

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 53rd LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT

Call to Order: By CHAIRMAN STEVE BENEDICT, on February 17, 1993,
at 7:00 A.M.

ROLL CALL

Members Present:

Rep. Steve Benedict, Chairman (R)
Rep. Sonny Hanson, Vice Chairman (R)
Rep. Bob Bachini (D)
Rep. Joe Barnett (R)
Rep. Ray Brandewie (R)
Rep. Vicki Cocchiarella (D)
Rep. Fritz Daily (D)
Rep. Tim Dowell (D)
Rep. Alvin Ellis (R)
Rep. Stella Jean Hansen (D)
Rep. Jack Herron (R)
Rep. Dick Knox (R)
Rep. Don Larson (D)
Rep. Norm Mills (R)
Rep. Bob Pavlovich (D)
Rep. Bruce Simon (R)
Rep. Carley Tuss (X)
Rep. Doug Wagner (R)

Members Excused: None

Members Absent: None

Staff Present: Susan Fox, Legislative Council
Claudia Johnson, Committee Secretary

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

Committee Business Summary:

Hearing: HB 593, HB 594, HB 596, HB 585, HB 600,
HB 611, AND HB 612
Executive Action: HB 593, HB 594, & 476, HB 611

HEARING ON HB 611

Opening Statement by Sponsor:

REP. WILLIAM WISEMAN, House District 33, Great Falls, requested
that HB 611 be tabled. He said that most of the provisions in

the bill were covered yesterday in a hearing on HB 573.

Proponents' Testimony:

None

Opponents' Testimony:

None

Questions From Committee Members and Responses:

None

Closing by Sponsor:

REP. WISEMAN closed.

EXECUTIVE ACTION ON HB 611

Motion: REP. DAILY MOVED HB 611 BE TABLED.

Discussion: None

Motion/Vote: The question was called. Voice vote was taken. Motion carried unanimously.

Vote: HB 611 BE TABLED. Motion carried 18 - 0.

HEARING ON HB 593

Opening Statement by Sponsor:

REP. TED SCHYE, House District 18, Glasgow, said HB 593 is at the request of the Department of Transportation to establish a seasonal beer and wine license for the West Yellowstone airport.

Proponents' Testimony:

Mike Ferguson, Administrator of the Aeronautics Division, Department of Transportation, said HB 593 will enhance the revenues at the West Yellowstone airport which is owned by the state of Montana and operated by the aeronautics division. The airport is self-sustaining and a marginal operation. Each year they contract a cafe manager to run the cafe. He said the cafe manager and previous cafe managers have informed him if they could have a beer and wine license it would enhance their business. He said they are only asking for a seasonal beer and wine license. The seasonal license request is from June 1 to October 1 of each year. He felt it would benefit the cafe because of the retardant and smoke jumper base located at the

airport. He said these people would probably stay and eat their dinner at the cafe. The airport has the facility to accommodate this request.

Opponents' Testimony:

None

Questions From Committee Members and Responses:

REP. DAILY asked Mike Ferguson if there are any conditions on the lease? Mr. Ferguson said no, it will be a year-to-year contract with the manager.

REP. BARNETT asked Mike Ferguson if the airport is open in the winter time? Mr. Ferguson said it is closed on October 1 of each year. He said the airport runway does remain open depending on snow conditions.

REP. LARSON asked Mike Ferguson if the state of Montana wanted to take on the liability of the beer and wine license in regard to drinking and driving? Mr. Ferguson said the alcohol content for a pilot is a lot more stringent than it is for a car driver.

REP. BACHINI asked Mike Ferguson who carries the liability insurance? Mr. Ferguson said the state does.

Closing by Sponsor:

REP. SCHYE closed.

EXECUTIVE ACTION ON HB 593

Motion: REP. BRANDEWIE MOVED HB 593 DO PASS.

Discussion: None

Motion/Vote: REP. DAILY called the question. Voice vote was taken. Motion carried unanimously.

Vote: HB 593 DO PASS. Motion carried 18 - 0.

HEARING ON HB 594

Opening Statement by Sponsor:

REP. DON LARSON, House District 65, Seeley Lake, said HB 594 is at the request of the beer and wine wholesalers association in Montana. It specifies that when a liquor license is transferred and the seller of the license to sell beer for line purchase on credit will go along with the license. The buyer will be

responsible for paying for the beer license. He said this agreement has been worked out between the wholesalers and the tavern association. The liquor division said this bill was necessary to keep distributors from filing a lien on the license. The department decided that the obligation to pay for the beer and the wine sold on credit was a personal obligation of the person who held the license at the time of delivery.

Proponents' Testimony:

Roger Tippy, representing the Montana Beer and Wine Wholesalers Association, distributed written testimony, and explained to the committee why this is a problem. He said a lot of states require in their laws that the retailer pay in cash. Montana allows seven days credit on a sale. When a person is in the process of selling a license, and take the last beer/wine delivery before the transfer is approved by the liquor division, or pays for it with a check which bounces, the division feels that the obligation to pay for that beer or wine is personal to the seller. The buyer will not be responsible even if they are in possession of the beer or wine. The state sells its liquor to a license, and feels it is only fair for the wholesaler to sell their beer and wine to a license also. **EXHIBIT 1**

Opponents' Testimony:

None

Questions From Committee Members and Responses:

REP. SONNY HANSON asked **Roger Tippy** how many cases have there been in the last 10 years? **Mr. Tippy** informed the committee that he knew of 15 cases.

REP. SIMON asked **Roger Tippy** if this isn't a lien, what kind of leverage will they have? **Mr. Tippy** said the 7-day credit law will be a violation on the retailers part as well as the wholesalers. He said if the retailers want credit they will have to catch up on their debts.

REP. SONNY HANSON asked **Roger Tippy** why isn't this a business decision? The word gets out on the streets that the business is changing hands, why make a law out of it? **Mr. Tippy** said wholesalers do hear that a transfer is pending, but the ability for a retailer to pay if they are having tough economic times is probably the reason they are selling. The privilege of taking the beer and wine on credit is important to these people, but said that sentiment will enter in to the picture and the wholesalers will give in instead of making them pay cash.

Closing by Sponsor:

REP. LARSON closed.

EXECUTIVE ACTION ON HB 594

Motion: REP. BRANDEWIE MOVED HB 594 DO PASS.

Discussion: None

Motion/Vote: REP. PAVLOVICH called the question. Voice vote was taken. Motion carried 17 - 1 with REP. SONNY HANSON voting no.

Vote: HB 594 DO PASS. Motion carried 17 - 1.

HEARING ON HB 600

Opening Statement by Sponsor:

REP. CARLEY TUSS, House District 35, Black Eagle, said HB 600 will provide for partial hospitalization benefits under extended health care insurance programs and will amend coverage for mental illness, alcoholism, and drug addiction. It will provide coverage for mental illness, alcoholism and drug addiction under partial hospitalization benefits. She said the purpose of this legislation is to give health care providers a tool to provide appropriate care in the least restricted environment. This is clinical care and can be given in a cost effective manner. The concept of health care is changing and this bill will change intensive care from an in-patient setting out into the community. When a patient regains their ability to make appropriate decisions, an intensive care program can be provided in a day-care setting which will allow for the patient to re-learn, or therapeutic treatment, etc. She said the problem holding them back is the current reimbursement mechanism limits for in-patient provisions.

Proponents' Testimony:

Jean Garcia, practicing MDMC, Great Falls, said she serves as the adult director of the adult psychiatry unit at the Montana Deaconess. She supports HB 600, because she would like to see the ability for eastern companies to provide group coverage and to be able to grant a trade from in-patient day benefits to day-hospital benefits. She said this is done in many states, but Montana law needs to be changed to allow it to happen here. A trade is usually 2:1, 1 in-patient day would be equivalent to a 2-day hospital stay. She said HB 600 is important because of the nature of mental illness which can be treated and will improve. One of the benefits of a day-hospital program is it can be stretched for intensive care over time and will allow for cost effectiveness as well as effectiveness in treatment. She said one important issue in this bill is any facility that is providing day hospitalization should be affiliated with a hospital that provides in-patient treatment. This will keep any particular facility from not using up a patient's benefits and

leaving the patient stranded with no benefits to cover the necessary in-patient care.

