents the American Baptist Church of the Northwest, the Christian Church Disciples of Christ, Episcopal Church, Diocese of Montana, The Evangelical Lutheran Church in America, Montana Synod, the Presbyterian Church U.S.A., Glacier Presbyterian, the Yellowstone Presbyterian, the Roman Catholic Church statewide, the United Church of Christ and the United Methodist Church. There are approximately 600 churches throughout the state. There are 200,000 members.

REP. PAVLOVICH asked if he said he would like to see the churches give up all forms of bingo and keno. **Mr. Warner** said that was his personal opinion. They are opposed to increases in gambling. They are not opposed to gambling across the board.

CHAIRMAN BACHINI said he thought that he represented the Association of Churches. **Mr. Warner** said that was correct.

REP. SCOTT asked what was a predominantly commercial manner. **Mr. Robinson** said that was a tough question to answer. He said he isn't sure if it is defined in the law anywhere but it is used elsewhere in the gambling law. It would be those characteristics that would indicate a commercial operation: advertising, bringing in people other than friends, various kinds of promotions, paying salaries and soliciting public participation.

Paul Verdon said he had checked Chapter 5, Title 23, and did not find any reference to clarify what "predominantly commercial manner is". He asked if there was a judicial decision to spell that out. **Mr. Robinson** said there was no decision. The language was in 5-23. **Mr. Verdon** said he stood to be corrected but he had not found it. **Lois Menzies** said she had not meant to mislead **Mr. Verdon** but it is used in 23-5-406 in reference to charitable organizations that are exempt from the permit fee and taxes for live bingo and keno. **Mr. Verdon** said he was pointing this out to the Committee to see if they want to be more specific about the exemption.

REP. SCOTT asked if a cash register indicates it is a commercial manner and if it is a cigar box it is not.

REP. STELLA JEAN HANSEN asked if the age used by the Department of Family Services for a senior citizen put the age at 60. **Mr. Hudson** said the State Plan on Aging addresses services to individuals who are 60. It wouldn't preclude people under 60 from playing the game. It is available to all age groups.

REP. ELLIS asked if the researcher might be able to figure out a way to define that in a substantially commercial manner.

Closing by Sponsor:

REP. LEE closed saying the Committee knew what the bill tries to do.

HEARING ON HOUSE BILL 943

Presentation and Opening Statement by Sponsor:

REP. ERVIN DAVIS, HD 53, Charlo, explained this is an act to generally revise the laws relating to the licensure and regulation of sanitarians; authorizing the Board of Sanitarians to meet four times annually; clarifying the definition of practice of the profession of sanitarian; providing for the status of sanitarian-in-training; exempting certain state employees from regulation; clarifying and detailing the rulemaking authority of the Board of Sanitarians; authorizing rules for educational equivalency, continuing education, and discipline; authorizing the adoption of a schedule of fees; authorizing enforcement by injunction and other relief; amending several Section of Title 37, MCA; repealing Sections 37-40-306 and 37-40-307, MCA; and providing an effective date. It is a clean up bill. There are some amendments EXHIBIT 12.

Proponents' Testimony:

Joanne C. Chance, PE, Montana Technical Council, an association of engineers, architects supports HB 943 if amended. In the past sanitarians inspected septic systems. A lot of people such as private consultants inspected underground storage tanks and underground water systems. They are specialists who are highly skilled technicians, or they were working for industry and know the intention of the bill. These people are already highly qualified and there is no need to get them registered as sanitarians. She agreed with the amendment proposed that anyone working for a governmental agency be exempted. The bill would still do what they wish it to do.

Pat Tressler, Board of Sanitarians, said this is a general revision. It has been at least 10 years since there has been a change. Complexity and technology have changed in that time. The profession has changed, continuing education as to continuing other professional lines is necessary. This particular bill was actually drafted and new language provided is the result of about a year's work with the Montana Health Association. They met with their administrative people and there groups as a whole providing language in this bill in draft form. As a It is the intent to work with sanitarians to and to work with the environmental people. The environment is one of the hottest issues today.

Steve Meloy, Bureau Chief of the Sanitarian Licensing Division,

DOC, said the cost of the Continuing Education Program is in the ball park of \$3,000 each year. See Fiscal Note EXHIBIT 13. The Board of Sanitarians has around an \$800-900 appropriation and they have \$22,000 in the cash surplus so they could readily absorb this.

REP. STELLA JEAN HANSEN wanted to go on record an a proponent.

Opponents' Testimony: None

Questions from the Committee:

REP. CROMLEY asked what is vector control. Ms. Chance said it is the removal of rats that transmit food born diseases.

REP. BACHINI said on Page 8 it says the Board shall adopt nonrefundable fees. What are those fees? Mr. Meloy assumes they are for executing rules to govern conducting examinations of these applicants if they need to increase these fees. Where they are expending more than they have available they can set up fees for those things. The licensee will pay the fee when the license is renewed.

Closing by Sponsor:

REP. DAVIS closed saying the fiscal note came as a surprise. He suggested a Do Pass recommendation.

