

MINUTES

MONTANA SENATE 53rd LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS & INDUSTRY

Call to Order: By J.D. Lynch, Chair, on January 27, 1993, at 10:00 a.m.

ROLL CALL

Members Present:

Sen. J.D. Lynch, Chair (D)
Sen. Chris Christiaens, Vice Chair (D)
Sen. Betty Bruski-Maus (D)
Sen. Delwyn Gage (R)
Sen. Ethel Harding (R)
Sen. Ed Kennedy (D)
Sen. Terry Klampe (D)
Sen. Francis Koehnke (D)
Sen. Kenneth Mesaros (R)
Sen. Doc Rea (D)
Sen. Daryl Toews (R)
Sen. Bill Wilson (D)

Members Excused: None.

Members Absent: Senator Hager.

Staff Present: Bart Campbell, Legislative Council
Kristie Wolter, Committee Secretary

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

Committee Business Summary:

Hearing: HB 56, HB 59, SB 233
Executive Action: HB 34, HB 49, HB 56, HB 59

HEARING ON HB 56

Opening Statement by Sponsor:

Representative Nelson, House District 19, stated she was carrying HB 56 at the request of the Department of Commerce. HB 56 revises bond requirements for vendors of the lottery and gives the Commission the authority to set the amount of the performance bonds secured by vendors. The law currently requires a bond amount equal to the amount of the contract plus the projected sales. The amount of the bond is sometimes excessive and results in the lottery receiving less than a favorable bid. HB 56 was

amended in the House to clarify the performance bonds will be in compliance with the law and not be less than 25% of the contract price.

Proponents' Testimony:

None.

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

None.

Closing by Sponsor:

Representative Nelson closed on HB 56 stating she would appreciate the Committee's support.

HEARING ON HB 59

Opening Statement by Sponsor:

Representative Nelson, House District 19, stated HB 59 would bring Montana into compliance with other states in the Multi-State Lottery Association (MSLA). He state the revenue from the MSLA takes up 46% of Montana Lottery's sales and is a good money maker for the state. He said Montana has the potential to be dropped from the Association because Montana keeps such a tight hold on their funds. He stated HB 59 would allow the Commission the flexibility to make payments in cooperation with the MSLA. He said HB 59 was amended in Committee to alleviate the problem of payments from the in-state fees be spread too thin and over too many years.

Proponents' Testimony:

None.

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

Senator Christiaens asked Jerry LaChere, Director of Operations, Montana Lottery, upon winning \$100,000 if a person would have the choice to take it in a lump sum or if the Commission has a rule for payments. Mr. LaChere responded if someone wins \$100,000 it is paid in cash and only prizes over that amount are paid in annuities. Senator Christiaens asked if the winner would have a choice to have the Commission pay in installments. Mr. LaChere answered the Commission hasn't set up the ability for a person to do that.

Senator Gage asked Representative Nelson if he would prefer an effective date other than October 1. Representative Nelson answered there was no reason to make the date effective upon passage of HB 59 and the Commission would rather it were kept at October 1.

Senator Klampe asked Mr. LaChere if taxes on winnings were due immediately, even if the payments were in installments. Mr. LaChere answered the taxes were due immediately if paid in lump sum. He stated if the payments are being received over a period of time, the taxes are only due upon receipt of the annual payment.

Closing by Sponsor:

Representative Nelson closed on HB 59.

HEARING ON SB 233**Opening Statement by Sponsor:**

Senator Gage stated SB 233 would restructure the current law to exempt certain people from being licensed as low pressure boiler operators. He stated the Department of Commerce had a proposal for a bill draft request which would change the laws, also. Senator Gage offered to draft the Department's request into his request, and dispersed amendments to SB 233 which would combine the two bills (Exhibit #1). As amended, SB 233 would exempt those people who are operating a boiler with a combination of heat input which doesn't exceed 200,000 BTU's and a hot water supply boiler which doesn't exceed 600,000 BTU's.

Proponents' Testimony:

None.

Opponents' Testimony:

Mary Kinsey, Montana State Branch of Operating Engineers, stated her opposition to SB 233. She said the law currently protects workers and the public.

Darryl Holzer, Montana State AFL-CIO conveyed his strong objections to SB 233 and asked the Committee for a Do Not Pass Consideration.

Questions From Committee Members and Responses:

Senator Christiaens asked the opponents to please look at the amendments and then address the Committee on SB 233.