Dr. John Crowley, Montana Deaconess Medical Center, Great Falls, said he is a child psychiatrist. He gave an example of how HB 600 will help him in his practice. One child is covered by Blue Cross/Blue Shield insurance and is currently in acute inpatient psychiatric setting and has been hospitalized for 5 days. The second is a child whose mother is on AFDC and his form of insurance is medicaid. This child had a conflict with the mother and was hospitalized for 3 days and was transferred to out-patient day care. His medicaid insurance paid for psychiatric day-treatment. The child on Blue Cross/Blue Shield wanted to change over to day treatment, but **Dr. Crowley** was not able to allow it because BC/BS would not pay for it. He said that day-treatment is a more effective situation because the patient attends the day care Monday through Friday and goes home on nights and weekends. He urged a do pass recommendation for HB 600.

Dr. Quintin Hehn, Licensed Counselor in private practice, Missoula, said he supports HB 600. He reiterated the previous testimony of his colleagues. He talked about the limited coverage for specific medical problems and feels the limits are too low. He said the limits need to be increased because most of his patients' insurance run out before they are finished. He said that 60 to 80 percent of all physical disorders are caused by, or increased by some type of stress disorder. For every dollar that is invested in mental health they receive a return of \$2 - \$3 and save reasonable medical costs. He said that social cost runs the same.

SEN. EVE FRANKLIN, Senate District 17, Great Falls, said she supports HB 600. She said this bill supports cost containment, and using theoretic tools that are available to provide treatment in a more efficient level of care. She urged a do pass.

Rod Robinson, Director of the Chemical Dependency Center at the Deaconess Hospital in Great Falls, said the dollar amounts are excessive because of the accountability, but he feels conceptually the continuum care is necessary to help contain costs while preserving the quality of care.

Joy McGrath, Executive Director of the Mental Health Association, said the association supports the part of the continuum care to be provided with this bill. She said there is some confusion in the language under the supervision of a psychiatrist, and wanted to make sure that not only the hospitals receive this care 24 hours a day.

Opponents' Testimony:

Tonya Ask, representing Blue Cross/Blue Shield (BC/BS, said BC/BS has some concerns with this legislation. They are concerned with

the bill in the way it impractically recognizes the need for continuum of care. BC/BS is planning to conduct a comprehensive study in the state of Montana on the health care system, and cannot understand why HB 600 is needed when it will allow a 500 percent expansion of a mandated benefit. She said the other concern is the actual definition of partial hospitalization. She asked the committee before they do executive action on this bill to check what the definition of partial hospitalization actually is. She said there isn't any cap on the 2:1 patient benefit for a partial benefit. Last session it was proposed last session if a person was receiving two days of partial for one day of in-patient, those days of partial could not exceed the cost of 1-day of in-patient, and asked the committee to consider this when they work on the bill.

Pat Melby, representing the Rimrock Foundation, said they oppose HB 600 for the same reasons stated by Tonya Ask. He said they are concerned and do not feel the bill has not been thought out as well as it should have been, and said health care providers, insurance companies, and others have been involved in the process. He was informed by the insurance commissioner that there would be an amendment on the definition of mental health, which he hasn't seen, but is opposed to because there is not enough input from the communities.

Tom Hopgood, Health Insurance Association of America, reiterated the comments by Tonya Ask. When mandates are broadened to be required by code, and a benefit is increased so the insurance company must provide that benefit, the cost of health insurance will be increased dramatically. He informed the committee that HB 600 will require more things to be covered by health insurance which contributes to the problem rather than helping to alleviate it. The higher the cost of insurance means fewer people will be able to afford insurance. He urged a do not pass.

Mike Ruppert, President of the Chemical Dependency Program of Montana, and Director of Boyd Andrew Chemical Center, Helena, said if HB 600 passes, they will see an increase in their minimum insurance reimbursement from \$1000 to \$5000.

Larry Akey, Montana Association of Life Underwriters, said the association opposes HB 600 for the reasons the other opponents have mentioned. He did say to the committee that they or anyone cannot say they support cost containment in health care and support HB 600. He asked the committee to give HB 600 a do not pass recommendation.

Bob Olson, Montana Hospital Association, directed the committee to page 7 of HB 600, regarding who can provide partial hospitalization. He feels it is strange that a facility doesn't have to be a hospital to partially hospitalize people. He recommended a do not pass.

Questions From Committee Members and Responses:

REP. MILLS asked **Rod Robinson** about the language in the bill on page 6, it states that chemical dependency counselors are certified by the Department of Corrections and Human Services, do all counselors that work with chemically dependent centers or alcohol correction centers have licenses from the department? **Mr. Robinson** said they either have them or are eligible to receive them and or are working towards receiving them.

Closing by Sponsor:

REP. TUSS closed stating the amendment for HB 600 removes the definition of mental. She said they would be willing to work with the insurance providers to fix the costs on these programs. This bill looks at the treatment incentives, the mechanism for health care people and the goals needed to meet the needs of the patients. She distributed an amendment. **EXHIBIT 2**

HEARING ON HB 596**Opening Statement by Sponsor:**

REP. WILLIAM WISEMAN, House District 33, Great Falls, said currently Montana law forbids trust companies from nine bordering states to invest in Montana, and in turn, forbids Montana trust companies from doing business across the border in those nine states. This bill will open up the borders so Montana trust companies can do business outside of Montana, and the companies that are sponsoring this bill are welcoming competition from outside of Montana to come do business in Montana.

Proponents' Testimony:

Bruce MacKenzie, lobbyist for Trust Corporation, said that trust corp was the first domicile trust company in Montana. He gave a definition of the difference between a trust company and banks, but are defined as banks under the Montana code. Trust companies act as fiduciaries for individuals' funds and assets, take care of them in older age, i.e., pay their bills, etc. Trust companies do not have the ability to lend out those monies, they can only do what the holder of the trust directed them to do under the trust agreement. With trust companies being identified the same as banks in the codes, they have to abide by the same rules as banks. He said foreign trust companies can do business across the borders. HB 596 was patterned after the Minnesota statute and in speaking with the Minnesota authorities found it did not bring about any burden to the department. **EXHIBIT 3**

Bob Bragg, President of Trust Corporation, Great Falls, said he is in favor of HB 596. The bill provides specifically that a trust company that would be a foreign trust company could do business in the state under this bill, could hire people to

perform services in order to take care of their clients and could also solicit trust business. He said the foreign trust company would not be permitted to establish an office in Montana. He said foreign corporations have to file with the secretary of state's office who requires the foreign trust companies to meet Montana requirements which is \$100,000 of equity capital, and if they do not have that they would have to file a bond with the Department of Commerce.

Opponents' Testimony:

Roger Tippy, representing **Independent Bankers Association**, said they only have a problem with the bill in section 7 of HB 596, and asked that it be deleted or amended to state that an employee residing in Montana can solicit bids, and strike "may not maintain an office in a remote service location in this state". He said they do not have a problem with the rest of the bill.

Questions From Committee Members and Responses:

REP. LARSON asked **Roger Tippy** if banks can perform trust functions? **Mr. Tippy** replied that some banks can. When a bank applies for the charter, they reserve trust company powers and can exercise those as a single corporation.

REP. STELLA JEAN HANSEN asked **Bruce MacKenzie** why does section 7 prohibit foreign corporations from maintaining an office in Montana. He said the reason section 7 is in the bill, is to make it more powerful for bankers so they would not object to allowing foreign trust companies to do business with them.

REP. SONNY HANSON asked **Bruce MacKenzie** if a bank from Colorado that had a trust department, bought two banks in Montana, can they open up trust departments in those two banks? **Mr. MacKenzie** replied that under this bill they could not. **REP. HANSON** asked if a company from Montana went to Colorado would they be allowed to open up a trust department, i.e., D.A. Davidson? **Mr. MacKenzie** said it depends on the state law. **REP. HANSON** asked if section 7 was left in this bill, would they be able to open up an office in Montana. **Mr. Mackenzie** said that is correct.