EXECUTIVE ACTION ON HOUSE BILL 943

Motion/Vote: REP. CROMLEY moved HB 943 DO PASS. He also moved the amendments be adopted. Both the amendments and the HB 943 DO PASS AS AMENDED motion were unanimously adopted.

EXECUTIVE ACTION ON HOUSE BILL 847

Motion/Vote: REP. KILPATRICK moved HB 847 DO PASS. He moved the amendments EXHIBIT 14 be adopted. They were unanimously adopted.

Discussion:

REP. TUNBY is in favor of what they are trying to do. There are different advantages coming in. It might get a little out of control.

REP. RICE thinks bingo is a pretty lucrative game. The services have to be provided to members or members guests and have to be on the premises. It seems there are enough safeguards that we are limiting it to what we envision.

REP. STELLA JEAN HANSEN said the definition of a senior citizen according to the Department of Health is someone over 60 years of age.

REP. LARSON will reluctantly vote for it. It will cause problems with his business. It is predominantly commercial because they use it for fund raising. It allows anyone who walks through the door to play.

REP. BENEDICT thought the genie is already out of the box. All they have to do is apply for a permit and this allows them not to have to apply for a permit.

REP. KNOX had some reservations about the bill. The amendments worsen it. He thinks there is an element of trust here. The senior citizens groups could be trusted not to abuse this.

REP. BACHINI said the Justice Department will watch very closely and if necessary, will shut them down.

REP. TUNBY asked what is the purpose for this, they just have to apply for a permit and get it.

REP. BENEDICT said you don't have to apply for a permit when people are allowed to be there when they just show up.

EXECUTIVE ACTION ON HB 707

Motion/Vote: REP. PAVLOVICH moved HB 707 DO PASS. He moved to repeal 7-13-2511 and amend the Title. Amendment was adopted with REPS. KNOX, BENEDICT, STEPLER, BARNETT, ELLIS, TUNBY voting No.

Motion: REP. ELLIS moved to add Subsection (1) to Section 1. It would state "It is not the purpose of this legislation to replace private cable systems with public and therefore television districts would not be allowed in a community of more than 200 people in a square mile area."

Discussion:

REP. ELLIS said in his county Red Lodge is the biggest community with 1800 people having cable. Bridger has 700 people with cable. Belfry just got cable. They have 200-250 people. There are options and there is competition. He doesn't think they are completely without alternatives.

REP. PAVLOVICH asked if he were excluding all major cities. REP. ELLIS said if there are 200 people they would already have a cable station. REP. PAVLOVICH said he would vote no. Mr. Verdon clarified that would be Subsection (2) not Subsection 1. REP. ELLIS said he apologized.

REP. DOWELL said he also resisted the amendment.

REP. TUNBY asked if he were going to pursue the need. REP. LARSON said in Public Service regulation almost all public utilities have to show need and convenience. He thought they could

establish a need and convenience test in this to require public television districts to demonstrate need and convenience.

REP. PAVLOVICH presented a statement from the Helena cable station indicating that if the \$1.30 for expanded service wasn't paid, five channels were lost. If the extra \$1.30 was paid one extra channel was to be added.

REP. CROMLEY said he would like to see this service put under the Public Service Commission.

REP. ELLIS said federal law would preempt that.

VOTE: Motion on the amendment failed.

Discussion:

REP. BENEDICT said he was concerned with the smaller cable companies. He said he didn't think it was fair for them to compete with a tax-subsidized corporation that moves in. His amendment would pertain only to those areas serving a proposed 2,000 customer base.

REP. MCCULLOCH said he didn't think private companies would spring up all over the place. CHAIRMAN BACHINI reminded them that it would take 51% of the voters in that area to do this. That will be difficult.

REP. ELLIS said if a translator station can pick up public television and pick up all public stations, then why couldn't someone for a nominal charge pick up everything off a satellite and retransmit it without even using cable and set up a translator station. CHAIRMAN BACHINI said that would be a violation of Federal Communication. There are copyrights. It is a franchise. Mr. Verdon said the local channels are in the public domain. The cable channels are franchised and they are copyrighted and protected.

REP. BENEDICT said he would respond to the question. There is that type of service. He and a partner are developing an enterprise in the Bitterroot Valley. They will bring in about 30 channels. It is regulated by the FCC but there are other avenues.

REP. PAVLOVICH said he had a satellite on his bar. In order to have all the sports stations he wants, he subscribes to stations. It will cost him \$300 per year.

REP. BENEDICT said his amendment was a conceptual amendment.

REP. STEPPLER said a hospital district was placed on the ballot. It added three mills countywide. The majority of the population sits in the Sidney area where the hospital is located, but the entire county pays for it. The average household in Sidney pays \$40 per year, the average ranch on the west end of the county

pays over \$400 per year. The average rancher does not use the Sidney hospital. They are closer to the Williston-North Dakota hospital or the Wolf Point hospital. If they set up this district and Sidney wants cable television they can go outside the city limits, they can go with a countywide district. They would pay for it but not get the service. They are 50-60 miles from town. Linda Stoll-Anderson said there is nobody who pays who will not receive benefits. She said it is different from the hospital district.