Senator Toews asked Darryl Holzer if his objections were to the boiler inspections or to the licensing of the operators. Mr. Holzer answered the AFL-CIO objected to the licensing requirement and the certification requirement. Senator Toews asked Mr. Holzer what the normal amount of water pressure was in a home. Mr. Holzer answered it varies between 15 and 30 pounds. Senator Toews stated in his home he had between 50 and 60 pounds and he couldn't see the danger in his boiler system because the water pressure was so low. Mr. Holzer answered the fuel source must be considered, also.

Referring to line 12, Senator Harding asked Senator Gage which boilers would fall under federal control. Senator Gage stated it would be boilers in federal buildings and on air force bases. Senator Harding asked if SB 233 would pertain to all boilers used by the general public. Senator Gage answered yes.

Senator Lynch asked how big a boiler which has a heat input of less than 600,000 BTU's was. Tim Gotsch, Chief Boiler Inspector, State of Montana, stated the sizes written in SB 233 were in compliance with the size of hot water heaters found in a home. He stated a domestic hot water heater is rated at 150,000 BTU input. A 200,000 BTU input unit is approximately 20" x 20" x 24". Senator Lynch asked if the individual cities had their own boiler inspector laws. Mr. Gotsch answered the whole state was covered by one boiler law.

Closing by Sponsor:

Senator Gage closed stating the concern of SB 233 was the family units and smaller companies which didn't need not be licensed. He stated SB 233 was an attempt to make it easier for the people in certain situations to have a hot water heater in their business locations.

Announcements:

Senator Lynch announced he would hear opposition to the amendments on SB 233 at a later date.

EXECUTIVE ACTION ON HB 34

Motion:

Senator Gage move HB 34 BE CONCURRED IN.

Discussion:

Senator Lynch asked Bart Campbell how the "handicapped" part of HB 34 would be enforced. Mr. Campbell answered "handicapped" would be easier to define than the "homebound" language.

Senator Klampe asked what a "rural area" was. Mr. Campbell answered a "rural area" could be defined by population.

Senator Lynch stated handicapped and homebound people in towns needed the same types of services as those in rural areas.

Senator Christiaens asked if HB 34 was referring to unlicensed operators. Senator Lynch answered the people were licensed, but not working out of a licensed salon.

Senator Mesaros stated if a person was licensed, then they would fall under the umbrella of the regulations of the Board.

Senator Klampe stated OSHA is regulating the industry and the responsibility of OSHA is to protect employees. A singular licensed person wouldn't fall under the protection.

Senator Lynch stated the Committee must decide whether a person must be under a licensed establishment or if they just need to be licensed.

Senator Gage stated an unlicensed person could cut hair without any repercussions and they would still be exempt under HB 34.

Senator Klampe stated the people are trying to protect the profession with the regulations and standards and the profession should be honored.

Senator Christiaens stated he wasn't sure if it was a protection for the profession. He said there are a lot of people who are licensed but not working for a shop.

Senator Mesaros asked if maybe HB 34 wasn't for protection of the salons and their commissions.

Senator Bruski-Maus stated she had a concern with the homebound people and the cost of getting a person from a licensed shop.

Vote:

MOTION CARRIED 7 TO 4 ON ROLL CALL VOTE. Senator Gage was assigned to carry HB 34.

EXECUTIVE ACTION ON HB 49

Motion:

Senator Christiaens moved HB 49 BE AMENDED.

Discussion:

Senator Klampe stated dentists in Montana have no requirements for continuing education credits and it was feasible for the Board to reduce the requirement on credits for cosmetologists.

Senator Koehnke asked Senator Lynch how long it takes a person to receive their GED. Senator Lynch stated the student take a Test of Adult Education which determines how close a person would be to taking the GED and passing.

Bart Campbell said, as SB 233 is currently stated, it would not preclude a person who is in high school from taking courses at a cosmetology school before getting their diploma or their GED.

Senator Toews asked why a high school education would be necessary to work in the cosmetology profession. Senator Lynch stated it was a standard and a need as far as the chemical end of the profession.

Senator Gage stated people could go through high school without any chemistry, so it shouldn't matter if a person has their diploma or equivalent. Senator Christiaens stated a person would receive the education in those area in cosmetology school, and the importance of a high-school education or GED would be the educational background.

