

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 64th LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS AND LABOR

Call to Order: Chair Tom Berry, on February 18, 2015 at 8:30 A.M., in Room 172
Capitol

ROLL CALL

Members Present:

Rep. Tom Berry, Chair (R)
Rep. Ryan Lynch, Vice Chair (D)
Rep. Christy Clark (R)
Rep. Willis Curdy (D)
Rep. Steve Fitzpatrick (R)
Rep. George G. Kipp III (D)
Rep. Mike Lang (R)
Rep. David (Doc) Moore (R)
Rep. Mark Noland (R)
Rep. Andrea Olsen (D)
Rep. Gordon Pierson Jr (D)
Rep. Christopher Pope (D)
Rep. Vince Ricci (R)
Rep. Tom Richmond (R)
Rep. Scott Staffanson (R)
Rep. Jeffrey W. Welborn (R)

Members Excused: Rep. Daniel R. Salomon, Vice Chair (R)
Rep. Chuck Hunter (D)
Rep. Tom Steenberg (D)

Members Absent: None

Staff Present: Karen Armstrong, Committee Secretary
Pat Murdo, Legislative Branch

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Hearing & Date Posted: HB 506, 2/14/2015; HB 522, 2/16/2015; HB 526, 2/16/2015;
HB 536, 2/16/2015; HB 537, 2/16/2015

Executive Action: HB 413; HB 481; HB 506; HB 515; HB 522; HB 526; HB 536;
HB 537

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00:00:00 Chairman Berry
00:01:38 Vice Chair Lynch took the gavel.

HEARING ON HB 536

Opening Statement by Sponsor:

00:02:10 Rep. Tom Berry (R), HD 40, opened the hearing on HB 536, Revise Captive Insurance Laws to Allow Political Subdivisions.

Proponents' Testimony:

00:03:29 John Huth, Board Member, Montana Captive Insurance Association (MCIA)
EXHIBIT(buh37a01)

00:05:07 Jesse Laslovich, State Auditor's Office (SOA)

00:05:45 Holly Wagner, Payne West Insurance

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

00:07:01 Rep. Staffanson

00:07:26 John Huth, MCIA

00:08:38 Rep. Pope

00:08:27 Rep. Hunter arrived.

00:09:12 John Huth, MCIA

Closing by Sponsor:

00:09:41 Rep. Berry

HEARING ON HB 537

Opening Statement by Sponsor:

00:10:21 Rep. Tom Berry (R), HD 40, opened the hearing on HB 537, Revise laws to allow LLCs to transact captive insurance.

Proponents' Testimony:

00:11:24 John Huth, Montana Captive Insurance Association (MCIA)

EXHIBIT(buh37a02)

00:12:34 Jesse Laslovich, State Auditor's Office (SAO)

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses: None

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Closing by Sponsor:

00:13:36 Rep. Berry

HEARING ON HB 506

Opening Statement by Sponsor:

00:13:54 Rep. David (Doc) Moore (R), HD 92, opened the hearing on HB 506, Allowing microdistilleries to deliver products directly to agency liquor stores.

Proponents' Testimony:

00:15:34 Jennifer Hensley, Montana Distillers Guild

[EXHIBIT\(buh37a03\)](#)

[EXHIBIT\(buh37a04\)](#)

[EXHIBIT\(buh37a05\)](#)

00:22:44 Karen Powell, Owner, Triple Divide Spirits, Helena

00:26:24 Tracy Prescott, President, Liquor Store Owners Association of Montana

Opponents' Testimony: None

Informational Testimony:

00:27:36 Steve Swanson, Management Analyst, Montana Department of Revenue (DOR)

Questions from Committee Members and Responses:

00:27:54 Rep. Ricci

00:28:28 Steve Swanson, DOR

00:28:45 Rep. Ricci

00:29:00 Steve Swanson, DOR

00:29:29 Rep. Hunter

00:30:04 Karen Powell, Triple Divide Spirits

00:31:38 Rep. Hunter

00:32:08 Steve Swanson, DOR

00:32:17 Rep. Pope

00:32:36 Steve Swanson, DOR

00:32:50 Rep. Lang

00:33:25 Steve Swanson, DOR

00:33:52 Rep. Curdy

00:34:37 Steve Swanson, DOR

00:35:08 Rep. Olsen

00:35:44 Steve Swanson, DOR

00:35:57 Rep. Olsen

00:36:20 Steve Swanson, DOR

00:36:50 Chairman Lynch

00:37:05 Steve Swanson, DOR

00:37:23 Chairman Lynch

00:37:44 Jennifer Hensley, Montana Distillers Guild

00:40:08 Rep. Ricci

00:40:58 Jennifer Hensley, Montana Distillers Guild

00:41:17 Tracy Prescott, Liquor Store Owners Association of Montana

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Closing by Sponsor:

00:42:04 Rep. Moore

00:42:41 Rep. Berry

00:42:54 Pat Murdo, Legislative Services Division (LSD)

00:42:58 Rep. Moore

HEARING ON HB 522

Opening Statement by Sponsor:

00:44:34 Rep. Tom Berry (R), HD 40, opened the hearing on HB 522, Allow farm mutual insurer mergers and bulk assumption agreements.