REP. ELLIS said if he owns a ranch outside of the area, could he decline the service and then not be hooked up. Ms. Stoll-Anderson said if there is not a benefit from the service, an affidavit may be signed in the County Assessor's Office and no fee would be paid. CHAIRMAN BACHINI said it is in statute 7-13-2529.

REP. BENEDICT said the question is an extension of the same question asked earlier. If he is one of the 49% opposing cable and the cable passes his home, and he decides he doesn't want the cable, will he be able to exempt himself out. Under what conditions would he get out? Ms. Stoll-Anderson said he could sign an affidavit. If a person doesn't have a television and can prove there will be no benefit, the person can sign an affidavit. REP. BENEDICT asked if she would go on record that she would allow exemptions in the case for people who have a television and are passed by cable and are not receiving cable because they don't want to receive cable. Ms. Stoll-Anderson said no. Those people would still be benefitting and they would be in the minority of the people who created the district. Mr. Harrison directed attention to 7-13-2529. The only basis that a person could get out on is if a person does not receive the signal of the television translator station. Obviously, the language in the law doesn't contemplate cable systems. The only exception is if a person doesn't get directly or indirectly the translator signal. He said he differs with Ms. Stoll-Anderson. He said there is no basis to get out of it if the signal of the translator is received.

Motion/Vote: REP. SCOTT moved to TABLE HB 707. Motion carried 10-8. EXHIBIT 15.

EXECUTIVE ACTION ON HB 541

Motion: REP. SCOTT moved to bring HB 541 off the table.

Discussion:

REP. SCOTT said this bill would include one public member shall represent a low or moderate income organization. Special interest groups want to be represented. They shouldn't be left out. It is good for all businesses to see what their bank does concerning their own particular trade. He thinks those points were not addressed in the hearing. He wanted to see the bill out on the floor.

REP. McCULLOCH said he had talked to Diana Osborne, Vice President of First Bank, Billings, and she favors this bill. Since 1988 when this bill was first brought up, their bank was only doing an average job in community reinvestment. It has improved the bank's relationship with the community. He is in favor of taking it off the table.

REP. DOWELL said the first time they talked about the bill most bankers did not seem interested.

REP. ELLIS asked if a copy of the information has to be provided. CHAIRMAN BACHINI said yes.

REP. SONNY HANSON said all banks with FDIC have to file and maintain a community and reinvestment act, the CRA. There have to be open files that are on board and they are available to anybody. They have to have audits. The State Banking Board deals with the overall direction and is not involved in the loans within each bank and what is required on that.

REP. STELLA JEAN HANSEN said bank books are not easy to read.

VOTE: Motion failed 11-7. EXHIBIT 16.

ADJOURNMENT

Adjournment: 10:45 a.m.



REP. BOB BACHINI, CHAIRMAN



JO LAHTI, SECRETARY

BB/jl

HOUSE OF REPRESENTATIVES

BUSINESS AND ECONOMIC DEVELOPMENT COMMITTEE

ROLL CALL

DATE Feb. 21, 1991

[illegible]

HOUSE STANDING COMMITTEE REPORT

February 21, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that House Bill 774 (first reading copy -- white) do pass as amended.

Signed: Bob Bachini
Bob Bachini, Chairman

And, that such amendments read:

1. Title, lines 6 and 7.

Strike: "AND" on line 6

Following: "MCA" on line 7

Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"

2. Page 2, line 10.

Strike: "a permit"

Insert: "authorization"

3. Page 2, line 13.

Following: line 12

Insert: "NEW SECTION. Section 2. Effective date. [This act] is effective on passage and approval."

HOUSE STANDING COMMITTEE REPORT

February 21, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that House Joint Resolution 33 (first reading copy -- white) do pass.

Signed: _____

Bob Bachini

Bob Bachini, Chairman

HOUSE STANDING COMMITTEE REPORT

February 21, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that House Bill 698 (first reading copy -- white) do pass as amended .

Signed: Bob Bachini
Bob Bachini, Chairman

And, that such amendments read:

1. Page 1, line 21.

Following: "beer"

Insert: "from its storage depot or brewery located in Montana"

HOUSE STANDING COMMITTEE REPORT

February 21, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that House Bill 943 (first reading copy -- white) do pass as amended and be placed on the consent calendar.

Signed: _____

Bob Bachini
Bob Bachini, Chairman

And, that such amendments read:

1. Page 4, lines 15 and 16.

Following: "chapter" on line 15

Strike: remainder of line 15 through "sanitarian," on line 16

2. Page 5, line 3.

Following: "i"

Strike: "or"

3. Page 5, line 6.

Following: "sanitarian"

Insert: "; and

(6) any person not employed by a governmental entity in an official regulatory capacity"

1:00
2-23-91
JDB

HOUSE STANDING COMMITTEE REPORT

February 22, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that House Bill 847 (first reading copy -- white) do pass as amended .