Senator Klampe stated the information is given to the student, but if a person can't understand the information because they don't have the background it would be more difficult.

Vote:

MOTION CARRIED 8 TO 4 ON ROLL CALL VOTE.

Motion/Vote:

Senator Mesaros moved HB 49 BE CONCURRED IN. MOTION CARRIED 9 TO 3 ON ROLL CALL VOTE. Senator Christiaens was assigned to carry HB 49.

EXECUTIVE ACTION ON HB 56

Motion/Vote:

Senator Koehnke moved HB 56 BE CONCURRED IN. MOTION CARRIED UNANIMOUSLY.


EXECUTIVE ACTION ON HB 59

Motion/Vote:

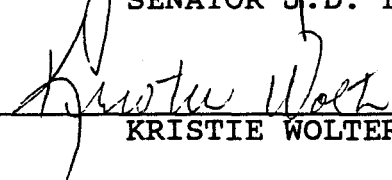
Senator Bruski-Maus moved HB 59 BE CONCURRED IN. MOTION CARRIED UNANIMOUSLY. Senator Swift was assigned to carry HB 56 and HB 59.

ADJOURNMENT

Adjournment: 11:05 a.m.



SENATOR J.D. LYNCH, Chair



KRISTIE WOLTER, Secretary

JDL/klw

ROLL CALL

SENATE COMMITTEE Business & Industry

DATE Jan. 27, 1993

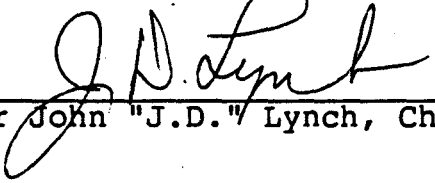
NAME	PRESENT	ABSENT	EXCUSED
Senator Lynch	✓		
Senator Christaens	✓		
Senator Bruski-Maus	✓		
Senator Gage	✓		
Senator Hager		✓	
Senator Harding	✓		
Senator Kennedy	✓		
Senator Klampe	✓		
Senator Koehnke	✓		
Senator Mesaros	✓		
Senator Rea	✓		
Senator Toews	✓		
Senator Wilson	✓		

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
January 27, 1993

MR. PRESIDENT:

We, your committee on Business and Industry having had under consideration House Bill No. 34 (first reading copy -- blue), respectfully report that House Bill No. 34 be concurred in.

Signed: 

Senator John "J.D." Lynch, Chair

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
January 27, 1993

MR. PRESIDENT:

We, your committee on Business and Industry having had under consideration House Bill No. 49 (first reading copy -- white), respectfully report that House Bill No. 49 be amended as follows and as so amended be concurred in.

Signed: 

Senator John "J.D." Lynch, Chair

That such amendments read:

1. Title, line 9.

Following: "~~SCHOOL,~~"

Insert: "REQUIRING A HIGH SCHOOL DIPLOMA TO PRACTICE
COSMETOLOGY;"

2. Page 5, lines 22 and 23.

Strike: "HAVE" on line 22 through "OR" on line 23

3. Page 5, line 24.

Following: "or"

Insert: "a high school diploma or"

4. Page 7, line 10.

Strike: "must" through "SCHOOL,"

5. Page 7, line 11.


Following: "an"

Insert: "a high school diploma,"

6. Page 7, line 13.

Strike: "POSESS"

-END-

 Amd. Coord.
Sec. of Senate

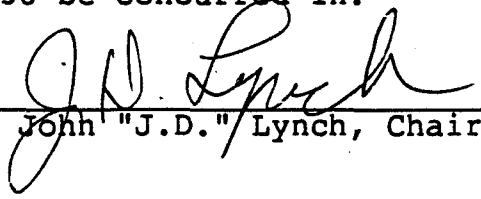
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SENATE STANDING COMMITTEE REPORT

Page 1 of 1
January 27, 1993

MR. PRESIDENT:

We, your committee on Business and Industry having had under consideration House Bill No. 56 (first reading copy -- blue), respectfully report that House Bill No. 56 be concurred in.

Signed: 

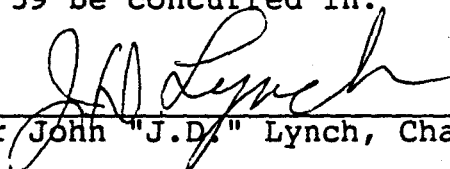
Senator John "J.D." Lynch, Chair

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
January 27, 1993

MR. PRESIDENT:

We, your committee on Business and Industry having had under consideration House Bill No. 59 (first reading copy -- blue), respectfully report that House Bill No. 59 be concurred in.