REP. STELLA JEAN HANSEN asked **Bruce Mackenzie** if it is profitable for these companies to go out of state and let outside states come in to Montana? **Mr. Mackenzie** said they are doing this with a profit intention. He said competition can be positive, and is the reality of business enterprise.

Closing by Sponsor:

REP. WISEMAN closed. He reminded the committee this bill was requested by an in-state trust company, who feels that more business is good for Montana. He said **Mr. MacKenzie** just informed him that he would be willing to work on section 7 of the bill with **Mr. Tippy**.

HEARING ON HB 585Opening Statement by Sponsor:

REP. VICKI COCCHIARELLA, House District 59, Missoula, began the hearing with a film on the harmful effects of radon. It stated that 1 in every 15 homes have above levels of radon, and is the second leading cause of lung cancer in the nation. REP. COCCHIARELLA said Montana is fifth in the nation with a radon problem. She said out of the 56 counties in Montana, 52 of them far surpass what the EPA expects levels to be for safe living. HB 585 was developed after 1½ years of study and litigation with the industries that are concerned about this problem in Montana. She said the one thing that was left out of the bill was the mandatory testing, but felt if it is passed, it would make the people of Montana, especially the realtors, know that there is a problem and encourage them to take the necessary steps. Language was incorporated in the bill from the realtors that they will help inform the public or they will be liable and this bill will be back before the Legislature to make the testing mandatory. She said the funding in the bill comes from four sources: 1) Certification fees from the industry, who have voluntarily set them high so the program could get started; 2) the industry has also volunteered to pay permit fees when they do litigation; 3) real estate transfer fees. Some of this fee will stay with the counties for maintaining the records of the notification on file, enhance their education radon programs; and 4) the rest will go into a special revenue account in the state to provide funds that EPA will match for a state program to be in place. She said if the testing of radon in the schools in Montana are not taken care of, EPA will not help with the matching funds to mitigate the schools that have radon. Montana is one of the last states to start a program like this.

Proponents' Testimony:

Adrian Howe, Chief of the Occupational and Radiological Health Bureau, with the Department of Health and Environmental Sciences (DHES), said Montana first studied radon in 1977 through 1982. Butte was the first place in the United States where radon was discovered to be a naturally occurring problem and not enhanced by the activities of man. He said the mitigation technics going on throughout the nation are based on original research that was done by the DHES in Montana. DHES received a grant in 1991 from EPA which provided the department monies to conduct a statewide survey that gave them statistically valid sampling of the entire state to indicate whether or not there was a problem in Montana. The results of the survey indicated that the percentage of homes had greater than 4 pecoCuries per liter (pCi/l), which is the EPA's actual value at 42 percent, and should only be around 10 percent. A report that is being drafted by the EPA and should be out soon, indicates that every county except three or four will be considered zone 1 counties. This means that they have a high probability of having

elevated radon concentrations, and the other three or four will be considered zone 2 counties with a moderate probability of having elevated radon concentrations. He urged the committee to vote in favor of HB 585. **EXHIBITS 4 & 5**

Kate Miller, geologist for the Montana Bureau of Mines and Radiology at Montana Tech, Butte, said they performed the radon and air survey under contract for the DHES using the EPA passthrough funds. She provided scientific evidence from a map on the raw data of the survey, and informed the committee that radon comes from uranium deposits.

Debra Poteet, Poteet Construction Inc., Missoula, said their business is an indoor environmental company. She said the only other state that does not have a radon program in place is North Dakota. She said information needs to be readily available for Montana residents because radon is hard to detect and people are being taken advantage of. She said that large lenders are developing radon information to get out to the public and making it a liability to require testing for financing.

Dan Poteet, Poteet Construction Inc., Missoula, said HB 585 does not mandate law, but will force the irresponsible operators to come in line. He urged a do pass. **EXHIBIT 6**

Kara Campbell, Big Sky Appraisal and Evaluation Service, Helena, said that any profession that requires certification is a benefit to their clients. She urged a do pass.

Steve Mandeville, Legislative Chairman for the Montana Association of Realtors, Helena, informed the committee how the National Association of Realtors is dealing with this problem. He said the realtors' code of ethics treats radon the same as other material factors that affects the value or desirability of a home. He said realtors are supposed to disclose all pertinent facts to a home buyer. The National Association of Realtors supports the efforts to educate the public about the potential hazards associated with radon, but do not support any legislation that would require mandatory testing. He informed the committee the one thing the realty association doesn't like is the realty transfer tax in it.

Terry Riever, Basement Repair Company, Great Falls, said in his line of business he has seen fly-by-nights come in to do basements that do not know anything about radon and will do poor quality work.

Troy Dorrell, Bozeman, said he became involved in the EPA program several years ago. The one problem he has had is acquiring accurate information to get out to the public and the realtors without a radon program, and the reason he supports HB 585.

Opponents' Testimony:

None

Questions From Committee Members and Responses:

REP. LARSON asked Adrian Howe if there will be different standards for public buildings compared to residential? Mr. Howe said at this time he cannot see that there will any different standards, but said they will always be dealing with EPA action guidance which is a technological action drive level, i.e., if the test results come out above that level, it will require action to be taken. He said there is a program in Congress at this time to require these tests in the schools and the DHES will be involved in assisting the schools to make sure it is done properly.

REP. BACHINI asked Kate Miller if the testing can be done before a building is built? Ms. Miller said there isn't really any method to extract the results from the ground until the building is built.

REP. SONNY HANSON asked REP. COCCHIARELLA about the extensive reporting that will be required in the passage of this bill to DHES and the counties? REP. COCCHIARELLA said that wasn't true. She said that was voluntary legislation from the people who helped work on this bill to maintain good scientific information for the benefit of the citizens of the state. The counties have been asked to maintain disclosure statements the same as the realtors have been asked to provide. It will remove a realtor from liability once the statement is filed. REP. HANSON asked REP. COCCHIARELLA why are engineers and architects required to take a separate test? REP. COCCHIARELLA said the people who worked on this legislation felt these two groups need to be trained and certified.

Closing by Sponsor:

REP. COCCHIARELLA closed.

HEARING ON HB 612Opening Statement by Sponsor:

REP. ED DOLEZAL, House District 34, Great Falls, said HB 612 was contracted out to the University System to be drafted because of the agencies involved with it. HB 612 will protect consumers from telephone solicitation fraud and undue pressure, establishes duties and prohibits practices for telephone solicitors. It will empower the attorney general and county attorney to enforce telephone solicitation laws. He contacted the crime control board to gather the data for statistics to see if this bill was needed. The data comes from the 1991 survey and revealed there

had been 41 cases of telephone fraud reported to the law enforcement. He said it is probably more wide spread than they know because most of them are not reported to authorities. He said HB 612 is modeled after the Idaho law. Idaho recently enacted a telephone fraud solicitation statute and has been in effect for seven months. Idaho requires telephone solicitors to be registered and receive a certificate of registration. The registration and initial fee is \$50, and is renewed annually at \$25 thereafter. This money is used to administer and enforce the program. Idaho has put together an information packet to help people who want to set up a telephone solicitation businesses. The Idaho Attorney General said he would be willing to work with Montana's Attorney General to establish this program. A new statute was created to be placed into existing law, and will not affect any of the current laws in dealing with telephone solicitation. He walked the committee through the bill section by section, and informed the committee of the different groups that are exempted from this legislation who normally do their business through telephone solicitation i.e., newspaper subscriptions, insurance policies, etc.

Proponents' Testimony:

Barbara Ranf, U.S. West, said the use of telecommunications for commercial solicitation has increased dramatically in just the last couple of years. She said HB 612 will protect the telemarketing industry in the communications network. She said this last December the FCC issued rules to implement an act that had been passed in 1991, and this bill will correspond with that act. HB 612 is not pre-empted by federal laws, and will allow both laws to work together.

Kate Whitney, Consumer Protection, PSC, said the PSC does not have regulatory authority over telephone solicitors, but do receive calls in regard to complaints about soliciting. HB 612 will require local telephone companies to inform their customers of the provisions of the law, through billing, or through the telephone directory. The PSC would be responsible for establishing the content of that consumer notification.

Chuck Evilsizer, legal counsel for PSC, reiterated the comments of Kate Whitney. He did refer the committee to page 12 in regard to prescribing rules to implement the telecommunication notification plan. Under current law, the PSC does not have any jurisdiction whatsoever over co-operatives. He figured there are around 33,000 customers in Montana that are served by co-ops.

Leo Berry, MCI, said MCI is currently regulated by the PSC and FCC rules. He felt there was duplication in the regulatory process and offered an amendment on page 8, line 6, and asked that the words "or regulated" be inserted after the word license. The bill will exempt people who are licensed by federal or state agencies. The PSC in Montana does not issue licenses to MCI or AT&T, or regulate them like the FCC. He offered another

amendment on page 8, line 8, to insert "or take regulatory action". It will allow the services that are regulated by the PSC and cannot take regulatory action against a company, then the provisions of this bill cannot apply.

Annie Bartos, Chief Legal Counsel, Department of Commerce, said the department supports HB 612. It will strengthen the Personal Solicitation Sales Act that is dealt with on a daily basis. She distributed amendments in regard to some problems the department does have with the bill and asked the committee to include them in the executive action. **EXHIBIT 7**

Opponents' Testimony:

None

Questions From Committee Members and Responses:

REP. BRANDEWIE asked **Chuck Evilsizer** how many FTEs would it take to enforce this legislation? **Mr. Evilsizer** said they would be able to handle the workload with the current staff at the PSC.

Closing by Sponsor:

REP. DOLEZAL offered an amendment that resulted from Idaho finding a loop hole in their regulations. On page 9, lines 1 & 2, it states "if a telephone solicitor has at least one business location in the state". Idaho found that some people who had bases in other states didn't think they had to have a base in the state they were working in. The intent of this bill is to make sure these people have a base in the state of Montana.

EXECUTIVE ACTION ON HB 585

Motion: **REP. COCCHIARELLA** MOVED HB 585 DO PASS.

Discussion: **REP. SONNY HANSON** discussed the fees on the transfer of realtor fees. He said the bill should be reduced to only cover the money from the real estate transfer tax so there would money to fund the educational programs. He would like to see an educational system be in place to be matched by the EPA funds.

REP. HANSON informed the committee he would like to see this bill to through with the educational requirements and notification of the public information feature, and leave it at that. He wanted to work with some of the members and narrow it to those two sections only. He said that radon can be handled only one way and that is through ventilation.

CHAIRMAN BENEDICT informed the committee that he would have a subcommittee to work on some amendments. There isn't any financial impact, and the bill could be worked on after transmittal. He asked **REP. KNOX** to chair the subcommittee and

REP. COCCHIARELLA and REP. SONNY HANSON to work with him.

Motion/Vote: REP. COCCHIARELLA WITHDREW HER MOTION.

Vote: None

EXECUTIVE ACTION ON HB 476

Motion: REP. MILLS MOVED HB 476 DO PASS

Discussion: REP. MILLS explained what happened on the recommendations he had referred to. He informed the committee the bill is about real estate appraisers at the lowest level of their licensure. The current law requires these people to have all of the hours of the various types of training and 2,000 hours of practice, and 24 months of time passing while this is going on. His bill eliminated the 24 months of practice and left all of the hours to be required in.

Motion/Vote: REP. BACHINI called the question. Voice vote was taken. Motion carried 10 - 8 with REPS. BACHINI, LARSON, PAVLOVICH, DAILY, COCCHIARELLA, TUSS, DOWELL, and STELLA JEAN HANSEN voting no.

Vote: HB 476 DO PASS. Motion carried 10 - 8.

EXECUTIVE ACTION ON HB 600

Motion: REP. PAVLOVICH MOVED DO PASS.

Discussion: None

Motion/Vote: REP. MILLS MADE A SUBSTITUTE MOTION THAT HB 600 BE TABLED. Roll call vote was taken. Motion carried 12 - 6 with REPS. COCCHIARELLA, PAVLOVICH, TUSS, STELLA JEAN HANSEN, DOWELL AND DAILY voting no.

Vote: HB 600 BE TABLED. Motion carried 12 - 6.

EXECUTIVE ACTION ON HB 612

Motion: REP. PAVLOVICH MOVED HB 612 DO PASS.

Discussion: REP. PAVLOVICH moved to adopt the amendments proposed by the Department of Commerce. On page 6, lines 10 & 11 on exhibit 7. REP. SONNY HANSON called the question. Voice vote was taken. Motion carried unanimously. EXHIBIT 7

REP. PAVLOVICH moved to adopt amendment #2 on page 8, line 7. Voice vote was taken. Motion carried unanimously. EXHIBIT 7

Motion/Vote: REP. BRANDEWIE MADE A SUBSTITUTE MOTION THAT HB 612 BE TABLED AS AMENDED. Roll call vote was take. Motion carried 10 - 8 with REPS. DOWELL, TUSS, STELLA JEAN HANSEN, PAVLOVICH, COCCHIARELLA, DAILY, BACHINI, AND LARSON voting no. EXHIBIT 8

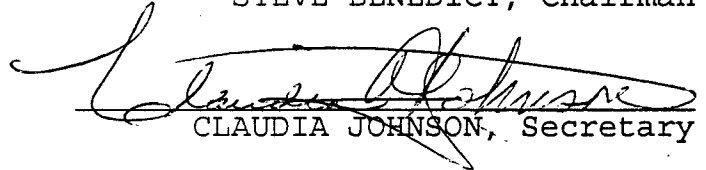
Vote: HB 612 BE TABLED AS AMENDED. Motion carried 10 - 8.

ADJOURNMENT

Adjournment: 11:50 A.M.



STEVE BENEDICT, Chairman



CLAUDIA JOHNSON, Secretary

SB/cj

HOUSE OF REPRESENTATIVES
53RD LEGISLATURE - 1993
BUSINESS AND ECONOMIC DEVELOPMENT COMMITTEE

ROLL CALL

DATE 2-17-93

NAME	PRESENT	ABSENT	EXCUSED
REP. ALVIN ELLIS	✓		
REP. DICK KNOX	✓		
REP. NORM MILLS	✓		
REP. JOE BARNETT	✓		
REP. RAY BRANDEWIE	✓		
REP. JACK HERRON	✓		
REP. TIM DOWELL	✓		
REP. CARLEY TUSS	✓		
REP. STELLA JEAN HANSEN	✓		
REP. BOB PAVLOVICH	✓		
REP. VICKI COCCHIARELLA	✓		
REP. FRITZ DAILY	✓		
REP. BOB BACHINI	✓		
REP. DON LARSON	✓		
REP. BRUCE SIMON	✓		
REP. DOUG WAGNER	✓		
REP. SONNY HANSON, VICE CHAIRMAN	✓		
REP. STEVE BENEDICT, CHAIRMAN	✓		

HR:1993

wp.rollcall.man


HOUSE STANDING COMMITTEE REPORT

February 17, 1993

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that House Bill 476 (first reading copy -- white) do pass.

Signed: _____


Steve Benedict, Chair

Committee Vote:
Yes __, No __.

30131050.Rss


HOUSE STANDING COMMITTEE REPORT

February 17, 1993

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that House Bill 593 (first reading copy -- white) do pass .

Signed: _____


Steve Benedict, Chair

Committee Vote:
Yes ____, No ____.

391306SC.Has


HOUSE STANDING COMMITTEE REPORT

February 17, 1993

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that House Bill 594 (first reading copy -- white) do pass.

Signed: _____


Steve Benedict, Chair

Committee Vote:
Yes ____, No ____.

