#### MINUTES

## MONTANA HOUSE OF REPRESENTATIVES 53rd LEGISLATURE - REGULAR SESSION

## COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT

Call to Order: By CHAIRMAN STEVE BENEDICT, on March 3, 1993, at 9:00 A.M.

### ROLL CALL

## Members Present:

|      | Steve Benedict, Chair (R)    |
|------|------------------------------|
| Rep. | Sonny Hanson, Vice Chair (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 (K)_D            |
| 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: SB 86 AND SB 111 Executive Action: SB 86 AND SB 111

## HEARING ON SB 86

## Opening Statement by Sponsor:

SEN. GREG JERGESON, Senate District 8, Chinook, said SB 86 is at the request of the Legislative Auditor's office, because of an

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HOUSE BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE March 3, 1993 Page 2 of 8

audit done on the Board of Investments. The board handles a lot of money for investments in Montana, using New York banks for the safekeeping of securities, stocks and bonds. Under current law, the board is required to use Montana banks for all of their services. This bill will provide for those services not provided by Montana banks to contract with out-of-state banks and eliminate the Montana banks that cannot provide those services and are used as a middleman. He said the legislative audit estimates that passage of this bill will save taxpayers \$279,000 per year.

## Proponents' Testimony:

**Bill Leary, representing the Montana Banker's Associations**, said SB 86 is a true competition bill. The association agrees with the concept of the bill, and hoped the committee would pass it through. He said the banks in Montana do not provide the kinds of services that the Board of Investments seek, but are available on a national level.

## **Opponents' Testimony:**

None

Informational Testimony:

None

#### Questions From Committee Members and Responses:

Rep. Pavlovich asked Jim Manning, Audit Manager with the Legislative Auditors to give the committee some background of the audit that took place in 1991. Mr. Manning said the Board of Investments did an audit in 1991 on this particular issue. The board made a recommendation that resulted in a net savings of \$279,000. The primary services that the Board of Investments require are for the \$3 billion they have in total assets. The majority of these assets and securities are physically kept in a trust department in a New York bank. The NY bank also carries out some of the transaction settlements.

**Rep. Sonny Hanson** asked **Jim Manning** if he was referring to the actual documents themselves that are kept in storage in out-of-state banks? **Mr. Manning** said that is correct.

Rep. Stella Jean Hansen asked Jim Manning to give an example. Mr. Manning said the stocks and bonds documents are actually held in the New York banks, not in the state. He said the documents are held in the trust department of the Chase Manhattan Bank of New York who holds these securities on record for the state of Montana, and unless these securities are bought and sold, may never physically leave New York, but are transferred from one client's account to another client's account. He said the banks in Montana do not offer this same type of service. Mr. Manning

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HOUSE BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE March 3, 1993 Page 3 of 8

said the state of Montana contracts with a bank in-state to handle what is called the state treasurer's account, which is the central checking account for the state of Montana. This bank contains the cash through the treasure's office, and daily the board in conjunction with the treasurer's office, determines what the cash balance is in that bank, anticipates what the outstanding warrants will be, and based on that will sell and purchase securities.

## Closing by Sponsor:

Sen. Jergeson closed stating that he had served on the Montana Board of Investments for four years. He said one of the things done by the board back in the 1970's, was the securities lending program handled by Chase Manhattan Bank in New York. He said there is a flaw in the law that the state of Montana has to go through a middleman to have this done by Chase Manhattan. He said with the Legislature trying to find ways of savings, this is the most efficient way to handle the state's financial matters. He said **Rep. Pavlovich** will carry the bill on the floor of the House.

#### EXECUTIVE ACTION ON SB 83

Motion: REP. PAVLOVICH MOVED SB 83 BE CONCURRED IN.

Discussion: None

<u>Motion/Vote</u>: Rep. Sonny Hanson called the question. Voice vote was taken. Motion CARRIED unanimously.

Vote: SB 83 BE CONCURRED IN. Motion CARRIED 18 - 0.

