MINUTES

MONTANA SENATE 55th LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS & INDUSTRY

Call to Order: By CHAIRMAN JOHN HERTEL, on February 7, 1997, at 9:00 A.M., in ROOM 410

ROLL CALL

Members Present:

Sen. John R. Hertel, Chairman (R)
Sen. Steve Benedict, Vice Chairman (R)
Sen. William S. Crismore (R)
Sen. C.A. Casey Emerson (R)
Sen. Bea McCarthy (D)

Members Excused: Sen. Debbie Bowman Shea (D)

Members Absent: None

Staff Present: Bart Campbell, Legislative Services Division Mary Gay Wells, Committee Secretary

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

Committee Business Summary: Hearing(s) & Date(s) Posted: SB 206; SB 226; HJ3; 1/29/97 SB 200; 1/31/97 Executive Action: None

{Tape: 1; Side: A; Approx. Time Count: 9:02 AM; Comments: N/A.}

HEARING ON HJ 3

Sponsor: REP. ROGER DEBRUYCKER, HD 89, FLOWEREE

<u>Proponents</u>: Irvin Hutchison, Chester Dick Pattison, MT Senior Citizens Assoc. Dennis Iverson, Pharmaceutical Manufacturers' Research Verner Bertlesen, MT Senior Citizens Assoc. Frank Cote, Deputy Insurance Commissioner Don Judge, AFL-CIO

Opponents: None

Opening Statement by Sponsor:

REP. ROGER DEBRUYCKER, HD 89, FLOWEREE. I bring you today HJ 3. This Resolution will try to get the federal government to look into the pricing of prescription drugs. We felt that this might be the best way to get their attention. The fact is that you can go to Mexico or Canada and buy the same exact drugs for 1/4 to 1/3 to 1/2 less than the cost here in the U.S. This makes it difficult not only on seniors but on everyone.

Proponents' Testimony:

Irvin Hutchison, Chester. I am a retired weekly newspaper publisher. I am very active in senior citizens' activities. am a member of the Liberty County Council on Aging. I have been to the last three sessions of the Liberty County Council on the Legacy Legislature. I also wrote a resolution which is almost identical to HJ 3. The cost of long term care and the cost of prescription drugs is of immediate concern to the senior citizen. A survey of costs was taken on approximately 25 prescription Then a survey of costs was taken on drugs here in Montana. these same drugs in Mexico and Canada. The results were published in the Great Falls Tribune. The difference in pricing was astounding. When many people are spending anywhere from \$200 to \$400 a month on prescription drugs, the savings of going to Canada or Mexico can mean the difference of living adequately or living in poverty. The rising cost of prescription drugs is not right and we need to do something about it. I hope that this is a good start in addressing the overwhelming problem.

Dick Pattison, President, MT Senior Citizens Assoc. I would like to add two points. When the survey was conducted, the drugs were comparable--made by the same manufacturer here in the U.S. in the same bottles with the same name. Another thing is that sometimes we have been told that one of the reasons for the difference is the cost of development of the pharmaceuticals. We find it hard to believe the cost is not passed on when they ship it across the border to Canada anymore than when they ship it across the borders from state to state. I would urge you to pass it on to the Senate.

Dennis Iverson, Pharmaceutical Manufacturers' Research. It is an organization made up of about 100 member companies. We support this resolution. There is another one coming carried by REP. DEBRUYCKER that deals with a more specific portion of this problem. Everyone should be concerned about this issue.

Verner Bertlesen, MT Senior Citizens Assoc. and Legacy Legislature. The one point I would like to make in addition to the previous testimony is that at the present time there seems to be a tremendous amount of money being spent on promotion of drugs to almost the point of bribery with the doctors to use certain drugs. I would like this to be looked into and see if it is entirely above board. SENATE BUSINESS & INDUSTRY COMMITTEE February 7, 1997 Page 3 of 14

Frank Cote, Deputy Insurance Commissioner. We have worked very hard over the last four years to revamp the insurance laws of Montana to make insurance more affordable. But making insurance more affordable is only one leg of the stool and we need to address the other legs that are holding the costs of health care up and this is one way of doing this.

Don Judge, AFL-CIO. We appear in support of this Resolution. Most of our members are covered by health insurance policies. Many of those policies have good prescription coverage, but we have been finding in more recent history that as we go into negotiations, employers are asking that we cut back some of those provisions, i.e. eye care, dental care or prescription drug coverage. We hope that this Resolution will go a long way in helping to figure out how to deal with one piece of the health insurance coverage.