39130990.Nee



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

EXHIBIT 1
DATE 2-17-93
HB 594

BEFORE THE COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT
MONTANA HOUSE OF REPRESENTATIVES

Re: House Bill 594

This bill enacts a simple principle upon the provisions of the Montana Alcoholic Beverage Code governing license transfers and credit sales of beer and wine: that the debt follow the license. While many states require a retailer to pay cash for beer and wine, as Montana retailers must do when they buy liquor from a state store, our laws allow beer and wine to be sold on seven days' credit. The code sections permitting this practice are the two sections referenced in the bill: 16-3-243 and 16-3-406.

The problem arises when a person in the process of selling a license takes the last beer/wine delivery before the transfer on credit and doesn't pay for it at or after the transfer is approved by the Liquor Division. Or pays for it with a check which bounces. For reasons not clear to us, the Liquor Division has interpreted the current provisions of the Code to mean that the obligation to pay for that beer or wine is personal to the seller. The buyer is not responsible even if he is in possession of the beer or wine.

The Uniform Commercial Code is of no practical use in these situations. Since the parties do not know the exact date when a transfer will be approved, the wholesaler cannot be filing a UCC-1 financing statement on every delivery of beer for weeks or months. The practical solution, adopted in other states which allow beer sales on credit, is to say the wholesaler is selling to the license and whoever holds the license is responsible.

The Liquor Division takes this position as to its own sales. Had the seller's check for his last purchase of distilled spirits bounced, the Division would tell the buyer to make the check good or the license would be revoked. If the state sells its whiskey to the license, it is only fair to say the wholesaler sells its beer and wine to the license, too.

Amendments to House Bill No. 600
First Reading Copy

EXHIBIT 2
DATE 2-17-93
HB 600

Requested by Rep. Tuss
For the Committee on Business and Economic Development

Prepared by Susan B. Fox
February 15, 1993

1. Page 2, line 5.

Strike: "physician"

Insert: "psychiatrist"

2. Page 2, line 13.

Following: "referral."

Insert: "The affiliated hospital must have an inpatient
psychiatric unit that is under the medical direction of a
licensed psychiatrist."

3. Page 2, lines 14 and 15.

Following: "means"

Strike: the remainder of line 14 through "disorder" on line 15

Insert: "a mental disorder described in the Diagnostic and
Statistical Manual of Mental Disorders, third edition
revised, or subsequent manuals"

4. Page 5, lines 8 through 13.

Following: "be"

Strike: "received" on line 8 through "care" on line 13.

Insert: "provided in a facility accredited by the joint
commission on accreditation of healthcare organizations to
provide inpatient psychiatric services under the medical
direction of a psychiatrist"

MEMORANDUM

EXHIBIT 3
DATE 2-17-93
HB 596

TO: Chairman Steve Benedict
House Business and Economic Development Committee

Re: House Bill 596: Trust Company Reciprocity Legislation

From: Bruce A. MacKenzie
Lobbyist for TrustCorp

At the present time Montana law effectively prevents Montana Trust Companies from doing business in a number of its neighboring states. House Bill 596 opens the borders of Montana for Trust companies domiciled within this state to do business in nine other states. The legislation would produce increased competition within Montana from out of state trust companies domiciled within states that have similar legislation.

Trust companies generally are restricted from acting as a trustee in another state unless the state law allows such activity. The law of each state controls whether and under what conditions a trust company from another state may act as a trustee within the state. Corporations qualified as trust companies in one state are frequently handicapped or disqualified from accepting and administering trusts in another state by reason of these statutory restrictions.

The states have little uniformity regarding the ability of a trust company to do business in another state. Although the laws vary from state to state, the statutes regulating trust companies can be categorized into three different methods of governing the ability to do business in a state other than the state of the company's organization:

1. Permitted to do business only if they qualify under the states banking laws.
2. Permitted only if the trust company's state of organization provides corresponding privileges to local trust companies. (Reciprocal privileges states)
3. Special licensing provisions.

Montana currently falls within the first category. In Montana foreign trust companies may not do business within the state without qualifying under the banking laws. Such a provision prohibits trust companies organized within Montana from expanding their market area to states which have reciprocity legislation. There are nine states bordering or west of the Mississippi that have a form of reciprocity legislation: Minnesota, Wisconsin, Illinois, North Dakota, South

Dakota, Nebraska, Missouri, Oklahoma and Oregon. By opening the borders of Montana to permit trust companies organized in these states to solicit business and accept trusts HB 596 also allows Montana trust companies to solicit and accept trusts in each of the other states with reciprocity provisions.

While out of state firms domiciled in states with reciprocity legislation would be permitted to solicit business within the state, the legislation requires the firms to either provide bonding or maintain capital equal to the capital requirements of Montana firms. Further, out of state trust companies would not be permitted to maintain an office in Montana and would be limited to solicitation activities which could be performed by a person resident in Montana.

The legislation is patterned after the Minnesota statute. The Minnesota authorities have indicated this provision has not resulted in any added regulatory burden to the office charged with the responsibility for enforcing Minnesota's trust laws.

BAM 2-15-93


RECEIVED

FEB 16 1993

MDHES
Occupational & Radiological Health

EXHIBIT 4
DATE 2-17-93
HB 585

Memorandum

To: Mr. Adrian Howe
From: Dr. Tomas Graman, Helena, Montana 
Subject: Testimony before Montana House of Representatives,
Business and Economic Development Committee,
House Bill 585
Date: February 16, 1993

Dear Mr. Howe:

I would like to express my support for House Bill 585 to certify persons providing measurement and mitigation services for radon.

In the spring of 1988, my wife and I lived in Lyons, Colorado. I accepted a post in Helena, looked for a house, found one and signed an "agreement to sell and purchase" contract. We required that the offer we made be "contingent upon the property being tested for radon and passing inspection."

We based our purchase of the property upon the inspection, i.e., upon the reading being lower than 4.0, the level established by the U.S. E.P.A. The reading was 2.9, and, therefore, we bought the property and moved in. Since that time, we have had two children and we decided to finish the basement. I thought to recheck the radon level to make sure the level was still below the E.P.A. guidelines.

I was disappointed and surprised to find out that the reading was not only above 4.0 but was 15.7. I couldn't understand how the radon level could have increased so much. Later we spent \$1437.00 plus around \$50 in tests to mitigate the radon problem.

Subsequent to the mitigation, I met with our neighbors from whom we had purchased the house and told them about the problem. They informed me that the real estate agent had not placed the test canister in the basement. (The E.P.A. instructions require that the test device be placed in the basement, or ground floor if no basement exists, after maintaining the windows and doors closed prior to and during the test as much as possible.) Instead she had placed the test kit in the living room upstairs, in the summer with windows and doors open. I rechecked the radon level in the living room and, sure enough, the reading was 2.6.

Our purchase of the house and property, which without our knowledge was based on erroneous information from an improper radon test, has caused us a lot of expense, stress and perhaps damage to our lungs. We hope the Montana House of Representatives will pass Bill 585 in a effort to prevent this misfortune from happening to other residents and home buyers in Montana.

Testimony Before the House Business and Economic
Development Committee on HB585

Presented by

Adrian Howe, Chief

Occupational and Radiological Health Bureau

Montana Department of Health and Environmental Sciences

While radon is a serious public health problem we should not panic. The health risks of radon are associated typically with a long period of exposure, and are manifested over a long period of time. In addition, when compared to other environmental contaminants, radon is relatively easy to measure and correct. Radon should be addressed calmly and intelligently.

Radon is a naturally occurring radioactive gas resulting from the natural decay chain of Uranium-238. Unlike other solid radioactive materials, radon as a gas is mobile. The smallest fissure in surrounding rock or a porous soil provides a pathway for this radioactive gas to move, in cases into our homes and other occupied buildings. It cannot be detected by any of our senses. It occurs naturally in most rocks and soils, and can be found in varying concentrations, practically anywhere on earth. When concentrations are elevated inside structures the health risks of radon become a concern.

Radon is considered to be the second leading cause of lung cancer behind smoking. The U. S. Environmental Protection Agency (EPA) estimates that radon is responsible for approximately 14,000 lung cancer deaths per year in the United States, the statistical range is between 7,000 and 30,000 lung cancer deaths per year. Unlike many other carcinogens in which the supporting data is based on extrapolation from studies of lab rats and mice, the carcinogenicity of radon is based on data from human studies and backed up by additional animal studies. The EPA's current action level of 4 picoCuries per liter (pCi/l) is technologically based on a reasonably achievable reduction concentration.

In 1978, the Montana Department of Health and Environmental Sciences (DHES) began investigating the potential sources of radon which contribute to elevated ambient and indoor concentrations of radon and it's decay products in Butte, Montana. Early efforts of the investigation focused on the evaluation of phosphate slag which has been used extensively for paving, graveling and building materials in the Butte area. The phosphate slag proved not to be a significant source of radon. In July 1980, DHES contracted with the EPA to further investigate the potential for various sources of

radon in the Butte area. The information from this investigation resulted in the conclusion that radon concentrations in the area were naturally occurring and not enhanced by any human activity.

In 1987, DHES became aware of a possible radon problem in the Helena valley. At that time DHES conducted limited sampling and obtained laboratory support from the EPA to conduct additional sampling. These sampling efforts did document an extensive radon problem in the Helena area.

From 1983 until 1992, with the exception of the 1987 activities, the efforts of DHES have been limited to providing information as requested. These efforts have been limited due to a lack of resources for a proactive radon program. These efforts have included providing informational mailings, answering questions of individuals over the phone, and presentations to interested groups (i.e. building contractors, real estate professionals, etc...).

In 1991, the DHES obtained a grant from EPA to conduct a statistically valid sampling of Montana. The goals of this sampling were to determine the extent of any radon problem in Montana as well as to pinpoint any "hot spots". Therefore the survey was designed to not only provide a statistically valid "snapshot" of the entire state but to sample sparsely populated areas a bit heavier than normal statistical distribution would have indicated in order to pinpoint hotspots. This was accomplished by dividing the state along county lines into 3 regions (Northwest, Southwest, and Eastern). The division was based somewhat on geology, but the primary criteria was to provide for a substantially even population in each region. Eligible homes were selected randomly by computer from telephone lists. The goal was to place test devices in 1,000 qualified homes statewide, which would require contacting approximately 4,000 eligible homeowners to qualify the home and solicit homeowner participation. In addition, the EPA grant provided equipment for the Bureau of Mines and Geology to test for radon in water, the data obtained utilizing this equipment will be entered in the Groundwater Information Center database for future use.

The results of this survey, indicate that Montana is the fifth highest state, among 42 participating states, with 42% of Montana homes exceeding the EPA action guidance of 4 pCi/l. In addition, Montana is ranked as the second highest state with 4.7% of Montana homes exceeding 20 pCi/l. A soon to be released EPA report will designate nearly all of the counties in Montana as Zone 1 counties, meaning that they have a high potential for elevated indoor radon concentrations. The remaining 4-5 counties will be designated as Zone 2, meaning that they have a moderate potential for elevated indoor radon concentrations.

Efforts in other states have included proactive programs to encourage homeowners to test for radon, establishment of an 800 hotline for citizen information, establishment of certification for those providing testing and mitigation services, mandatory testing

and disclosure for real estate transactions, establishment of building codes for new construction, assistance to schools etc.. Over the years, the Montana radiation control program has received numerous reports of fraudulent testing and mitigation services. One of the best deterrents to such fraud is a well informed public and some regulation that puts all players in the industry on the same playing field. This has been hampered in Montana in the past in that the staff time spent is not dedicated to a radon program, but is rather taken from other funded programs, in support of the overall public health goals of DHES.

There are EPA grant funds available to Montana to establish a radon program for at least one more year. Montana would qualify for these funds with a 40% match of the cost of the program. The intent of Congress was that eventually all state programs would be self supporting. If Congress does reauthorize additional grant funds in the future, the state would be required to provide a 50% match.

Montana's current efforts in providing information about radon, including proficient testing and mitigation services, is in jeopardy without additional resources for several reasons. It is becoming increasingly difficult to justify using resources from other programs for radon. EPA now expects the states to reprint their own informational materials for distribution, routinely refers citizens questions to the state radiation control agencies, and expects the state radiation control personnel to advise citizens of proficient testing and mitigation firms in the state. These functions are demanding increasing amounts of time and material which can no longer be justified with existing resources of other programs.

In conclusion, radon is a public health problem which should be dealt with directly, but without panic. Radon is the health hazard that is easy to test for and has a simple solution, but requires that the public be able to make informed decisions.

DHES supports HB585 and asks that the committee consider voting in favor of HB585.

EXHIBIT 5
DATE 2/17/93
HB 585

10/9

Step on the gas, folks ...

Radon testing can save lives
— but it's up to homeowners

Word is seeping out about radon in Montana. A new study shows that Montana has higher radon levels than most other states in the country. Forty-two percent of 833 Montana homes tested showed radon levels high enough that homeowners ought to take action to keep the cancer-causing gas out of the house. In Missoula, 51 percent of homes tested exceeded the U.S. Environmental Protection Agency's recommended radon limit.

This is old news, but it hasn't sunk in with many homeowners. Radon isn't like water leaking from old pipes — it's invisible, odorless, tasteless, easy to ignore.

And it's the second leading cause of lung cancer in the country, believed to cause 20,000 cases of cancer and 14,000 deaths per year. People who ask house guests to slip outside for a smoke ought to ask themselves why they've never measured the radon risk in their homes.

A radon level of 4 picocuries per liter of air in a home calls for action, according to health officials. That level presents approximately the same health risk as smoking a half-pack of cigarettes a day. Anyone who smokes inside a home where radon is a problem is at even higher risk.

State Rep. Vicki Cocchiarella of Missoula wants the Legislature to handle this issue next year, pushing

for better education and consumer protection at the state level. That may be a step in the right direction, but this isn't logically a problem that government can do much about. Individuals have to take most of the responsibility for cleaning up this environmental hazard.

Parents who insist their children wear seat belts and bicycle helmets should be anxious to reduce the dangers of radon in their homes. We suspect there are many people in Montana who already know radon is bad stuff, yet they haven't shelled out the few dollars needed for a test kit.

State and local health officials should certainly step up their efforts at radon education. And neighborhood groups, schools and volunteer organizations should join the American Lung Association in its efforts on this front. School teachers would be wise to include radon education in their science and health classes. Once kids get the word, they're sure to educate parents.

Public information campaigns can help convince people that it's not expensive to test for radon, and that simple measures can often plug the leaks that let radon into a house. A test kit, available at hardware stores, costs \$25 or less. The Missoula City-County Health Department has kits available for \$15. If a problem exists, a homeowner can usually take care of it for between \$500 and \$2,500, the Environmental Protection Agency estimates. It costs that much to paint a house or install carpet or underground sprinklers. Dealing with radon is a healthy and valuable home improvement.

EXHIBIT 6
DATE

EXHIBIT 6
DATE 2-17-93
#1 HB 585

Radon gas good news, bad news

You can rid your home of it but it's not cheap and who ya gonna call?

By SCOTT McMILLION
Chronicle Staff Writer

There's one good thing about cancer-causing radon gas. There are things you can do to get it out of your home. But finding somebody to do the job right isn't always easy and it isn't cheap.

The Environmental Protection Agency said last week more than half the homes in southwest Montana probably have dangerous levels of the invisible, odorless radon gas, which is the nation's second leading cause of lung cancer.

Radon is a naturally occurring substance, often found in granite soils and glacial deposits. Exposure over a long time can cause lung cancer, and the risk increases for smokers exposed to radon. While radon levels are commonly measured in buildings' basements, the gas can invade the rest of a structure as well.

But finding out if your home is at risk can also be confusing. While roughly 20 people in Montana are certified by the EPA to test homes, there are others who claim to have adequate knowledge. Many of them probably know what they are talking about, according to Vicki Cocchiarella, a Missoula legislator active in radon issues, but it is best to stick with someone with a picture ID issued by EPA.