#### HEARING ON SB 111

#### Opening Statement by Sponsor:

SEN. JOHN HARP, Senate District 4, Kalispell, said this is the third time this bill has been introduced in Legislature. It creates a license for property managers who are currently licensed in Montana as realtors. There are people that want to be excluded from the requirements of realtors, and want their own testing, rules and regulations. SB 111 will create exemptions on page 1, lines 8 & 9, from real estate and property management licensing. On page 5, section 3, it lists the exemptions, i.e., relatives, or a person that leases no more than four residential units, etc. A property manager is a person who for a salary, commission, or compensation of any kind engages in the business of leasing, renting, subleasing, or other transfer of possession

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HOUSE BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE March 3, 1993 Page 4 of 8

of real estate belonging to others without transfer of the title to the property. **EXHIBIT 4** 

## Proponents' Testimony:

Helen Garrick, Real Estate Broker, Missoula, said she has been on the Board of Realtors for 8 years. They have received request for clemency from the brokerage license so the people can manage property, they don't want to list property nor sell property. Under the current statutes, it states that anyone who for a compensation or a fee, leases, rents, show or sell, must be a licensed real estate salesperson/broker. She said their position on the bill is to have the ability to give people a license to do what they want to do. Currently, the board does not have the ability to say these people can manage property without having a realtor's license. The board has had 13 requests in the last two years from people that just want to manage property, but said the numbers are down from previous years. The Education Council bill has passed the House, and if it passes on the other side, the people in the management of property will be included to receive specific education in their own industry. She said the board cannot emphasize property management education, because the majority of the five thousand licensee's in the state are not interested in property management. With this bill the board will still be responsible in the area of educating the property managers. She said there are brokers out there that will not let people that want to manage property hang their shingle in the broker's office.

Greg Van Horssen, Income Property Manager's Association, and the Montana Landlords Association, said between the two groups there are 1500 members who administer 53,000 rental units across the state. He said the organizations feel this bill will clear up the problem that currently exists in the area of rental properties, and remove some of the confusion that surrounds the distinction between a property manager and a real estate broker, and the requirements of each. The organizations support SB 111, and urged a do pass recommendation.

Tom Hopgood, Montana Association of Realtors, said the bill will allow property managers to become licensed without the need of becoming licensed as real estate brokers.

Mardi Madsen, property manager from Billings, and a licensed salesperson with the Prudential Floberg Realtors, reiterated the difficulty in finding real estate brokers willing to supervise salespeople interested in property management. Under the present system, she cannot operate as an independent property manager, and if she did, she could lose her sales license and face a fine. She distributed written testimony. **EXHIBIT 1** 

Sherilee Hansen, Flathead Rental Agency, Bigfork, said she would like to see this bill passed so she would be legal. She is an owner and manager of a business that represents a lot of people HOUSE BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE March 3, 1993 Page 5 of 8

around the Flathead Lake area, and Swan Valley. She urged a do pass, and presented written testimony from Sandra K. Magnan of Kalispell. **EXHIBIT 2** 

Leo Berry, representing Burlington Northern Railroad (BNR), said in reading the bill it is hard to believe that anyone is exempt anymore, but does catch some occasionally, i.e., BNR or Washington Corporation has a lot of property and hire employees to manage those properties. He spoke with Sen. Harp, who informed him it is not the intent of this bill to harm those types of people. He proposed an amendment to exempt a person that is employed on a salary basis by only one other person. SEE EXHIBIT 3

Opponents' Testimony:

None

Informational Testimony:

None

## Questions From Committee Members and Responses:

Rep. Ellis asked Helen Garrick with all the exclusions, there must be a lot of people already covered by this bill, why is it necessary for anyone to be excluded? Ms. Garrick said that was the alternative. Idaho has excluded property management from their description of a real estate broker, so they have no ability to audit or control anyone that rents or leases. She said the board is not happy with all the exclusions either, they would have liked to have had it much tighter.

**Rep. Ellis** asked **Sen. Harp** to respond to the same question. **Sen. Harp** said if these people were excluded the consumers of Montana would be the ones that would suffer.

**Rep. Knox** asked **Helen Garrick** about the education program and if a criteria has been established yet? **Ms. Garrick** said not at this time. The board will pattern the criteria after the realty program. **Rep. Knox** asked if it would be a uniform statewide test? **Ms. Garrick** said yes.