Signed: _____

Bob Bachini
Bob Bachini, Chairman

And, that such amendments read:

1. Title, line 5.

Strike: "THE"

Insert: "CERTAIN"

2. Page 6, line 25 and page 7, line 6.

Strike: "part"

Insert: "certain sections"

3. Page 7, lines 1 and 7.

Strike: "this part"

Insert: "23-5-306, 23-5-308, and 23-5-309"

4. Page 7, lines 3 and 10.

Strike: "and"

5. Page 7, lines 5 and 12.

Following: "operation"

Insert: "; and

(3) does not operate live card games in a predominantly commercial manner"

Amendments to House Bill No. 774
First Reading Copy

For the Committee on Business and Economic Development

Prepared by Paul Verdon
February 21, 1991

1. Title, lines 6 and 7.

Strike: "AND" on line 6

Following: "MCA" on line 7

Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"

2. Page 2, line 10.

Strike: "a permit"

Insert: "authorization"

3. Page 2, line 13.

Following: line 12

Insert: "NEW SECTION. Section 2. Effective date. [This act] is
effective on passage and approval."

STATE OF MONTANA
DEPARTMENT OF JUSTICE
GAMBLING CONTROL DIVISION

EXHIBIT E 2
DATE 2/27/91
FILE 774 lij #2

Marc Racicot
Attorney General



2687 Airport Road
Helena, MT 59620-1424

TESTIMONY ON HOUSE BILL NO. 774 (HB 774)

Submitted by Bob Robinson, Administrator
Gambling Control Division, Department of Justice

February 21, 1991

This bill would provide a procedure for licensed manufacturers of gambling devices not legal in Montana to receive shipments of assembled illegal gambling devices or partially assembled components of these devices in Montana.

Federal law prohibits interstate shipment of gambling devices or assembled component parts of gambling devices into jurisdictions where they are not authorized. At this time, it is illegal to ship such devices or assembled components into Montana.

Currently, a device manufactured in Montana, whether or not it is legal in Montana, must be completely assembled in this state. This bill would allow other options in the assembly process as well as open the door for new businesses that could recondition devices for shipment to locations where they are legal.

The Department of Justice believes the reporting requirements contemplated in the bill would provide adequate control to prevent the proliferation of illegal devices in Montana.

The Department also supports the amendment substituting "authorization" for "a permit" on page 2, line 10.

HB774.RJR
RJR/dcg



Post Office Box 124 • Helena, Montana 59624 • Telephone (406) 442-4451

EXHIBIT 3
DATE 2/21/94
HB 698

FACT SHEET -- HOUSE BILL 698

The situation: Montana laws governing breweries treat in-state and out-of-state breweries differently. All out-of-state breweries must ship their beer to a licensed wholesaler's warehouse or to a storage depot in Montana licensed by the Liquor Division, from which they can sell only to wholesalers. In-state breweries (there are now three microbreweries licensed and operating: Kessler in Helena, Bayern in Missoula, Great Northern in Columbia Falls) may sell to wholesalers, retailers, or consumers.

The problem: The 21st amendment to the U.S. Constitution used to be interpreted by the federal courts as a broad grant of power to the states to regulate beverage alcohol marketing without considering the Commerce Clause or the Equal Protection Clause. No longer is this the prevailing interpretation. The U.S. Supreme Court now talks about states' "core powers" under the 21st amendment--those which promote temperance and combat the evils which either led to Prohibition or arose under Prohibition--which can override other parts of the Constitution. The states' peripheral powers under the 21st amendment must be balanced against the Commerce Clause and Equal Protection Clause's limits on states.

Under this interpretation, Montana's current laws on breweries could be subject to challenge. The social considerations which led to a three-tier system for the marketing of beer would apply as much to beer brewed here as to beer brewed in other states.

If Montana breweries can sell to anyone of legal age, in any amount while out-of-state brewers' sales of beer is so strictly controlled, the effect may be to discriminate against interstate commerce without a justification under the core powers of the 21st amendment.

The solution: To allow the exemption from the full controls on beer marketing on the basis of the brewery's size rather than its location. 60,000 barrels of annual beer production is the amount set by Congress for a lower rate of federal excise tax, so the breweries qualifying for this small-brewer status are available from the U.S. Treasury Department.

Most microbreweries in the United States are producing under 60,000 barrels. The Anchor Brewing Co. of San Francisco, makers of Anchor Steam and several other specialty brews, may have recently passed this level. If so, it would join sixteen others, ranging in size from Anheuser-Busch to the Latrobe Brewing Co. which makes

Amendments to House Bill No. 698
First Reading Copy

For the Committee on Business and Economic Development

Prepared by Paul Verdon
February 21, 1991

1. Page 1, line 21.

Following: "beer"

Insert: "from its storage depot or brewery located in Montana"

As one of the organizers of the Bring Back WGN-TV organization in Helena, I have come to the conclusion that counties must have the authority to have TV cable districts to bring in cable TV programming that is not provided by commercial companies. The WGN Organization was formed to encourage the TCI Cable TV Company of Montana to bring back the Chicago Superstation after it was summarily dropped two years ago. The TCI president, Mr. John Malone, was quoted in the industry news magazine as saying that he would return a station or channel if more than 5% of his subscribers petitioned him to bring back a channel. The ^{WGN} organization produced over 2,000 signatures on a petition telling the company that we were willing to pay up to \$1 more per month to have WGN back. This was nearly 20% of the subscribers, but we were ignored.