In the entire state, only two people are approved by the EPA to do radon reduction work, according to the state Health Department. One is Potest Construction in Missoula and the other is Troy Dorrell, who runs Pro Hand Services in Belgrade.

Cocchiarella took a week-long EPA course that taught him how to get the dangerous gas out of a home. The mechanics can get complicated but essentially it requires drilling a hole in the basement floor, in-

(More on Radon, page 12)



Troy Dorrell of Belgrade explains how dangerous radon gas can be vented out of homes. Dorrell is one of only two people in Montana approved by the EPA to do radon reduction work.

DOUG LONEMAN/CHRONICLE

Government has little money for radon programs

By SCOTT McMILLION
Chronicle Staff Writer

Montana has the fifth worst radon problem in the nation, according to the Environmental Protection Agency, but state government has virtually no radon program.

"Technically, we don't have a funded radon program in this state," said Adrian Howe, chief of the Occupational Health Bureau for the state Health Department and the man who does what little radon work is accomplished for state government.

The state hasn't even budgeted enough money to print up new informational pamphlets. "Once my supply of pamphlets runs out, I can't supply any more," Howe said.

The federal government is also in a financial pinch. David Vaughan, an EPA-certified radon tester in Bozeman, said he got a postcard last

week saying the EPA's radon program is temporarily shut down pending new budget allocations.

State Rep. Vicki Cocchiarella, D-Missoula, said Saturday she hopes to allocate in the next legislative session about \$75,000 to match federal funds and create a \$300,000 program for radon education, certification of testers and mitigators, and possibly some regulations governing radon and real estate transactions.

Many states already require radon tests before a piece of real estate can change hands, she said, and many people moving to Montana are insisting on radon tests before they buy a home here.

"We haven't got quite into the nitty gritty of how we can make that work," she said. "We want to make it a state and private partnership and bring everybody that might be impacted by this in on it before we jam it down every-

body's throat."

Mike Vogel of the Montana State University Extension Service, said he teaches seminars about radon and possible liabilities associated with radon to real estate sales people.

Since the EPA issued its report last week, his office has been "bombarded with questions," he said. He encouraged people to contact him at 994-3451 with any questions.

Cocchiarella said her bill probably will cover certification of people who test for radon and install removal systems. Many people claim to know how to do the work, but some are unscrupulous. Without a certification system, it's hard to tell the difference, she said.

"Radon impacts all people at all income levels," she said. "I don't know what we'll do about people that can't afford to mitigate their problems."

Radon from page 1

serting a large pipe, applying suction with a fan, and blowing the gas out through the roof.

The cost, according to Dorrell, ranges from \$900 to \$5,000 for existing homes and averages less than \$1,500 but the method is very effective. Other methods hinge on depressurizing the home by forcing air out of it, which can cause prohibitive increases in the heat bill.

Adrian Howe of the state Health Department said properly installed systems can reduce radon pollution by 98 to 99 percent.

Dorrell said he has reduced radon levels in homes from 65 picocuries per liter to 0.4 picocuries per liter. The EPA says anything above 4 picocuries per liter is dangerous.

Sealing cracks in cement walls or slabs and applying chemical sealants may reduce a radon problem, but it doesn't work very well and doesn't last very long, Dorrell said.

The deadly gas "seeps through the pores in the concrete," he said. "You can have an airtight basement and still have radon."

Homes with only a crawl space are treated in essentially the same way as homes with basements. An impervious membrane (ordinary plastic won't do the job) is laid over the ground beneath the house and vacuum pressure is applied beneath that sheet, Dorrell explained. That pipes the air up through the roof and keeps it

from entering the home.

Once the gas is exposed to outside air, it rapidly dissipates.

Homes under construction can be radon-proofed much more easily. Howe recommended all new homes in Montana be built to prevent radon exposure.

Contractors can lay perforated pipe in a bed of gravel beneath a concrete slab and connect the pipes to a vacuum pipe. After the house is built, the air can be tested for radon and if there is a problem, an extraction system can be hooked up, Dorrell said.

However, the systems must be installed properly and there are few people who know how to do it, Howe cautioned.

Cocchiarella, who said she plans to introduce legislation next year to pay for education, consumer protection and certification programs, said there are plenty of horror stories about fraudulent radon tests around the country.

"Fly-by-night contractors go door to door" after the EPA releases statewide reports like the one issued for Montana this week, she said. In Colorado, some people showed up on doorsteps with mayonnaise jars and a hair dryer, claiming that was all they needed to capture air for radon tests, she said.

A variety of tests are available, Howe said,

but instructions must be followed carefully. Prices range from \$10 to \$100, depending on the type and duration of the test and how quickly you need the results.

Test kits can be hard to find. Two types of EPA-approved kits sold out immediately at Owenhouse Ace Hardware after the EPA report became public Thursday, a clerk there said, though more kits were expected in in about a week.

Mike Vogel of the MSU Extension Service said his office and county Extension offices still have two types of EPA-approved test kits. One costs \$10 and the other \$19.95, which includes postage and lab work.

Dorrell sells a variety of kits. Like Howe, he cautioned that instructions must be followed precisely to obtain accurate readings. The kits must be mailed to an approved laboratory for results, which usually takes one to three weeks and normally is included in the price of the kit.

If people prefer to hire someone to test their homes, David Vaughan Jr. of Bozeman can provide quick, EPA-approved tests and results.

"I can give on-site results instantly," said Vaughan, who runs a home inspection service. He said his tests cost between \$50 and \$100, depending on the duration. Generally, longer tests have more accurate results.

Home radon test easy, inexpensive first step

By DAVID FENNER
Tribune Staff Writer

Home testing is easy and affordable, but it is only the first step in reducing the threat of radon.

Most home testing kits cost less than \$30.

They are available at the City-County Health Department in Great Falls, in hardware stores and other retail outlets, and through the mail.

Anyone wanting more information about home testing should call the U.S. Environmental Protection Agency's toll-free Radon Hotline, 1-800-767-7236, or the state's Radiological and Occupational Health Bureau, 444-3871.

Home testing alternatives

There are two types of home testing: short-term and long-term.

Short-term tests remain in a home from 2 to 90 days, depending on the type. Long-term tests remain in a home more than 90 days. Generally, they consist of a small canister that is placed in the lowest livable area of home. The canister is mailed to a laboratory for evaluation at the end of the testing period.

The EPA recommends an initial short-term test. If it shows radon levels at 4 picocuries per liter of air or higher, homeowners should conduct a follow-up test to be sure.

Four picocuries is the level at which the EPA recommends fixing a home to reduce concentrations.

The followup can be either a short-term or long-term test. For a better understanding of a home's year-round average, the EPA advises a long-term test. When results are needed quickly, take a another short-term test.

If the long-term test shows levels of 4 picocuries or greater, the home should be fixed.

If a short-term test is used as a followup, the EPA advises that homeowners consider taking corrective action if the average from both tests is 4 picocuries or higher.

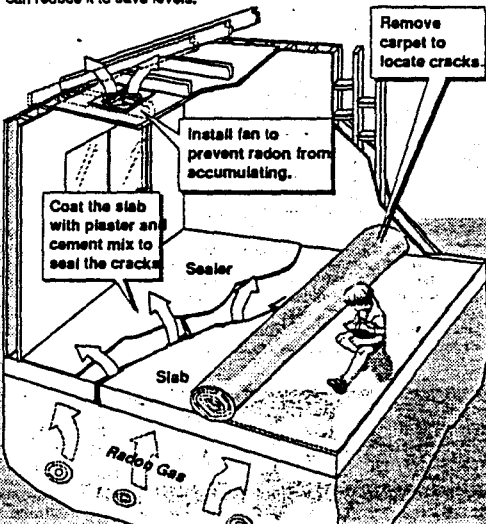
How to lower radon concentrations

There are several ways to reduce radon levels in a home.

A widely used method for cleansing homes is sub-slab depressurization, which removes radon from below the concrete floor and the foundation before it can enter a home.