**Rep. Larson** asked **Helen Garrick** what happens if someone has a real estate broker/salesman license acting as a property manager and complaints are brought against the property manager, will the realtor lose their license. **Ms. Garrick** said they will go through a hearing, then the board can make the decision to take the license and also charge a fine.

**Rep. Simon** asked about the number of hours the property manager will need to take to receive their license. **Helena Garrick** said probably 60 hours, the same as it is for brokers. **Rep. Simon** said these people do not want to be realtors, what is the number

HOUSE BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE March 3, 1993 Page 6 of 8

of hours a property manager would have to take? Ms. Garrick the board will need input from the educators, the property managers and the real estate brokers. Rep. Simon asked if this is for continuing education or initial education? Ms. Garrick said both. Grace Bergham, Executive Secretary for the Board of Realtors, said the reason the hours are not specifically set at this time by statute is the board ran into a problem in developing a pre-licensing course for time-share. She said the requirements will be entirely different, and it will take experts other than a staff person to determine what knowledge is necessary to become a property manager. The program will need to be developed by rule so there will be more flexibility to address the availability of concerns and the educators involved to address the education.

**Rep. Ellis** asked **Sen. Harp** if this bill is to protect the consumer, what would those problems be? **Sen. Harp** said the primary purpose of the bill is to identify two different professions. **Rep. Ellis** asked if the committee could be assured that it will be easier for someone to be a licensed property manager than it is to be a licensed broker? **Sen. Harp** said from what he understands from the board, they would like to sit down with experienced people from this area, the licensed brokers and educators to decide the criteria.

Rep. Bachini asked Greg Van Horssen if he had any input from the management and landlord's association for the hours and education requirements? Mr. Van Horssen said not in this particular situation, but there is a bill before the Senate that creates a Board of Realty Education Council. The Education Council will provide input for education requirements in the various regulated areas. He said an amendment to that bill will be complimentary to this bill that will allow property managers to be a part of the Education Council. Rep. Bachini said the committee has been talking about consumer protection, could this be addressed in the bill to require property managers to be bonded? Mr. Van Horssen said this bill is to let the consumer know that there is a licensed profession that deals with property management only. With the licensed manager, the consumer should have some level of confidence that this individual has been educated and knows what is right or wrong with every aspect of property management.

**Rep. Mills** asked **Sen. Harp** about the bill on page 7, regarding the exemption of an individual who manages a housing complex for low income persons to be subsidized directly or indirectly from the state, doesn't the low income people need protection also? **Sen. Harp** said they are protected under current law which deals with HUD.

Chairman Benedict asked Leo Berry about the amendment he proposed, and stated it looks like it is left wide open for a person employed on a salary basis by only one person. On page 7, line 16, it exempts an individual's other employment-related duties. Mr. Berry said if an individual is managing property for HOUSE BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE March 3, 1993 Page 7 of 8

one individual on a salary basis, that would be true. He felt it didn't effect anyone like that. He said the intent of the bill is to set up a process where the public is protected, and trust accounts are properly cared for by auditing, etc. Chairman Benedict asked if this individual would have signatory authority? Mr. Berry said yes. Chairman Benedict said if this person has signatory authority, then why is this bill before the committee to create property manager's license? Mr. Berry said property managers hired by large corporations like Washington Corp., do not need the protection for a regulatory process. Chairman Benedict asked if it was ok to amend the amendment that would state "unless a person holds signatory authority on the account in which the revenue from the real estate is deposited or dispersed"? Mr. Berry said he did not have a problem with it.

#### Closing by Sponsor:

Sen. Harp closed.

### EXECUTIVE ACTION ON SB 111

Mótion: REP. BRANDEWIE MOVED SB 111 BE CONCURRED IN.

<u>Discussion</u>: Rep. Sonny Hanson moved Leo Berry's amendment without the additional signatory authority that Chairman Benedict proposed. EXHIBIT 3

<u>Motion/Vote</u>: Rep. Bachini called the question. Voice vote was taken. Motion CARRIED 15 - 3 with Rep. Stella Jean Hansen, Chairman Benedict, and Rep. Larson voting no.