Signed: 

Senator John "J.D." Lynch, Chair

ROLL CALL VOTE

SENATE COMMITTEE Business & Industry BILL NO. HB 34

DATE January 27, 1993 TIME 10:00 A.M. P.M.

NAME	YES	NO
Senator Gage	✓	
Senator Hager	—	—
Senator Harding	✓	
Senator Misaros	✓	
Senator Toews	✓	
Senator Wilson	✓	
Senator Rea	—	
Senator Klampe		✓
Senator Koehnke		✓
Senator Bruski-Mails	✓	
Senator Kennedy		✓
Senator Christaens		✓
Senator Lynch	✓	

Kristen Wait
SECRETARY

J. D. Lynch
CHAIR

MOTION: HB 34 To Be Concurred In

ROLL CALL VOTE

SENATE COMMITTEE Business & Industry BILL NO. HB 49

DATE January 27, 1993 TIME 10:00 A.M. P.M.

NAME	YES	NO
Senator Gage		✓
Senator Hager		
Senator Harding	✓	
Senator Mesaros	✓	
Senator Toews	✓	
Senator Wilson		✓
Senator Rya		✓
Senator Klampe	✓	
Senator Koehnke	✓	
Senator Bruski-Mails	✓	
Senator Kennedy		✓
Senator Christensen	✓	
Senator Lynch	✓	

Kristie Walt
SECRETARY

John R. ...
CHAIR

MOTION: To amend HB 49

ROLL CALL VOTE

SENATE COMMITTEE Business & Industry BILL NO. HB49

DATE January 27, 1993 TIME 10:00 A.M. P.M.

NAME


YES

NO

[illegible]

Kristie Wate
SECRETARY

SECRETARY


CHAIR

CHAIR

MOTION: HB 49 Re Concurred in as Amended

Amendments to Senate Bill No. 233
First Reading Copy

Requested by Senator Gage
For the Committee on Business and Industry

Prepared by Greg Petesch
January 26, 1993

1. Title, lines 4 through 6.

Following: "EXEMPTING"

Strike: remainder of line 4 through "FROM" on line 5

Following: "BOILER"

Insert: "OPERATORS FROM"

Following: "LICENSURE" on line 5

Strike: remainder of line 5 through "CERTIFICATE" on line 6

Following: ";

Insert: "PROVIDING EXPERIENCE CREDIT FOR A LOW-PRESSURE
ENGINEER'S LICENSE;"

2. Title, line 7.

Strike: "SECTION"

Insert: "SECTIONS"

Following: "50-74-103"

Insert: "AND 50-74-305"

3. Page 1, line 13.

Strike: "licensure."

4. Page 1, line 18.

Following: "to"

Insert: "or"

5. Page 1, lines 22 through 24.

Following: "families" on line 22

Strike: remainder of line 22 through "employees" on line 24

6. Page 2, line 3.

Following: line 2

Insert: "(4) The provisions of this chapter requiring licensure
do not apply to a person operating:

(a) a hot water heating boiler plant with a total
combination of heat input that does not exceed 200,000 Btu per
hour;

(b) a hot water supply boiler having a heat input of less
than 600,000 Btu per hour.

Section 2. Section 50-74-305, "MCA, is amended to read:

"50-74-305. Exceptions to requirements for engineer's
license. Allowable exceptions or variances to the minimum
requirements set out in 50-74-304 are as follows:

(1) An applicant for an engineer's license in any

DATE Jan. 27, 1993

SENATE COMMITTEE ON Business & Industry

BILLS BEING HEARD TODAY: HB 56 HB 59 SB 233
197

Name	Representing	Bill No.	Check One	
			Support	Oppose
Jerry LaChore	Lottery			
PAMELA UDALL	LOTTERY			
BOB ANORDWEN	D LI			
LARRY AKEY	YLT/AWI	HB 59 HB 56	<input checked="" type="checkbox"/>	
Darrell HOLZER	MT. ST. AFL-CIO	SB 233		<input checked="" type="checkbox"/>
Mary Kinsey	MT State Branch Operators	³⁷⁵ ⁴⁰⁰ SB 233		<input checked="" type="checkbox"/>

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY