

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
54th LEGISLATURE - REGULAR SESSION**

COMMITTEE ON BUSINESS & LABOR

Call to Order: By **CHAIRMAN BRUCE T. SIMON**, on February 17, 1995,
at 9:00 AM.

ROLL CALL

Members Present:

Rep. Bruce T. Simon, Chairman (R)
Rep. Norm Mills, Vice Chairman (Majority) (R)
Rep. Robert J. "Bob" Pavlovich, Vice Chairman (Minority) (D)
Rep. Charles R. Devaney (R)
Rep. Alvin A. Ellis, Jr. (R)
Rep. David Ewer (D)
Rep. Rose Forbes (R)
Rep. Jack R. Herron (R)
Rep. Bob Keenan (R)
Rep. Don Larson (D)
Rep. Rod Marshall (R)
Rep. Jeanette S. McKee (R)
Rep. Karl Ohs (R)
Rep. Paul Sliter (R)
Rep. Carley Tuss (D)
Rep. Joe Barnett (R)

Members Excused: Rep. Vicki Cocchiarella
Rep. Jon Ellingson

Members Absent: None.

Staff Present: Stephen Maly, Legislative Council
Alberta Strachan, Committee Secretary

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

Committee Business Summary:

Hearing: HB 458
Executive Action: HB 454, HB 458

EXECUTIVE ACTION ON HB 454

Motion/Vote: REP. BOB PAVLOVICH MOVED HB 454 DO PASS. Motion
carried 18-0.

HEARING ON HB 458Opening Statement by Sponsor:

REP. DON LARSON, HD 58, Missoula County, stated this bill was an act providing a motor carrier exemption from a certificate of public convenience and necessity for local governments transporting solid waste and for local government contracts for transporting solid waste.

Proponents' Testimony:

REP. DAVID EWER, HD 53, Lewis and Clark County, said a new landfill which had been licensed was established near Lake Helena. For years Scratchgravel was used which should have been closed ten years ago. Helena is transferring garbage which is going to the transfer site and in turn to the landfill and they are not using their own license. One of the problems resulting is the transfer site has garbage, not only of their own, but also garbage from the county residents. Currently, they are using an umbrella permit through a private contractor which is how they are complying with current law. He suggested using this bill as a vehicle and eliminate all of the references in the bill regarding changes and stay with the essence of the amendment which has been proposed and distributed to the committee. He then explained the amendments.

Bill Verwolf, City Manager, City of Helena, said in the process of satisfying the solid waste needs of the local community, since the landfill was needing to be replaced, they developed a inter-local cooperation process which resulted in a landfill which is located outside the city and a transfer station which is located inside the city. The essence of their agreement is the Scratchgravel landfill district which comprises essentially the valley outside the city limits and the city of Helena. They reached an agreement with the Scratchgravel district. They would run the landfill. The city of Helena would run the transfer station. All of the garbage in the valley is going through the transfer station and to the landfill. One of the reasons for this is the state is concerned about the amount of traffic which would be going to the landfill. The transfer station collects garbage from the city customers but it is also collected from the valley customers. As long as the transfer station was receiving garbage only from Helena customers there was no problem with the city hauling the garbage from the transfer station to the landfill. When county residents began bringing their garbage to the transfer station it was co-mingled with the city garbage, the MRC permit came into the picture and it was determined the city was hauling garbage outside of their jurisdiction. This bill expands the exemption the state maintains for any commodity it hauls. They in turn can negotiate with any contract hauler that contracts with the state.

Alec Hanson, League of Cities and Towns, said they supported the bill. They are trying to deal with a problem in the operation of the solid waste system. He reiterated what the previous proponents had said.

Opponents' Testimony:

Steve Brown, Solid Waste Contractors of Montana, said the public policy issue which must be decided is a need for this provision of state law. The local government wants to do this and it should not be the basis for considering this bill. There is no need. The concerns and interests of the city of Helena can be addressed. Even though this bill is designed to deal with the Helena problem, it does not authorize or limit the transfer of garbage to a landfill located within the jurisdiction boundaries of the county. They could take the waste to a licensed transfer station, landfill or solid waste incinerator. They could take it to any of those licensed entities whether it be in the county or not. It would, without going through the necessary Public Service Commission (PSC) authority, put them into a competitive situation with private garbage haulers who have certificates to serve these areas. This is not a monopoly situation in Lewis and Clark County. The city is forced to deal with only one private carrier in order to get the garbage from the transfer station to the new landfill. There are three licensed carriers in the county. The city can bid this out. The existing lease of the Class D authority which the city is relying upon to get the garbage from the transfer station to the landfill is a one year lease. The city can get the authority to do what it wants to do under the existing law.

Jim Leitner, Browning Ferris Industries of Montana, said the idea of allowing one community an exemption but not all communities an exemption is not fair.

Lee Reynolds said his PSC permit is a valuable license of authority which was issued to him by the State of Montana and the PSC. There is no need for this bill because there are three certificates in the Helena area alone and the city does not want to do business with private enterprise. **EXHIBIT 1**

Donna Tenneson, Montana Solid Waste, said she opposed this bill.

Questions From Committee Members and Responses:

REP. PAVLOVICH asked if there were a landfill dump in East Helena that the state uses. **Mr. Verwolf** said there is a privately operated landfill south of East Helena. **REP. PAVLOVICH** asked if the garbage from the capitol was a private contract. **Mr. Verwolf** said this was a private contract. It is hauled to the landfill south of East Helena.

CHAIRMAN SIMON asked if the city thought they had the authority to haul to the transfer station or was the city aware of the

situation of not transferring garbage. Mr. Verwolf said the city had anticipated that they would be able to haul from the transfer station to the landfill which they were doing by inter-local agreement without having to get extra permits. When the city went to the PSC to address that question, that was not the case.

REP. ALVIN ELLIS asked if this bill was taking property illegally. REP. EWER said the city does not have a landfill so both are interdependent.

Closing by Sponsor:

The sponsor closed.

EXECUTIVE ACTION ON HB 458

Motion: REP. EWER MOVED HB 458 DO PASS. REP. EWER MOVED THE AMENDMENT.

Discussion:

Steven Maly explained the amendment.

REP. ELLIS said he opposed the amendment.

Vote: Motion failed to adopt the amendment 1-17 with REP. EWER voting no.

Motion/Vote: REP. EWER MOVED HB 458 DO PASS. Motion failed 1-15 with REP. EWER voting yes.

Motion/Vote: REP. MILLS MOVED TO TABLE HB 458. Motion carried 15-3 with REPS. ELLINGSON, TUSS and EWER voting no.

ADJOURNMENT

Adjournment: 11:00 AM.



BRUCE T. SIMON, Chairman



ALBERTA STRACHAN, Secretary

BTS/ajs

HOUSE OF REPRESENTATIVES

Business and Labor

ROLL CALL

DATE 2-17-95

NAME	PRESENT	ABSENT	EXCUSED
Rep. Bruce Simon, Chairman	X		
Rep. Norm Mills, Vice Chairman, Majority	X		
Rep. Bob Pavlovich, Vice Chairman, Minority	X		
Rep. Joe Barnett	X		
Rep. Vicki Cocchiarella		X	
Rep. Charles Devaney	X		
Rep. Jon Ellingson		X	
Rep. Alvin Ellis, Jr.	X		
Rep. David Ewer	X		
Rep. Rose Forbes	X		
Rep. Jack Herron	X		
Rep. Bob Keenan	X		
Rep. Don Larson	X		
Rep. Rod Marshall	X		
Rep. Jeanette McKee	X		
Rep. Karl Ohs	X		
Rep. Paul Sliter	X		
Rep. Carley Tuss	X		



HOUSE STANDING COMMITTEE REPORT

February 17, 1995

Page 1 of 1

Mr. Speaker: We, the committee on **Business and Labor** report that **House Bill 454** (first reading copy -- white) do pass.

Signed:

A handwritten signature in cursive script, appearing to read "Bruce Simon", is written over a horizontal line.

Bruce Simon, Chair

Committee Vote:
Yes 18, No 0.

411021SC.Hbk

Lee Reynolds
P. C. Box 972
Helena, Montana 59624

EXHIBIT 1
DATE 2-17-95
HB 458

February 17, 1995

Dear Members of the Committee:

My name is Lee Reynolds. I currently own a Certificate of Public Convenience and Necessity, P.S.C. #869, class D. At the present time I have this certificate leased to the City of Helena.

I oppose House Bill #458, and it's amendments, purposed by the City of Helena. I feel this bill is anti-business, and is drafted solely for the pleasure of the City of Helena.

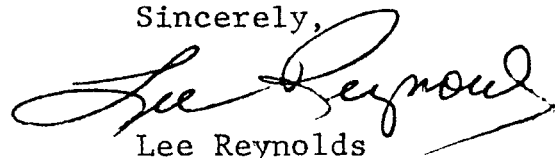
My P.S.C. permit is a valuable license of authority, issued to me by the State of Montana, Public Service Commission. I have had this license for many years and I have fulfilled the necessary requirements of filing numerous reports and paying fees to the State of Montana to maintain this certificate.

I do not want my property de-valued. This will only allow Government agencies, Cities and Counties, to compete with private enterprise.

Once again, there is no need for this bill or the City of Helena amendment. There are three certificates in the Helena area, the City does not want to do business with private enterprise.

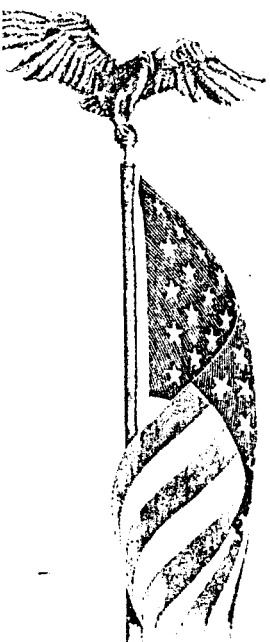
I wish to thank the Committee for their time. I will be available for questions.

Sincerely,



Lee Reynolds

442-4973



HOUSE OF REPRESENTATIVES
VISITORS REGISTER

Business & Labor

DATE 2-17-95

BILL NO. 458

SPONSOR(S) _____

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NAME AND ADDRESS	REPRESENTING	Support	Oppose
<i>Dee Kungarten</i>	<i>Montana Solid Waste Collaborators</i>		X
<i>Jerry Kelly</i>	<i>Evergreen Disposal</i>		X
<i>Henry A. Hays</i>	<i>Wac. Haul Garbage</i>		X
<i>Jim Lister</i>	<i>Browning-Ferris Industries of Montana</i>		X
<i>Rory Sparrow</i>	<i>City County Helena Sanitation</i>		X
<i>Lee DeGrood</i>			X
<i>Steve Brown</i>	<i>Solid waste Cont.</i>		X
<i>Donna Tennison</i>	<i>Mont. Solid Waste</i>		X

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