<u>Motion/Vote</u>: REP. BRANDEWIE MOVED SB 111 BE CONCURRED IN AS AMENDED. Voice vote was taken. Motion CARRIED 17 - 1 with Rep. Larson voting no.

Vote: SB 111 BE CONCURRED IN AS AMENDED. Motion CARRIED 17 - 1.

## ADJOURNMENT

Adjournment: 10:45 A.M.

STEVE BENEDICT, Chair CLAUDIA Secretary JOHN

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

ROLL CALL

DATE 3-3-93

| NAME                             | PRESENT      | ABSENT      | EXCUSED   |
|----------------------------------|--------------|-------------|-----------|
| REP. ALVIN ELLIS                 | V            |             |           |
| REP. DICK KNOX                   | $\checkmark$ |             |           |
| REP. NORM MILLS                  | V            |             |           |
| REP. JOE BARNETT                 | $\checkmark$ |             |           |
| REP. RAY BRANDEWIE               | V            |             |           |
| REP. JACK HERRON                 |              |             |           |
| REP. TIM DOWELL                  | V            |             |           |
| REP. CARLEY TUSS                 | $\checkmark$ |             |           |
| REP. STELLA JEAN HANSEN          |              |             |           |
| REP. BOB PAVLOVICH               | $\checkmark$ | <u>````</u> |           |
| REP. VICKI COCCHIARELLA          | V            |             |           |
| REP. FRITZ DAILY                 | V            |             |           |
| REP. BOB BACHINI                 | V            |             | · · · · · |
| REP. DON LARSON                  | $\checkmark$ |             |           |
| REP. BRUCE SIMON                 | V            |             |           |
| REP. DOUG WAGNER                 | .~           |             |           |
| REP. SONNY HANSON, VICE CHAIRMAN |              |             |           |
| REP. STEVE BENEDICT, CHAIRMAN    |              |             |           |
|                                  |              |             |           |
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|                                  |              |             |           |

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#### HOUSE STANDING COMMITTEE REPORT

March 3, 1993 Page 1 of 1

Mr. Speaker: We, the committee on <u>Business and Economic</u> <u>Development</u> report that <u>Senate Bill 111</u> (third reading copy -- blue) be concurred in as amended .

Signed: Steve Benedict, Chair

And, that such amendments read:

Carried by: Rep. Pavlovich

1. Page 7, line 13. Strike: "OR" 2. Page 7, line 16. Following: "DUTIES" on line 16 Insert: "; or (j) a person employed on a salaried basis by only one person"

-END-

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|------|---|---|---|----|------|-----|---|
| Yes  | 1 | ĩ | İ | ,  | No   | 1   | • |

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Property Management Group Downtown Location 207 North Broadway Billings. MT 59101 Bus. (406) 259-6435 Fax (406) 259-7073

EXHIBIT

Mr. Chairman and Members of the Committee:

My name is Mardi Madsen. I am a property manager from Billings. I am a licensed salesperson affiliated with The Prudential Floberg REALTORS. Don and Marilyn Floberg and Al Littler are my supervising brokers. I manage approximately 400,000 square feet of commercial property in downtown Billings in addition to residential housing. My firm is responsible for collecting over two million dollars of rent per year. I employ a staff of 10 and have a payroll of \$200,000 per year.

I support Senate Bill 111 from a desire to continue in the field of property management. The law presently reads that to be a property manager you must either be a broker or under broker supervision. To obtain a broker's license you must first obtain a salesperson license, hold this license for a minimum of two years and have at least five listings and five sales during that period. After completing that requirement you must complete coursework and pass the broker's test. For people like myself, who have made property management not sales our career choice, it is very hard to obtain a broker's license because of the sales and listing requirement. During the period I have held my sales license, I have not listed nor sold any property. I spend over 40 hours a week on management I do not have time to sell nor am I trained to be a concerns. salesperson. Most of my continuing education courses have been geared to property management. Property Management and sales are very different fields and deal with different matters.

