

MINUTES

**MONTANA SENATE
52nd LEGISLATURE - REGULAR SESSION**

COMMITTEE ON RULES

Call to Order: By Chairman Fred Van Valkenburg, on March 18, 1991, at 3:40 p.m.

ROLL CALL

Members Present:

Van Valkenburg, Chairman (D)
Joseph Mazurek, Vice Chairman (D)
Bruce Crippen (R)
Delwyn Gage (R)
Judy Jacobson (D)
Thomas Keating (R)
Paul Svrcek (D)

Members Excused: none.

Staff Present: None.

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

Announcements/Discussion: Chairman Van Valkenburg opened discussion by stating that the purpose of the meeting was to determine if SB 242 as amended requires a three-quarter vote for approval.

Sen. Crippen recounted the progress of the bill as it was amended by the Senate Business and Industry Committee. He emphasized that the committee did not address the issue of collateral for the loans probably because it was not a concern during the committee hearing and discussion on the bill.

Sen. Mazurek asked Greg Petesch, the chief attorney for the Legislative Council, for his opinion of the required vote of the bill as amended. Petesch replied that as amended the bill needs a majority vote because loan repayments will be deposited into the In-State Investment Fund.

Sen. Van Valkenburg asked the committee to look at Sen. Towe's amendment to the bill on page 4, lines 21 to 23. Sen. Crippen felt the amendment did not hurt the bill. Sen. Van Valkenburg found the language confusing because it applies requirements set forth in 90-3-522 and 90-3-524 to one loan which makes the application of these requirements to all loans questionable. Sen. Van Valkenburg asked Carl Russell, Executive Director of the Montana Science and Technology Alliance, if he saw a problem with

amending the bill to apply the standards of 90-3-522 and 90-3-524 to all loans. Mr. Russell said no problem was apparent.

MOTION: Sen. Mazurek moved an amendment to page 4, line 15, following "Allocation of Funds." strike "The" and insert "Provided the loans contain the repayment requirements set forth in 90-3-522 and 90-3-524, the". Also strike on page 4 beginning on line 21 after "engineering" through "90-3-542" on line 23. The motion was adopted unanimously.

MOTION: Sen. Mazurek moved that the Senate Rules Committee has determined that a majority vote is needed for approval of SB 242 as amended.

Sen. Gage expressed concern that the provision beginning on page 13, line 22 through line 2 of page 4 may exempt 10% of some loans from repayment. Sen. Mazurek asked Greg Petesch if he agreed with Sen. Gage's interpretation of the provision. Petesch explained that the original loans were funded with general funds not coal tax trust funds. Petesch suggested amending the provision with a clarification that loans from the in-state investment fund may not be repaid in terms of indirect benefits.

SUBSTITUTE MOTION: Sen. Crippen offered the following substitute motion: Page 14, line 2, following "." insert "The payback on a research and development project loan for a technology transfer and assistance project made from the in-state investment fund may not be repaid in terms of indirect benefits.". The committee unanimously adopted this amendment.

VOTE ON MAZUREK MOTION: Unanimously adopted.

MOTION: Sen. Crippen moved that the committee recommend to the full Senate a Do Pass as Amended for SB 242. The motion was unanimously adopted.

At Sen. Crippen's suggestion, the Senate Rules Committee requested a revised fiscal note for SB 242.

ADJOURNMENT

Adjournment At: 4:30 p.m.


FRED VAN VALKENBURG, Chairman


CLAUDIA A. CLIFFORD, Secretary