Opponents' Testimony: None

Questions From Committee Members and Responses: None

Closing by Sponsor:

REP. DEBRUYCKER closed. I would like to introduce petitions signed by senior citizens from Noxon (EXHIBIT 1) and Sanders Co. (EXHIBIT 2). Thanks to the Committee and to all who testified.

{Tape: 1; Side: A; Approx. Time Count: 9:20 AM; Comments: N/A.}

HEARING ON SB 206

Sponsor: SENATOR AL BISHOP, SD 9, BILLINGS.

- <u>Proponents</u>: Carl Schweitzer, MT Contractors Assoc. Nancy Griffin, Madison Lumber Co., Ennis William Spilker, MT Assoc. of Realtors Riley Johnson, Western Building Materials Assoc. & Northern Rockies Rental Assoc. Terry Haven, JTL Group Ron Combs, Casino Creek Concrete, Lewistown Rick Linafelter, Carpenter Local 286, Great Falls Mike Stordahl, Lumber Dealer Tom Simpkins, Hallin-Simpkins Lumber, Bozeman Gene Schadt, Helena Gravel & Sand
- <u>Opponents</u>: John Cadby, MT Bankers Assoc. Verner Bertlesen, MT Senior Citizens Assoc. Bob Pyfer, MT Credit Union League Tara Mele, MT Public Interest Research Group Dick Pattison, MT Senior Citizens Assoc. Stuart Doggett, MT Land Title Assoc.

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Opening Statement by Sponsor:

SEN. AL BISHOP, SD 9, BILLINGS. SB 206 is designed to solve a problem in the building industry. The problem exists under our lien laws. Suppose that materials or labor have been sent to the job site of the contracting owner on the first day of the month. At the end of 20 days you have to file a lien against the homeowner if the bill has not been paid by the general contractor. Most accounts are payable on a 30 day basis. When a homeowner receives a lien notice it can be very upsetting especially if they think they may lose their home. You do have 90 days in which to file a lien for any work, labor or materials furnished to the site. This bill extends the 20 day notice to 60 days. That would take care of the billing cycle of 30 days. There is a handout (EXHIBIT 3) that explains it better than I.

Proponents' Testimony:

Carl Schweitzer, MT Contractors Assoc. I will briefly explain the handout (EXHIBIT 3).

Nancy Griffin, Madison Lumber Co., Ennis. Part of my function there is to make sure the appropriate legal mechanisms are in place to collect our money. In the homebuilding industry, credit is a very important service we provide for our customers. I had my doubts of whether the notice of right to claim lien on the homeowner was a good idea, but in retrospect I believe that has worked very effectively. Often when there are problems the homeowners don't know their contractor hasn't paid. Twenty days is completely unworkable. Twenty days does not give you time to know who is or who is not going to pay. If we could avoid placing liens against the homeowners property at all, that would be the best solution. If the company doesn't get paid, we are out of business. Sixty days is a workable plan. At my company, we attach a letter to the notice of right to claim lien, required by Montana law and this is sent to the homeowner. We inform the homeowner that this lien in no way is intended to reflect on the credit and integrity of the contractor that they have selected.

William Spilker, MT Association of Realtors. We would support this legislation. Perhaps 60 days is the magic number or possibly 45 days would be good. From the perspective that repairs are being made on a house for a transaction, the bills will be paid when the sale closes which is usually 30-45 day closing period. It seems to be more practical to extend that period of time.

Riley Johnson, Western Building Material Assoc. and Northern Rockies Rental Assoc. Both these groups are highly affected by this lien law. I have been involved in this lien law as long as Mr. Cadby has, going back to the 1987 session when this all began. We did come to a compromise in 1989; the bill was passed and tweaked in 1991. In looking back, we went into this compromise with all the full faith and credit of our people whom SENATE BUSINESS & INDUSTRY COMMITTEE February 7, 1997 Page 5 of 14

we represent. Twenty days at the time seemed like a reasonable compromise. We have worked with 20 days for seven years and find that it is not working and is causing problems with our contractors, our customers and the homeowners. One amendment that we would like to propose would be on Page 2, Line 14 of the In the original piece of legislation in 1989, it was bill. decided that the clerk and recorder would eliminate the lien once a year when it lapses. The problem we are having is on line 14 where it says "the clerk and recorder may remove the notice. . . " But what is happening, the clerk and recorder is requiring another affidavit and another \$5 to eliminate that lien. It is an unnecessary charge. It could be amended to read "the clerk and recorder will or shall remove" and that would solve our problem.

Terry Haven, JTL Group. We agree with the previous testimony and we would urge you to consider the 60 days to be a reasonable period of time for the notice of intent to file a lien.

Ron Combs, Casino Creek Concrete, Lewistown. The extension would be to our benefit. Twenty days has not been very workable. We support this bill.

Rick Linafelter, Carpenters Local 286, Great Falls. On behalf of labor I can testify that a 20 day factor is not good enough. I would encourage the 60 day or even a 90 day. I tried to file a lien on two properties. I was told they hadn't made the final payment and the 20 day deal stopped me from getting any money from the contractors. I would like to see this extended.

Milo Stordahl, Butte lumber dealer. I have been here 2 or 3 times over this lien law and we go over the same things. This 20 day factor really causes a problem. Four months ago, I sent a young contractor a right to file lien and he thought that I was being unfair and had no faith in him. After I explained that it was Montana law and I had to do this, then he said that if this bill ever came up again he would be here to testify. We both urge the committee to give this bill a Do Pass.

Tom Simpkins, Simpkins-Hallin, Bozeman. I was involved in the original compromise and have been involved in the lien process for a long time. I send out over a 1000 liens a year. Even after all these years I still get calls monthly when I send these right to claim liens to homeowners. Liens are probably the cornerstone to the building material suppliers' credit policy. We do need the ability to get paid. But the 20 day factor continues to create consternation.

Gene Schadt, Helena Gravel & Sand. Much of this bill protects our better clients. We are only looking to extend this right so that we can go after those who are being delinquent. If we extend this period, people who pay their bills within the billing cycle, are protected from the filing of these notices. These people do represent the greater portion of society. We would like to see the days extended so that we are only dealing with the smaller portion of the problem that exists.

{Tape: 1; Side: A; Approx. Time Count: 9:39 AM; Comments: N/A.}

Opponents' Testimony:

John Cadby, MT Bankers Assoc. As Mr. Johnson said, we have been involved in this thing for quite awhile. I would ask you to think about a few questions first. You will notice there are no homeowners here in support of the bill. The bottom line is, do you want to protect these business people's accounts receivables at the jeopardy of the homeowner or not? And this bill protects their accounts receivables by allowing them to go back to the homeowner and bill him again for the same project.

I have some prepared testimony (EXHIBIT 4). This is a complex issue and there was an interim study in 1985. This is explained in my testimony. I have made copies (EXHIBIT 5) of the current law and will explain the reasoning behind the interim study. I also would like to pass out some more reading material (EXHIBIT 6). This is testimony and analysis of the 1987 legislation by Mr. Gordon in Kalispell and also an analysis by the Montana League of Savings Institutions (MLSI).

Today, basically all commercial projects are not protected. The wage earner is protected. They do not have to subscribe to the 20 day notice provision. If you build anything more than a 4plex, you don't have to receive notice. The lady who testified said it would be nice not to have to put a lien notice on any homeowner and we would go along with that and the way to do that is to repeal the whole bill. There would be no lien provision. The business people would be totally at risk. Another way to do it would be to go back to what the committee originally intended. You go back to a 10 day notice. The bottom line is who do you want to protect--the homeowner or the supplier?

{Tape: 1; Side: B; Approx. Time Count: 9:50; Comments: LOST ONE SENTENCE OF MR. CADBY'S TESTIMONY AT THE TURN.}

Verner Bertlesen, MT Senior Citizens Assoc. We are opposed to this change in the lien law. It seems unreasonable to ask the small homeowner to be credit backup. A 20 day notice at least gives him the option to go to his contractor and make sure the contractor pays for the supplies. In a 60 day time frame, the contractor can be long gone and the homeowner then ends up paying twice for the same project.

Bob Pyfer, MT Credit Unions League. We have more and more credit unions in Montana getting into home equity lending. We feel very strongly that our consumer members are entitled to a timely notice on the construction liens so that they can protect themselves. Twenty days in many cases are not adequate; in fact, it ought to be a prior notice in order to really protect the SENATE BUSINESS & INDUSTRY COMMITTEE February 7, 1997 Page 7 of 14

homeowner. This is a special lien that the business people have in that it is something that is a hidden lien. This is unusual in the business world. They have a remedy to get their money from one of two sources. The homeowner is the one who has double jeopardy. To increase this notice to 60 days would emaciate the purpose of the law and you might as well not have the notice at all. **Tara Mele, Montana Public Interest Research Group,** asked me to hand in her written testimony as she had to be at another committee meeting (EXHIBIT 7).

Dick Pattison, MT Senior Citizens Assoc. We support Mr. Bertlesen's views and would like to make a couple of observations. The homeowner is the one who ultimately suffers. It appears that the problem is between the suppliers and contractors and subcontractors. The real solution would be to take the homeowner out of the picture.

Stuart Doggett, MT Land Title Assoc. Our legislative committee has looked this bill over and we feel the increase from 20 to 60 days is much too long and we oppose the bill at this time.

Questions From Committee Members and Responses:

SEN. BEA MCCARTHY asked for clarification on Section 1, Subsection 4, Line 26. Are we only talking about improvements on the loan or on original construction as well? Mr. Carl Schweitzer replied that it can be on either improvements or original construction.

Closing by Sponsor:

SEN. BISHOP closed. Thank you for a good hearing. You have heard much testimony and I feel that there is a problem and would like you to solve it. I feel the weight of the testimony comes down on the side of the proponents of SB 206 and urge a Do Pass.

{Tape: 1; Side: B; Approx. Time Count: 10:00 AM; Comments: 11
MINUTE BREAK.}

HEARING ON SB 226

Sponsor: SENATOR STEVE DOHERTY, SD 24, GREAT FALLS.

<u>Proponents</u>: Frank Cote, Deputy Insurance Commissioner Tom Hopgood, American Council of Life Insurance Robert Smith, Waddell & Reed, Great Falls

Informational Testimony: Greg Van Horssen, State Farm

<u>Opponents</u>: None

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Opening Statement by Sponsor:

SENATOR STEVE DOHERTY, SD 24, GREAT FALLS. SB 226 is an attempt to try to make a complicated and complex investment simple and straight forward. When an individual invests in an annuity, this bill would require a short form be issued informing that individual what the annuity is going to do, how much it is going to cost, whether they retain any of the principal, what the benefits will be, how much is to be received each month, etc. etc. etc. I have worked with the Deputy Insurance Commissioner and with the American Council of Life Insurance on some amendments (EXHIBIT 8) that will make the bill a better one. This issue is a national issue and the National Association of Insurance Commissioners have been trying to develop some model legislation. We hope to have a short standardized form nation wide.

Proponents' Testimony:

Frank Cote, Deputy Insurance Commissioner. Our concern with the bill as originally drafted was that it would give rise to a situation where forms may not be consistent. We would then have to approve many different forms and this is not good. We propose to adopt the current NAIC model regulation in this regard. They hope to have a standard form that will be used throughout the 50 states.

Tom Hopgood, American Council of Life Insurance. We recommend the bill with the amendments and hope you will give a Do Pass recommendation.

Robert Smith, Waddell & Reed, Great Falls. I would urge the committee to pass this because in my experience I have worked with many individuals and many have had annuity products. Although annuity products are fantastic investments, almost all are ignorant of what happens when the payoff stage starts and the potential consequences when that happens.

Informational Testimony:

Greg Van Horssen, State Farm. You heard Mr. Cote suggest adoption of the NAIC model forms. State Farm insures across the country and we need standardization in the operation of this business. The NAIC is in the business of standardization. We don't always agree with the NAIC, but in this case we are in agreement. I would like to hand in a "Model Annuity & Deposit Fund Disclosure Regulation" (EXHIBIT 9).

Questions From Committee Members and Responses:

SEN. STEVE BENEDICT asked if this form would be a one pager? Mr. Cote replied that it definitely will be short--a one or two page form.

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SEN. CASEY EMERSON asked if the fact that the principal being used up was stated somewhere in the contract when SEN. DOHERTY told the story about the principal being used up and the woman was not aware this was happening. SEN. DOHERTY said yes that it was in the contract on page 11 in quite small print. SEN EMERSON continued with the question of whether this bill requiring a short form stating the ins and outs would be an effort in futility? SEN. DOHERTY replied no. It is a safeguard for both sides.

SEN. EMERSON asked if there would be a guarantee that the notice would be simple so that everyone could understand it easily. Mr. Cote replied that short of guaranteeing a short form, he would assure the committee that it will be simple and easy to understand form.

Closing by Sponsor:

SEN. DOHERTY closed. I believe you know and understand the reason for this bill. It is a good bill and I urge a Do Pass.

{Tape: 1; Side: B; Approx. Time Count: 10:33 AM; Comments:N/A}

HEARING ON SB 200

Sponsor: SEN. STEVE DOHERTY, SD 24, Great Falls

- <u>Proponents</u>: Mike Voeller, Lee Newspapers Scott Crichton, American Civil Liberties Union Tara Mele, Montana Public Interest Research Group Darrell Holzer, Montana State AFL-CIO Ann Hedges, Montana Environmental Information Center Dick Pattison, Montana Senior Citizens Association John Malee, Montana Federation of Teachers & Montana Federation of State Employees George Hagerman, AFSCMC Tim Bergstrom, Private Citizen
- <u>Opponents</u>: David Owen, Montana Chamber of Commerce LeRoy Schramm, Montana Legal Counsel for University Gary Blewett, Liquor Division, Administration REP. ERNEST BERGSAGEL, HD 95

Opening Statement by Sponsor:

SEN. STEVE DOHERTY, SD 24, Great Falls. SB 200 attempts to bring information to citizens when privatization occurs. When privatization occurs, Montana citizens need to know the benefits and non-benefits, both currently and in the future. One of the dangers of privatization is that citizens become uninformed, as we found in the transfer of Montana prisoners to Texas. If the prisoners had been in Montana State Prison, the information would clearly have been public. When we talk about privatization in

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Montana and whether it is a good or a bad deal, the private entity knows that when it replaces a public function, the public has a right to know. I have an amendment with which I concur. (EXHIBIT 10)

Proponents' Testimony:

Mike Voeller, Lee Newspapers, read his written testimony. (EXHIBIT 11)

Scott Crichton, American Civil Liberties Union of Montana, read his written testimony. (EXHIBIT 11A)

Tara Mele, Montana Public Interest Research Group. We have long been advocates of right to know legislation. We strongly believe citizens have the right to access what goes on in the state. State institutions in private areas should not remove this right.

Darrell Holzer, Montana State AFL-CIO. We too support SB 200. We have long been an advocate of the individual citizens right to know. Even in these times of downsizing and privatization we want to be sure Montana citizens are provided with applicable information as it relates to any privatization to ensure Montana citizens are getting the best bang for the buck. We hope SB 200 gets favorable consideration from the Committee.

Ann Hedges, Montana Environmental Information Center. I strongly support SB 200. Montana has strong sunshine laws for a reason. Government which operates in an honest manner results in people trusting that government and the product it produces. We urge support for this bill.

Dick Pattison, Montana Senior Citizens Association. We believe people have the right to know when the government takes action. We believe when a private entity becomes an arm of the government, they should have a representative to make the information known to the people. We hope you will adopt this bill.

John Malee, Montana Federation of Teachers & Montana Federation of State Employees. We support SB 200.

{Tape: 2; Side: A; Approx. Time Count: 10:47 AM; Comments: N/A.}

George Hagerman, AFSCMC. We want to go on record as supporting this bill.

Tim Bergstrom, Private Citizen. I've lived in my neighborhood for a period of time and I frequently hear comments about dissatisfaction with government. I think it's due partly to people's apathy toward the whole process; however, this openness is good government and a step in the right direction. I support SB 200 and its concepts.

Opponents' Testimony:

David Owen, Montana Chamber of Commerce. This is my concern: "Examine documents related to the function or service" probably makes sense if it's being related to what's actually being done. But it could be contradicted with "function or service was being performed by the state agency." My fear is the books of the organization that has the contract are opened well beyond the first part, i.e. all books of a private contract are opened the same as those of a public contract, and it is possible to reach past the function being done.

LeRoy Schramm, Legal Counsel for the University System. We don't have a problem with the concept or goal of the bill, but our problem is with the breadth. We in the University System contract out a number of functions which were formerly performed by a state agency. "Function or service" seems to be a little broad when combined with what was required in the public section. A disturbing concern is the potential of the public knowing private salaries or cost of equipment, etc. Contractors are going to ask if this openness is worth it, which could mean we end up doing those tasks ourselves. If the problem is the prison, and we can't get what we need out of the prison, the bill would be best to say that. The bill should be reined in a little.