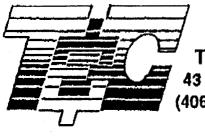
1 manage property for several large corporations and insurance companies. When they interview me concerning their properties, one of the questions they ask me is what credentials do I have that say I am qualified to be a property manager. When I tell them 1 hold a salesperson license their response is that they are hiring me to manage the property not to sell it. A property managers license from the State of Montana would give me some credibility.

It is becoming very difficult to find real estate brokers willing to supervise salespeople interested in property management. As I stated earlier, I am affiliated with The Prudential Floberg REALTORS. I pay a percentage of my income for their services. If they should choose not be my supervising brokers, I would be forced to find another broker or to close my business. Under the present system, I could not operate as an independent property manager. If I did choose to operate as an independent, I could lose my sales license and face a fine. At the present time, there are several people in the state involved in property management who do not hold licenses of any kind. Many times people are operating outside the law because they can't find a supervising broker or want to be independent of a real estate By making it possible to obtain a property management firm. license, it could bring people who are working outside the law into the system where they can be monitored. Those of us holding licenses must submit our depository accounts for audit and must follow the law concerning timely deposits, fair housing and ADA requirements to name a few. How many discrimination suits could be avoided if everyone involved in property management received the proper training? Licensing with educational requirements would help bring more credibility to the profession and help protect the public.

It would also enable those who us who have been following the law to get out of a Catch 22 situation that the present law has created.

Thank you.

PEXHIB



TOWN & COUNTRY PROPERTY MANAGEMENT, LTD. 43 Woodland Park Drive #11, Kalispell, Montana 59901 (406) 752-8106

March 2, 1993

House of Representatives State of Montana Helena, Montana

Dear Committee,

Town & Country Property Management, Ltd. is owned and run by my husband and myself. We are a small business that manages homes and apartments for a lot of owners that live out of state. We supply a service for many people that own property in Montana.

We support the new legislation for a property management license. Property management is a growing business opportunity for many people, but like myself, do not want to sell Real Estate. The new license would keep us better . informed on Landlord-Tenant laws and help everybody do a better job.

Please vote YES for this legislation.

Sincerely,

Sandra K Magnar

Sandra K. Magnan Owner

Amendments to Senate Bill No. 111 Third Reading Copy

EXHIBI DAT

Requested by Sen. Harp

Prepared by Susan B. Fox February 5, 1993

1. Page 7, line 13. Strike: "<u>OR</u>"

2. Page 7, line 16. Following: "<u>DUTIES</u>" on line 16 Insert: "; or (j) a person employed on a salaried basis by only one

person"

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SBIN

# **Legislative Audit Committee**

State of Montana

Report to the Legislature

December 1992

## Sunrise Report -- 1993 Biennium

Summary of Sunrise Proposals for the Licensure of:

- Crematoriums and Crematory Technicians
- Clinical Laboratory Science Practitioners
- Property Managers
- Denturists

Direct comments/inquiries to: Office of the Legislative Auditor Room 135, State Capitol Helena, Montana 59620

## Legislative Audit Committee

## Montana State Legislature

Room 135, State Capitol Helena, MT 59620 (406) 444-3122

SENATE MEMBERS Senator Greg Jergeson, Chair Senator Eve Franklin Senator Lorents Grosfield Senator Tom Keating

#### HOUSE MEMBERS

Representative John Cobb, Vice-Chair Representative Larry Grinde Representative Mike Kadas Representative Robert Pavlovich

December 1992

The 53rd Montana State Legislature:

This report is in response to the Sunrise law which requires the Legislative Audit Committee to evaluate qualifying proposals to establish new professional or occupational licensing programs. The Committee must also review proposals to transfer licensing programs between existing licensing boards. During the 1993 Biennium, the Committee evaluated proposals to establish licensing programs for crematoriums and crematory technicians, clinical laboratory science practitioners, and property managers. The Committee also evaluated a proposal to transfer the regulation of denturists from the Board of Dentistry to the Alternative Health Care Board.

Section 2-8-203, MCA, requires the Committee to report to the legislature on its recommendations as to whether each of the professions or occupations should be licensed by the state. The Committee is to include in the report its estimates of the costs of each licensing program and a schedule of fees to recover these costs. The Committee's recommendations are shown on page 2. The Committee's estimates for costs and fees are shown on page 3.