Rather than return the station, TCI instead sent a ballot to its customers in a recent billing, which stated that another channel would have to be dropped in order to add WGN. This is because the company recently added Prime Sports Network, a northwest regional sports channel, that no one asked for. The ballot listed two popular channels, Discovery and Nickelodeon, and an "Other" line for viewers to choose another channel to be eliminated. The vote defeated the effort to bring WGN back by two to one.

After spending our time and money to circulate the petition, which had the support of the city and county commissions, I am convinced that TCI has become too big ~~and rich~~ to be responsive to the requests of its consumers. It is an unregulated monopoly which does as it pleases, and a return to good old fashioned competition, through the operation of a community antenna system, is what we need to give cable TV consumers either a choice, or in the case of many rural residents, the opportunity to have cable TV, which the companies do not find cost effective to bring into sparsely populated areas.

Please vote for HB 707 to give cable TV subscribers a choice in their TV programming.

EXHIBIT 26
DATE 2/24/91
HB 707 #5

February 21, 1991

Bob Bachini, Chairman
Business and Economic Dev. Committee
Capitol Station
Helena Montana, 59620

HOUSE BILL 707

Present law (7-13-2502), Purposes of television districts, states: "but said purposes are not meant to include the construction or operation of community antenna systems, commonly known and referred to as cable TV systems".

WHY NOT?

THIS LEGISLATION WAS PASSED IN 1961, THIRTY YEARS AGO!

Technology has changed dramatically since then; cable companies are no longer "community antenna systems" and receive most of their programming via satellite from out of state sources.

There is no legitimate reason why groups of citizens should be prevented from operating a cable system within an established district, for the benefit of residents of that district. The technology is here, areas not now served could be served and programming could be controlled by residents of the district at a reasonable cost, and much of the "garbage" now on commercial cable companies avoided.

R. E. Saunders

R. E. Saunders
White Sulphur Springs,
Montana

REP. MANEHAN

AN ACT TO EXPAND THE AUTHORITY OF TELEVISION DISTRICTS TO
INCLUDE THE CONSTRUCTION OF CABLE TELEVISION SYSTEMS.

I AM HEAR TO RELATE MY EXPERIENCE WITH THE CABLE
BUREAUCRACY. LIVING AT 8761 NORTH MONTANA APROXIMATELY 3
MILES NORTH OF THE LINCOLN RD. IN APRIL OF 90, I AND MY
FAMILY WERE THRILLED TO NOTICE SOME KIND OF CABLE BEING LAID
ALONG N. MT. AVE. AND TO SATISFY OUR CURIOSTY THE
INDEPENDENT RECORD RAN AN ARTICLE AND PICTURE SHOWING THE
WORK TAKING PLACE AND ANNNOUNCING THAT MOUNTAIN VIEW CABLE
CO, WAS INSTALLING CABLE IN OUR AREA AND ALSO SOUTH OF
HELENA IN THE CLANCY AREA, STATING THAT CABLE WOULD BE
READY FOR THEIR NEW CUSTOMERS BY MID SUMMER. MONTHS WENT BY
AND AFTER COMPLETION OF THE SUPPORT LINE MID SUMMER CAME
AND I DECIDED TO CALL THE MOUNTAIN VIEW CABLE CO. THE LADY
I TALKED TO EXPLAINED PROGRESS WAS GOING SLOW AND THEY WERE
TARGETING ON HOOKING UP THE AREA SOUTH OF TOWN BEFORE OUR
AREA AND THAT IT WOULD MAYBE BE COMPLETED THIS FALL. I
BOUGHT THAT FOR AWHILE. LATER IN THE FALL I GAVE THE
MOUNTAIN VIEW CO. A CALL AGAIN TO LEARN THEY WERE NO LONGER
GOING TO BE INSTALLING THE CABLE BECAUSE TCI THE LOCAL
CABLE CO. IN TOWN WOULD NOW FINISH INSTALLING THE
SYSTEM, I STARTED ASKING QUESTIONS AND LEARNED THAT TCI HAD
SO MANY YEARS TO DEVELOPE OUR AREA AND HADN'T, SO MOUNTAIN
VIEW CABLE CO. OF SPRINGFIELD , ILL. CAME IN AND BEGAN
DEVELOPING. I STILL DO NOT KNOW WHAT REALLY HAPPENED BUT
WAS TOLD THAT TCI BOUGHT OUT MOUNTAIN VIEW AND TCI WOULD BE
COMPLETEING THE INSTALLATION JOB. NOT LONG AFTER THAT PHONE

CALL I NOTICED CREWS WITH TRUCKS AND ROLLS OF CABLE WORKING
ALONG MT. AVE. I CALLED TCI WITH EXCITEMENT ONLY TO LEARN
THEY WERE NOT GOING TO BE COMING UP AS FAR AS OUR PLACE, TO
WITHIN 1/4 OF A MILE. I ASKED WHY ? WE DON'T HAVE THE
MONEY WAS THERE REASON. I SAID BUT THE OTHER CABLE CO. WAS
GOING TO INSTALL CABLE TO US? TCI RESPONDED WITH WE MAY BE
ABLE TO IN THE FUTURE, BUT NOT THIS YEAR. CALLING MOUNTAIN
VIEW AGAIN AND TELLING THEM MY FRUSTRATION, ONLY TO LEARN
THAT THEY WERE PROMISED BY TCI TO INSTALL CABLE TO ALL THE
COSTUMERS MOUNTAIN VEIW HAD ORGINALLY PLANNED. AS OF LAST
~~SAT~~ ^{Mon} ~~18th~~ ^{8th} OF FEB. TCI NOW PLANS TO INSTALL SERVICE THIS
SUMMER EVEN CLOSER TO MY PLACE, ONLY THEY CLAIM BECAUSE WE
ARE ON THE EAST SIDE OF MONTANA AVE. AND THE CABLE RUNS
ALONG THE WEST SIDE THAT A LARGER MT. POWER POLE WOULD HAVE
TO BE INSTALLED SO THAT THE CABLE COULD MEET CLEARENCE
RESTRICTIONS AND CLAIM THIS WOULD BE TO COSTLY. HOW COSTLY
IS A POWER POLE? OUT OF DESPERATION I'VE BEEN IN TOUCH
WITH MY COUNTY COMMISSIONER TO LET HER KNOW WHAT TURMOIL I,
MY FAMILY AND 20 PLUS NEIGHBORS HAVE BEEN THROUGH, ONE
MINUTE WE ARE TOLD WE WILL HAVE CABLE AND THEN THE NEXT NO,
AND NOW MAYBE AGAIN IF YOU^re WILLING TO HELP WITH
CONSTRUCTION COSTS. IF THIS BILL 707 WAS A LAW WE MAY BE
COULD HAVE HAD CABLE BY NOW. HB 707 WOULD AT LEAST GIVE US
THE RIGHT TO FORM OUR OWN CABLE DISTRICT AND ALLEVIATE
PROBLEMS SUCH AS THIS. I FIGURE THAT IF MOUNTAIN VIEW CABLE
HAD NOT MOVED IN AND STARTED THIS PROJECT THAT TCI WOULD
STILL NOT HAVE BEGAN DEVELOPING . THANK YOU MOUNTAIN VIEW
FOR AT LEAST PUTTING THE PRESSURE ON TCI. PLEASE SUPPORT HB
707.

THANK YOU

Ex. 7
2/21/91
HB 707

Ex. 7
2/21/91
HB 707

KRIS INABNIT

8761 N. MT. AVE

HELENA, MT 59601

Speaking in support of HB 707

My name is Susan Loveless and I live at 1212 No. Washington St., in Helena.

I support HB 707 because of the experiences with TCI in Helena. At the two public hearings regarding Chicago's station WGN, the TCI representative said WGN would cost approximately \$1.00 per month and he was concerned about the people on a fixed income. I understand that \$1.00 per month means a great deal to people on a fixed income. However, shortly thereafter, TCI added Prime Sports Network for an additional \$1.75 per month and the subscribers had absolutely no input.

Later, in the Helena Independent Record, the TCI representative was quoted as saying he didn't know how many people would be willing to pay \$12.00 for WGN. That was \$12.00 per year but because every other price concerning cable is stated on a monthly basis, it appeared that this was a monthly charge. At least one person was confused by this because he asked me about the monthly charge of \$12.00!! It was terribly misleading.

Montana needs HB 707 and I urge you to vote for it. Thank you.

HOUSE BILL 707 (Support)

I am Cecil Deming and I live at 1701 Missoula Avenue in Helena.

"The purposes of a television district shall be to serve the public interest, convenience etc in the operation of television translator systems."

This present system doesn't have the public interest in mind. Examples:

Delete WGN (Chicago) without any input from the people. Then when we complain we are told to show what interest there is in WGN by getting petitions out and get signatures. 500 signatures would be enough to get the attention of the company, they said. Almost 2200 signatures are gotten; nothing happens except the company says we need another poll. Are they responsive to the public? NO.

Another example: Add another station (Prime Sports Network) and charge another \$1.75 per month without any input or knowledge of the people.

This is high handed treatment and they wouldn't do this if there was competition. I am in favor of House Bill 707.

EXHIBIT 10
DATE 2/21/91
HB 707

HOUSE BILL 707

My name is Lisa Loveless and I reside at 1201 Hannaford St.
in Helena.

I support House Bill 707 because I'm an avid TV fan and
this bill will be beneficial to people like me. Thank you.

STATE OF MONTANA
DEPARTMENT OF JUSTICE
GAMBLING CONTROL DIVISION

EXHIBIT 11
DATE 3/21/91
ID 847

Marc Racicot
Attorney General



2687 Airport Road
Helena, MT 59620-1424

Testimony on House Bill 847 (HB 847)

Submitted by Robert J. Robinson, Administrator
Gambling Control Division, Department of Justice
February 21, 1991

The Department of Justice supports the intent of HB 847 to exempt senior citizen centers from the licensing and taxation requirements for bingo and poker games as well as the dealer requirements for poker games.

In 1989, the Legislature enacted SB 431, a comprehensive revision of the State's gambling laws. SB 431 focused its regulatory requirements on commercial establishments. No options were available under the laws for treating non-commercial activities in a different manner.

During implementation of SB 431 after the 1989 Legislature, the Division held numerous meetings and discussions with representatives of senior citizen centers who strongly objected to filing application documents for bingo permits, even though the permits were free and proceeds from the game were exempt from taxation. The statutory permit requirements for live card game tables prevented the Division from issuing card table permits to senior citizen centers.

The Department supports the concept of exempting senior citizen centers from certain regulatory provisions but believes the exemption language in sections 2 and 3 of the bill is broader than necessary. To exempt bingo and poker from all provisions of law relating to bingo and poker essentially creates a situation where game limits and game types are undefined.

The Department supports the amendments provided that would limit the exemptions to licensing, permits, taxation and dealer requirements. The remainder of the statutory provisions would remain in effect governing types of card games allowed and bet and prize limits as they are currently in the law.

HB847.RJR
RJR/dcg

Amendments to House Bill No. 943
First Reading Copy

For the Committee on Business and Economic Development

Prepared by Paul Verdon
February 21, 1991

1. Page 4, lines 15 and 16.
Following: "chapter" on line 15
Strike: remainder of line 15 through "sanitarian," on line 16

2. Page 5, line 3.
Following: "i"
Strike: "or"

3. Page 5, line 6.
Following: "sanitarian"
Insert: "; and

(6) any person not employed by a governmental entity in an
official regulatory capacity"

HB 943

DATE 3/24/91

STATE OF MONTANA - FISCAL NOTE
Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0943, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:


An act to generally revise the laws relating to the licensure and regulation of sanitarians; authorizing the Board of Sanitarians to meet four times annually, clarifying the definition of professional sanitarians; providing for the status of sanitarian-in-training; exempting certain state employees from regulation; clarifying and detailing the rulemaking authority of the Board of Sanitarians; authorizing rules for educational equivalency, continuing education, and discipline; authorizing the adoption of a schedule of fees; authorizing enforcement by injunction and other relief.

ASSUMPTIONS:

1. Approximately 159 licensees will enroll in the continuing education. The board will process 20 sanitarian-in-training applications.
2. Approximately ten pages of rules will be required to address the establishment of standards of professional conduct, board procedures, educational equivalency, procedures and passing scores for examinations, requirements for continuing education and qualifications for sanitarian-in-training applicants.
3. Board expenses will include supplies, communications, postage, printing and administrative overhead charges.
4. The Professional and Occupational Licensing Bureau (POL Bureau) will collect license fees and process the adoption of rules, applications and licenses, examinations, registry of licensees, continuing education and board meetings. Administrative overhead charges for the above services must be reflected in the POL Bureau budget.
5. The Board of Sanitarians currently has a sufficient fund balance in its state special revenue account to afford the proposed additional services without an increase in license and/or application fees.
6. Current law is represented by the executive budget recommendation for the Board of Sanitarians.

FISCAL IMPACT:

Board of Sanitarians: Expenditures:	FY 92			FY 93		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
Personal Services	728	728	0	728	728	0
Operating Costs	8,532	12,002	3,470	8,502	11,972	3,470
Total	9,260	12,730	3,470	9,230	12,700	3,470
Funding:						
State Special	9,260	12,730	3,470	9,230	12,700	3,470


ROD SUNDSTED, BUDGET DIRECTOR
Office of Budget and Program Planning

2-22-91

DATE


ERVIN DAVIS, PRIMARY SPONSOR

2-23-91

DATE

HB 943

Fiscal Note for HB0943, as introduced.

Amendments to House Bill No. 847
First Reading Copy

For the Committee on Business and Economic Development

Prepared by Paul Verdon
February 21, 1991

1. Title, line 5.

Strike: "THE"

Insert: "CERTAIN"

2. Page 6, line 25 and page 7, line 6.

Strike: "part"

Insert: "certain sections"

3. Page 7, lines 1 and 7.

Strike: "this part"

Insert: "23-5-306, 23-5-308, and 23-5-309"

4. Page 7, lines 3 and 10.

Strike: "and"

5. Page 7, lines 5 and 12.

Following: "operation"

Insert: "; and

(3) does not operate live card games in a predominantly
commercial manner"

EXHIBIT 15
DATE 2/21/91
HB 707

HOUSE OF REPRESENTATIVES

BUSINESS AND ECONOMIC DEVELOPMENT COMMITTEE

DATE Feb. 21, 1991 ROLL CALL VOTE
BILL NO. HB 707 NUMBER 1

MOTION: To Table HB 707

Motion carries 10-8

NAME	AYE	NO
REP. JOE BARNETT	✓	
REP. STEVE BENEDICT	✓	
REP. BRENT CROMLEY		✓
REP. TIM DOWELL		✓
REP. ALVIN ELLIS, JR.	✓	
REP. STELLA JEAN HANSEN		✓
REP. H.S. "SONNY" HANSON	✓	
REP. TOM KILPATRICK		✓
REP. DICK KNOX	✓	
REP. DON LARSON		✓
REP. SCOTT MCCULLOCH		✓
REP. BOB PAVLOVICH		✓
REP. JOHN SCOTT	✓	
REP. DON STEPPLER	✓	
REP. ROLPH TUNBY	✓	
REP. NORM WALLIN	✓	
REP. SHEILA RICE, VICE-CHAIR	✓	
REP. BOB BACHINI, CHAIRMAN		✓
TOTAL	10	8

EXHIBIT 16
DATE 2/21/91
HB 541

HOUSE OF REPRESENTATIVES

BUSINESS AND ECONOMIC DEVELOPMENT COMMITTEE

ROLL CALL VOTE
DATE Feb. 21, 1991 BILL NO. HB 541 NUMBER _____

MOTION: To remove HB 541 from table

Motion fails 7-11

NAME	AYE	NO
REP. JOE BARNETT		✓
REP. STEVE BENEDICT		✓
REP. BRENT CROMLEY		✓
REP. TIM DOWELL	✓	
REP. ALVIN ELLIS, JR.		✓
REP. STELLA JEAN HANSEN	✓	
REP. H.S. "SONNY" HANSON		✓
REP. TOM KILPATRICK		✓
REP. DICK KNOX		✓
REP. DON LARSON	✓	
REP. SCOTT MCCULLOCH	✓	
REP. BOB PAVLOVICH	✓	
REP. JOHN SCOTT	✓	
REP. DON STEPPLER		✓
REP. ROLPH TUNBY		✓
REP. NORM WALLIN		✓
REP. SHEILA RICE, VICE-CHAIR	✓	
REP. BOB BACHINI, CHAIRMAN		✓
TOTAL	7	11

HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

BUSINESS & ECONOMIC DEVELOPMENT

COMMITTEE

BILL NO.

HB 774

HB 847

DATE FEB. 21, 1991

SPONSOR(S)

REP. ROYAL JOHNSON

REP. LEE

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
HANK HUDSON	Gov. Office on Aging	847		—
TIM DAPA		774		—
Kay Foster	Billings Chamber	774		✓
LARRY AKEY	GAMING INDUSTRY ASSOC	847		AMD
Candy Barnett	Aging Services	847		✓
BOB ROBINSON, ADMIN.	GAMBLING CONTROL DIV.	847		✓
		774		✓
Diane Lutke,	Ala IT Agency & Hosp	847		✓
Mark Taylor	WATA			AMD

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

Business & Econ Dev. COMMITTEE HB 698
 DATE 2/21/91 SPONSOR(S) Reps. John Scott, Rep. Menahan BILL NO. HB 707

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
Kris Inabnd	Myself	707		✓
LINDA STALL-ANDERSON	Lewis & Clark County	707		✓
Paul Spengler	MYSELF	707		✓
Roger Tippy	Mt Beer & Wine Wholesaler	698		
Tom Hannon	Mt, Cable T.V. Assoc.	707	✓	
Mike Murray	myself	707		✓
Bob Saunders	Self	707		✓
Mike Mason	MTA	707	✓	
Diana Koon	Dep Revenue	698	—	—
BOB MUSSELMAN	SELF	707		✓

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

BUSINESS & ECONOMIC DEVELOPMENT

COMMITTEE

HB 698
BILL NO. HB 707

DATE FEBRUARY 21, 1995 SPONSOR(S) REP. JOHN SCOTT

REP. MENAHAN

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
CLYDE JARVIS	MYSELF	707		✓
WES HUFFMAN	TCI CABLEVISION (GT FALLS)	707	✓	
Bonnie Hansen	TCI CABLEVISION - GLASSBORO	707	✓	
Shirley Clark	TCI CABLEVISION - ALEXANDRIA	707	✓	
Michael Miller	Rock Assoc - Libby	707	✓	
Don D. Shaw	Cable TV of Harb	707	✓	
Tom GLENDENNING	TCI CABLEVISION - HELENA	707	✓	
Ken Young	Cable Montana	707	✓	
Steve Vornauer	TCI CABLEVISION - BUTTE	707	✓	
Andrew M. Bostwick	TCI - CATV BUTTE	707	✓	
Luan D. Loveless	myself	707		✓
Lisa Loveless	myself	707		✓
Paula Manning	myself	707		✓

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

HB 943
HJR 33

BUSINESS & ECONOMIC DEVELOPMENT

COMMITTEE

BILL NO.

DATE FEB. 21, 1991

SPONSOR(S)

REP. DAVIS

REP. SHEILA RICE

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
Robb McCracken	MT. Dept. Commerce	HJR33	NA	
Bob Heffner	" "	HJR33	X	
JERRY TAUGER	" "	"	N/A	
RAJ SAUNDERS				
MT Tech Council				
Joanne C. Chance, PE	MT Tech Council	943	Needs amendment	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.