Reducing radon in your home

If unacceptable levels of radon are found in a home, these methods can reduce it to safe levels.



Effects on the body Breathing high levels of radon for 18 hours is equivalent to smoking one to two packs of cigarettes a day.

Source: Time-Data research

Kent Kuehl, Gannett News Service

new hot water heater installed.

On average, the cost for a contractor to fix a home is about \$1,200, though the figure can range from \$500 to about \$2,500.

Health officials advise consumers to carefully check out contractors to ensure they are properly trained to fix radon problems. The EPA Radon Contractor Proficiency (RCP) Program tests these contractors. A contractor who has passed the EPA test will carry a special RCP identification card.

Check with the state Occupational and Radiological Health Bureau in Helena for names of qualified contractors in certain areas.

It involves poking a hole in the basement floor and inserting a plastic pipe leading to the outside, where a fan carries away the gas. Similar systems can be installed in homes with crawl space.

Radon contractors use other methods that may also work. The right system depends on the design of a home, among other factors.

The cost of making repairs depends on how a home is built and the extent of the radon problem. Most can be fixed for about the same cost as other common home repairs such as painting or having a

state certification program to protect consumers from unscrupulous contractors.

"Hopefully we can pass this legislation so we can keep the citizens' health and pocketbooks protected," she said.

It also would establish a radon education program that includes continuing the radon hotline in Helena, the production and dissemination of a brochure about radon and training students in the public schools about it.

Cocchiarella says few Montanans know much about radon and she believes they and the Legislature will have to be educated about the importance of the issue.

Pick tester, contractor with care

By SHIRLEY SALEMY
Tribune Staff Writer

Pick a radon tester and contractor carefully, a Missoula legislator says.

"What you need to ask is, 'Are you listed with the EPA,'" said Rep. Vicki Cocchiarella, D-Missoula, who has drafted legislation to establish education about radon in Montana.

If contractors have been approved by the U.S. Environmental Protection Agency, they will have an identification card and number to prove it, Cocchiarella says.

If you don't receive adequate service, or if you feel you've been fooled or tricked by a company, call the EPA and turn them in, she says.

"Lots of people who are contractors in the state know a lot about radon but may not know the best or cheapest way to get rid of the problem," she said.

She also advises homeowners to make sure the company they choose will guarantee its work by having an independent party perform a radon test when the job is done.

"The most important advice I would have is: 'Don't panic,'" Cocchiarella said. "Don't become vulnerable and panic."

She has submitted two bill requests to the Environmental Quality Council, a legislative agency, concerning radon.

The legislation would establish a

Amendment to House Bill 612

BILL FOR AN ENTITLED: "AN ACT PROTECTING CONSUMERS FROM TELEPHONE SOLICITATION FRAUD AND UNDUE PRESSURE; ESTABLISHING DUTIES AND PROHIBITED PRACTICES FOR TELEPHONE SOLICITORS; EMPOWERING THE ATTORNEY GENERAL AND COUNTY ATTORNEY TO ENFORCE TELEPHONE SOLICITATION LAWS; CREATING PRIVATE CAUSES OF ACTION AND REMEDIES FOR BUYERS; PROVIDING A REASONABLE PERIOD FOR A MINOR TO DISAFFIRM A PURCHASE; REQUIRING LOCAL TELEPHONE EXCHANGE SERVICE PROVIDERS TO NOTIFY CUSTOMERS OF THE TELEPHONE SOLICITATION LAWS; CREATING A STATUTE OF LIMITATIONS FOR ACTIONS; AND AMENDING SECTIONS 30-14-501, 30-14-502, 30-14-504, 30-14-506, AND 30-14-507, MCA."

1. Page 6, lines 10 through 25; and page 7, line 1. Strike: subsections (1), (2), and (3) of NEW SECTION 4 in its entirety.
2. Page 7, line 4. Strike: "... and of the telephone solicitors registration number."
3. Page 7, lines 8 through 25. Strike: NEW SECTION 5 in its entirety.
4. Page 8, lines 1 through 25. Strike: in its entirety.
5. Page 9, lines 1 through 20. Strike: in its entirety.
6. Page 10, lines 6 through 25; and page 11, line 1. Strike: subsection (3) of NEW SECTION 6 in its entirety.
7. Page 15, line 1. Amend "\$100.00" to "\$1,000.00"

EXHIBIT 8
DATE 2-17-93
HB 612

HOUSE OF REPRESENTATIVES
53RD LEGISLATURE - 1993
BUSINESS AND ECONOMIC DEVELOPMENT COMMITTEE
ROLL CALL VOTE

DATE 2-17-93 BILL NO. HB 612 NUMBER _____

MOTION: Rep Brandewie Made Substitute
Motion to Table

Motion Carried 10-8

NAME	AYE	NO
REP. ALVIN ELLIS	✓	
REP. DICK KNOX	✓	
REP. NORM MILLS	✓	
REP. JOE BARNETT	✓	
REP. RAY BRANDEWIE	✓	
REP. JACK HERRON	✓	
REP. TIM DOWELL		✓
REP. CARLEY TUSS		✓
REP. STELLA JEAN HANSEN		✓
REP. BOB PAVLOVICH		✓
REP. VICKI COCCHIARELLA		✓
REP. FRITZ DAILY		✓
REP. BOB BACHINI		✓
REP. DON LARSON		✓
REP. BRUCE SIMON	✓	
REP. DOUG WAGNER	✓	
REP. SONNY HANSON, VICE CHAIRMAN	✓	
REP. STEVE BENEDICT, CHAIRMAN	✓	
	10	8

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

Business & Ec. COMMITTEE BILL NO. HB 585
DATE Feb. 17, 1993 SPONSOR(S) V. Cocchiarella

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Kara Campbell		✓	
Ge MITCHELL	SELF	X	
Kate Miller	MBMG	✓	
Debra PORET	PORET CONST. INC	X	
Adrian C. Howe	DHES	X	
TRACY RIZOV	BRANIFF AIRLINE	X	
Tony Dorrell	HB 585	X	
Stuart Manderville	MT Assoc Realtors object over trans fee		

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

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

Business & Ec.

COMMITTEE

BILL NO.

HB 593

DATE

Feb. 17, 1993

SPONSOR(S)

T. Schye

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
MIKE FERGUSON	DOT Aeronautics Div	X	

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

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

Business & Ec.

COMMITTEE

BILL NO.

HB 594

DATE Feb. 17, 1993 SPONSOR(S)

R. Larson

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Roger T. Young	m B w w A	594	

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

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

Business & Ec. COMMITTEE BILL NO. AB 596
DATE Feb. 17, 1993 SPONSOR(S) W. Wiseman

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
William R. Wiseman	HD 33	X	
Bruce A. MacKenzie	HB 596 Trust Corp	X	
Roger Tibby	Mo Idaho Bankers		X
ROBERT BRAGG	TRUST CORP	X	
Troy C Dorrell	HB 555	X	

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

HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

Ad Economics COMMITTEE

BILL NO. 1186 CD

NB 611

71993 SPONSOR(S) C Tuss

PRINT

PLEASE PRINT

PLEASE PRINT

USE PRINT

D ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Ask	Blue Cross + Blue Shield		✓
R. Helin	McClure & Co.	✓	
Crowley, MD	Monte Ricci Health Center	✓	
Ernst MD	MDMC - Great Falls	✓	
Bor	MDMC - Great Falls	✓	✓
Wey	Rimrock Foundation		✓
Good	Hlth Ins. Assoc. America		✓
	Mt. Assoc. Life Underwriters		✓
Support	COPM		X
	Mt. Hospital Assoc.		X
Nashua	McClure Health Assn	X	

[illegible]

PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS
IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

MENT FORMS

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

Business & Ec. COMMITTEE BILL NO. HB 612
DATE Feb. 17, 1993 SPONSOR(S) E. H. Dolezal
PLEASE PRINT PLEASE PRINT PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Kate Whitney	PSC	✓	
Barbara Ranf	US West	✓	
Leo Barry	MC I		

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