Respectively submitted,

Lergeson Meg 4

Senator Greg Jergeson, Chairman Legislative Audit Committee

Representative John Cobb, Vice Chairman Lezislative Audit Committee

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Legislative Audit Committee SUNRISE -- 1993 BIENNIUM

## EXHIBIT 4 DATE 3-3-93 SB (11

## Introduction

The intent of the Sunrise Law (Chapter 266, Laws of Montana 1987) was to improve the legislature's ability to evaluate the need for new professional and occupational licensing programs. Under this law, the Legislative Audit Committee is required to evaluate any qualifying proposal to: 1) establish a new licensing board; 2) add another occupation or profession to an existing board; 3) consolidate any existing licensing boards; or 4) transfer a licensing program between existing licensing boards.

In order for a proposal to qualify for review, the applicant must submit the proposal in the form of a report to the Legislative Audit Committee at least 180 days before the start of the legislative session. The report must provide information to the Committee related to the need for licensure and how the proposed board will operate. For consolidation or transfer proposals the report must describe the benefits of the proposal. Each proposal must include an application fee.

After the Legislative Audit Committee receives the completed report and application fee, the Committee will hold a public meeting to consider the report. The Committee hears testimony from the applicant and any other interested parties. The Committee considers information presented in the applicant's report and testimony given at the public hearing to make its recommendation as to whether the profession or occupation should be licensed. For consolidation or transfer proposals the Committee can recommend the legislature adopt the proposal or adopt some modification of the proposal. Section 2-8-203, MCA, requires the Committee to make its recommendation in a report to the legislature for its next regular session. The report must also include an estimate of the cost to the state for each of the licensing programs along with a proposed schedule of fees that will recover the costs of each program.

#### Public Hearings

On October 19, 1992, the Legislative Audit Committee heard testimony concerning proposals to license crematoriums and crematory technicians and clinical laboratory science practitioners. On November 20, 1992, the Committee heard testimony concerning a proposal to license property managers and a proposal to transfer regulation of denturists to the Alternative Health Care Board. The Committee voted on its recommendations for the first two proposals at its November meeting. Final Committee action related to Sunrise was taken at the Committee's meeting on December 21, 1992.

The following is a summary of Committee action and recommendations for the four professions which went through the Sunrise process during the 1993 biennium. Also presented are the Committee's estimates on projected costs for each of the licensing proposals and the estimated fees to cover those costs.

## <u>Clinical Laboratory Science Practitioners</u>

A motion was made by Senator Svrcek to recommend licensure for clinical laboratory science practitioners. The motion carried with a unanimous vote.

#### Crematoriums and Crematory Technicians

A motion was make by Representative Pavlovich to recommend licensure for crematoriums and crematory technicians. The motion carried with a 7 - 0 vote and one abstention.

#### <u>Denturists</u>

A motion was made by Representative Pavlovich to <u>not</u> recommend the transfer of regulation of denturists from the Board of Dentistry to the Alternative Health Care Board. The motion carried with a unanimous vote.

Committee discussion after this motion indicated the applicant may bring other alternatives before the 1993 Legislature.

## Property Managers

A motion was made by Representative Kadas to recommend licensure for property managers. The motion carried with a unanimous vote.

#### Licensing Program Costs and Fees

The Committee and the Department of Commerce reviewed the cost information provided by the applicants. The Committee believes the final figures are reasonable estimates of the yearly costs for the new licensing programs. To cover the costs of these new programs, the applicants and department staff estimated the necessary licensing fees. The Committee believes the fees presented in the following chart are reasonable and will comply with section 37-1-134, MCA, which requires fees to be commensurate with costs.