Gary Blewett, Liquor Division, Department of Revenue. This bill will affect the 105 agency franchise contracts the department has with agency liquor stores. Section 5 states this act applies to all contracts entered into or renewed on or after July 1, 1997. Revising these contracts upon renewal to include the required language is not an administrative problem, but requiring these contracts to have this language at all is not good public policy. These agency liquor stores are now private entities and why should they have to make their business records available to the public any more than any other private business. The proposed contract requirement is an unnecessary intrusion because current law already requires access to these records through the legislative auditor. Legislative audit reports are open to public scrutiny and comment. I oppose this bill because the public's right to know is well served by current law and the proposed contract requirements will stigmatize private businesses that contract with the State of Montana. For these same reasons, the administration also opposes this bill.

REP. ERNEST BERGSAGEL, HD 95, Malta. If the policy is going to be state-wide, I would encourage you to add some restrictions to suggest if access is going to be allowed during negotiations, it should be upon final approval of the contract negotiation. It's very difficult to negotiate contracts in the press. I would also recommend putting amendments on the bill to protect private entities from further intrusion into their private associations which have nothing to do with the public's right to know.

Questions From Committee Members and Responses:

SEN. STEVE BENEDICT asked Gary Blewett if he was appearing on behalf of Governor Racicot and his administration. Mr. Blewett said he was.

SEN. CASEY EMERSON asked what would not get done if the bill did not pass. SEN. DOHERTY said he did not know but would try to find out. The prison issue was the big thing but he would like to try to get into the land deals the University System and foundation has done. He envisioned the final contract having that language. He addressed David Owen by saying when Bobby Ross' business is the state's business, we have a right to know what he's doing in that segment; however, that's where we want to draw the line. SEN. EMERSON asked if this bill draws that line. SEN. DOHERTY said he would be willing to work on tightening the language, as suggested by LeRoy Schramm and David Owen.

SEN. BENEDICT asked how the action in SB 200 was different from current law. SEN. DOHERTY said when you sign a contract for services on the dotted line you know there is not a requirement for a right to know to follow the contract. In the case of the prisons, when the contract was signed, the Governor (a proponent of the public's right to know) said he could not do anything because it was not in the contract. We're stuck because they are a private business and there was no contractual arrangement up front. SEN. BENEDICT asked if the Governor could sign a contract with a private entity which would include language that says the public has a right to know. SEN. DOHERTY said it might be possible to do that, but he really don't know. SEN. BENEDICT said he really wanted to know if the law was really necessary -was it already on the books? SEN. DOHERTY said it was necessary as a statement of public policy -- that we believe the right to know follows the law.

SEN. JOHN HERTEL referred to Page 3, Line 12, and asked if the language, "public to examine documents" would allow the newspaper industry access into the prison? SEN. DOHERTY believed "examine documents" meant yes. Their amendments would apply to their ability to get information from interviews. Mike Voeller said the amendments would be added after the underlined parts in the bill and the language would be: The contract must also require that the private entity provide access to individuals and information concerning the privatized program to the same extent that access was available while the program was being performed by the state agency. SEN. HERTEL asked SEN. DOHERTY if he agreed to the amendments and was told he did.

SEN. BEA MCCARTHY asked if we need to be more specific so it is only the particular program being contracted to which we have access to the books. SEN. DOHERTY said we may need to clarify the language more. SEN. MCCARTHY asked to specify "only that program that is being privatized." Bart Campbell said the SENATE BUSINESS & INDUSTRY COMMITTEE February 7, 1997 Page 13 of 14

question was more difficult and adding only a few words was not easy to do; however, he was willing to work with her.

Closing by Sponsor:

SEN. STEVE DOHERTY said this bill is not an attempt to stigmatize private businesses who do business with the state. The language of the bill talks about the function or service that was performed by the state agency and the right to know would go to that function or service. We need to get the information. I did not hear any problems with the concept of the bill and I am very willing to work with amendments. We need the strong light of day for things that are privatized in this state because the more we can see, the less we mistrust. SENATE BUSINESS & INDUSTRY COMMITTEE February 7, 1997 Page 14 of 14

ADJOURNMENT

Adjournment: 11:16 A.M.

SEN. JOHN R. Chairman HERTEL, Ά

MARY GAY WEILS, Secretary

JH/MGW