

MINUTES

**MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION**

COMMITTEE ON BUSINESS & INDUSTRY

Call to Order: By J.D. Lynch, on April 6, 1993, at 10:00 a.m.

ROLL CALL

Members Present:

Sen. J.D. Lynch, Chair (D)
Sen. John Brenden (R)
Sen. Betty Bruski-Maus (D)
Sen. Delwyn Gage (R)
Sen. Ethel Harding (R)
Sen. Ed Kennedy (D)
Sen. Terry Klampe (D)
Sen. Francis Koehnke (D)
Sen. Kenneth Mesaros (R)
Sen. Bill Wilson (D)

Members Excused: Senator Hager, Senator Christiaens, Senator Rea.

Members Absent: None

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

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

Committee Business Summary:

Hearing: HB 70
Executive Action: HB 70

HEARING ON HB 70

Opening Statement by Sponsor:

Representative Sheila Rice, House District 36, went over the provisions in HB 70. She stated the change in language on page 2 would remove from law the amount the Department of Weight and Measures (DWM) may charge for each test they perform on weight scales. She stated the Department will be able to adopt rules to establish licensing fees. She stated what HB 70 takes the fees out of current law and requires the fee scales conform to a rule making process. Representative Rice stated the Department will only be able to spend what they have with budget authority through HB 2. She stated HB 70 would also create a special

revenue fund for the fees. Referring to Section 2, page 3, she stated this section was a coordinating instruction for another bill. She stated HB 70 would provide a \$250,000 savings to the General Fund over the biennium.

Proponents' Testimony:

Jim Kembel, Department of Commerce, stated the weighing devices raise approximately \$125,000 in fees. He stated HB 70 would raise an additional \$125,000. He stated HB 70 would make the Department of Weights and Measures (DWM) self-supportive based on user fees only. He stated they would no longer use general funds to support their operations. He stated the equipment needs for the Department and the changes in federal regulations are putting a strain on the budget. He stated HB 70 will effect all business transactions equitably.

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

Senator Lynch asked Mr. Kembel to define a "store scale". Mr. Kembel stated a "store scale" was any scale used to weigh produce or other groceries. Senator Lynch asked Mr. Kembel to give him an example of a large scale. Mr. Kembel stated a large scale would be a stock scale or a truck scale.

Senator Mesaros asked Mr. Kembel what the increase in fees would be on a 6,000 pound scale. Mr. Kembel stated the increase would be around \$140 which was approximately double the current fee. Mr. Kembel stated all fees would go to the special revenue account.

Senator Harding asked Mr. Kembel if truck scales were privately owned or owned by the state. Mr. Kembel stated truck scales were both privately and state owned. Senator Harding asked if the scale at Plum Creek paid an inspection and an annual fee. Mr. Kembel stated Plum Creek did pay both fees and added those fees would be doubled under HB 70.

Senator Brenden asked if the fees would be included on post office scales. Mr. Kembel stated they probably would be effected because of problems with federal regulations.

Senator Harding asked Mr. Kembel why HB 70 doubled the fees. Mr. Kembel stated the increase in fees would make the program self-supporting.

Closing by Sponsor:

Representative Rice closed on HB 70.

EXECUTIVE ACTION ON HB 70

Discussion:

Senator Gage stated he felt HB 70 was assessing more fees on the public.

Senator Mesaros stated he agreed with Senator Gage.

Senator Lynch stated the cost would just be added to the cost of business transactions. He stated the people pay the money into the general fund anyway.

Senator Brenden stated he felt it was an unnecessary burden on the public to increase the cost of goods for a scale fee.

Senator Koehnke stated the agriculture business would get hit the hardest because of the weight of their goods. He stated the agriculture people cannot afford an increase in their operation costs.

Senator Lynch stated there was already a provision in HB 2 for the decrease in cost to the General Fund. He stated without the passage of HB 70, HB 2 would have to be amended to show an increase in spending.

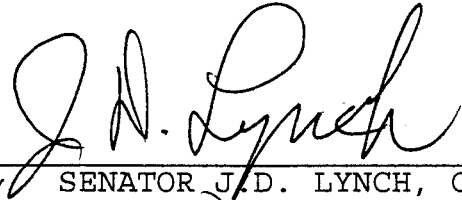
Senator Bruski-Maus stated the consumers are already paying the costs through the General Fvund, and HB 70 would just be charging the same costs, but from a different angle.

Motion/Vote:

Senator Wilson moved HB 70 BE CONCURRED IN. The motion CARRIED on Roll Call Vote.

ADJOURNMENT

Adjournment: 10:25 a.m.



SENATOR J.D. LYNCH, Chair



KRISTIE WOLTER, Secretary

JDL/klw

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
April 6, 1993

MR. PRESIDENT:

We, your committee on Business and Industry having had under consideration House Bill No. 70 (third reading copy -- blue), respectfully report that House Bill No. 70 be concurred in.

Signed: J.W. Lynch
Senator John "J.D." Lynch, Chair

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JO Sec. of Senate

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Senator Carrying Bill

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ROLL CALL

SENATE COMMITTEE Business and Industry DATE 4/6/93

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

ROLL CALL VOTE

SENATE COMMITTEE Business and Ind BILL NO. HB 70

DATE 4/6/93 TIME 10:00 (A.M.) P.M.

NAME YES NO

NAME	YES	NO
Senator Gage		✓
Senator Hager		✓
Senator Harding		✓
Senator Mesaros		✓
Senator Brenden		✓
Senator Wilson	✓	
Senator Rea	✓	✓
Senator Klampe	✓	
Senator Koehnke		✓
Senator Bruski-Maus	✓	
Senator Kennedy	✓	
Senator Christiaens	✓	
Senator Lynch	✓	

Luise Wolt
SECRETARY

CHAIR

MOTION: HB 70 Be Concurred In