EXHIBIT 4 SB [1]

## SUNRISE PROPOSALS -- PROJECTED EXPENDITURES AND REVENUES

|               | IExpen           | ditures – – – - |                      |                | -Revenues       |                    |                 |                  |
|---------------|------------------|-----------------|----------------------|----------------|-----------------|--------------------|-----------------|------------------|
| Profession    | l 1st Year       | 2nd Year        | l Fee<br>I Types     | Fee<br>Amounts | No of<br>1st yr | Amount<br>1st yr   | No of<br>2nd Yr | Amount<br>2nd Yr |
| Clinical      | \$27,615         | \$25,700        | I Application        | \$35           | 900             | \$31,500           | 10              | \$350            |
| Laboratory    | i ⊅∠7,010<br>I   | \$25,700        | I License            | \$35<br>\$10   | 900             | \$9,000            | 10              | \$350<br>\$100   |
| Practitioners |                  |                 | I Temp. Permit       | \$10<br>\$100  | 10              | \$9,000<br>\$1,000 | 10              | \$1,000          |
| riacinoneis   | r<br>f           |                 | I Renewal            | \$30           | 0               | \$1,000<br>\$0     | 900             | \$27,000         |
|               |                  |                 | I Late Renewal       | \$30           | - <sup>0</sup>  | \$0                | 50              | \$1,500          |
|               | E<br>1<br>1      |                 | <br>{<br>            |                | Total           | \$41,500           |                 | \$29,950         |
| Crematoriums  | <br>  \$1,932 *  | \$1,632 *       | I<br>I Crematory App | \$100          | 13              | \$1,300            | 0               | <br>\$0          |
| orematorianto | 1 01,002         | <b>\$1,002</b>  | Crematory Renew      | \$100          | 0               | \$0                | 13              | \$1,300          |
|               | I                |                 | Technician App       | \$60           | 5               | \$300              | 0               | \$0              |
|               |                  |                 | I Technician Renew   | \$60           | 0               | \$0                | 5               | \$300            |
|               | <br> <br>1       |                 | 1<br>                |                | Total           | \$1,600            |                 | \$1,600          |
| Property      | <br>  \$19,958 * | \$7,293 *       | <br>  Applic & Exam  | \$40           | 250             | <b>\$10,000</b>    | 30              | \$1,200          |
| Managers      | 1                |                 | I License            | \$40           | 250             | \$10,000           | 30              | \$1,200          |
|               |                  |                 | l Renewal            | \$20           | 0               | \$0                | 250             | \$5,000          |
|               | <br> <br>        |                 | l<br>1<br>1          |                | Total           | \$20,000           |                 | \$7,400          |

\* Additional costs for licensing a new profession under an existing board

Note: Denturists are not shown since the Legislative Audit Committee did not recommend a change in the regulation of denturists.

EXHIBIT 4 3-3-93 SB(11)

|  | E OF REPRESENTATIVES<br>ISITOR REGISTER |                |  |
|--|---|----------------|--|
| Businest EEC. COMMITTEE BILL NO.   |   |                |  |
| NAME AND ADDRESS   | REPRESENTING                            | SUPPORT OPPOSE |  |
| BERY Bunfinnan Rd Billings<br>Mardi Madsen<br>Lymn L. Madsen<br>7524 Glenfinnan Rd Billing | Sulf                                    |                |  |
| MARCIA Al'EN   | BOARD OF REALTY, REG                    | ×              |  |
| HELEN GARRICK  |   | ĺχ             |  |
| Strender HAWSEN  | Flathial Rental Agancy                  | χ              |  |
| An lan Hacus   | IPMA/MLA                                | X              |  |
| For Hupyood  | M.Assac. Realtis-                       | -              |  |
| Kauis Book   | HMS.                                    |                |  |
| Erin Hillinit  | H.M.S.                                  |                |  |
| Sarah Numann   | 4. 19. 5                                |                |  |
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| LEASE LEAVE PREPARED TESTIMONY<br>RE AVAILABLE IF YOU CARE TO SU                           |   | TEMENT FORMS   |  |

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| E March 3 1993 SPONSOR                | (s) COMMITTEE $(r)$ | BILL NO. | B    |
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|                                       | PLEASE PRINT        | PLEASE ] | PRI  |
| NAME AND ADDRESS                      | REPRESENTING        | SUPPORT  | C OP |
| Bill LEARY                            | MONTAVA BANKA       | star V   | 1    |
| J.                                    |                     |          |      |
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ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.