Proponents' Testimony:

00:46:07 Mary Stoican, Manager, Fergus Farm Mutual, Montana Association of Mutual Insurance

00:48:31 Jesse Laslovich, State Auditor's Office (SAO)

00:50:21 Rep. Steenberg arrived.

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

00:51:34 Rep. Curdy

00:51:56 Mary Stoican, Fergus Farm Mutual

00:53:38 Rep. Curdy

00:53:49 Mary Stoican, Fergus Farm Mutual

00:54:42 Rep. Pope

00:55:31 Jesse Laslovich, SAO

Closing by Sponsor:

00:55:59 Rep. Berry

00:56:49 Brief Recess

01:11:34 Reconvened with Rep. Salomon absent.

EXECUTIVE ACTION ON HB 515

01:12:40 **Motion/Vote:** Rep. Fitzpatrick moved that **HB 515 DO PASS**. Motion carried 18-1 by voice vote with Rep. Olsen voting no. Rep. Salomon voted by proxy.

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EXECUTIVE ACTION ON HB 522

01:13:10 **Motion/Vote:** Rep. Fitzpatrick moved that **HB 522 DO PASS**. Motion carried unanimously by voice vote. Rep. Salomon voted by proxy.

EXECUTIVE ACTION ON HB 536

01:13:34 **Motion/Vote:** Rep. Fitzpatrick moved that **HB 536 DO PASS**. Motion carried unanimously by voice vote. Rep. Salomon voted by proxy.

Note: HB 536 is awaiting the arrival of fiscal note in Committee. Bill will remain in Committee until further notice.

EXECUTIVE ACTION ON HB 537

01:14:17 **Motion/Vote:** Rep. Fitzpatrick moved that **HB 537 DO PASS**. Motion carried unanimously by voice vote. Rep. Salomon voted by proxy.

01:15:02 Chairman Berry took the gavel.

HEARING ON HB 526

Opening Statement by Sponsor:

01:15:17 Rep. George Kipp (D), HD 15, opened the hearing on HB 526, Provide for state employment services on reservation community centers.

Proponents' Testimony: None

Opponents' Testimony: None

Informational Testimony:

01:19:23 Mike Cooney, Administrator, Work Force Services Division, Department of Labor and Industry, (DLI)

[EXHIBIT\(buh37a06\)](#)

[EXHIBIT\(buh37a07\)](#)

Questions from Committee Members and Responses:

01:26:31 Rep. Moore
01:27:03 Mike Cooney, DLI
01:27:25 Chairman Berry
01:27:54 Mike Cooney, DLI
01:28:53 Rep. Staffanson
01:29:05 Mike Cooney, DLI

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01:30:06 Rep. Hunter
01:30:36 Mike Cooney, DLI
01:32:13 Rep. Hunter

Closing by Sponsor:

01:32:32 Rep. Kipp

COMMITTEE BUSINESS:

01:36:46 Chairman Berry announced that the Fiscal Note for HB 413 (on which executive action was taken February 13, 2015) has been printed and is being distributed for committee consideration. Without objection, bill passed out of committee.

01:37:38 Recessed.

01:55:18 Reconvened with Rep. Welborn, Rep. Salomon and Rep. Staffanson absent.

EXECUTIVE ACTION ON HB 481

01:55:26 **Motion:** Rep. Fitzpatrick moved that **HB 481 DO PASS.**

Discussion:

01:55:35 Pat Murdo, Legislative Services Division (LSD)

01:55:41 Rep. Staffanson returned.

01:55:51 **Motion:** Rep. Fitzpatrick moved that **HB 481 BE AMENDED.**
EXHIBIT(buh37a08)

Discussion:

01:56:16 Rep. Hunter

01:56:31 Rep. Welborn returned.

01:56:49 **Vote:** Motion carried unanimously by voice vote. Rep. Salomon voted by proxy.

01:56:56 **Motion/Vote:** Rep. Fitzpatrick moved that **HB 481 DO PASS AS AMENDED.**
Motion carried unanimously by voice vote. Rep. Salomon voted by proxy.

EXECUTIVE ACTION ON HB 506

01:57:30 **Motion:** Rep. Fitzpatrick moved that **HB 506 DO PASS.**

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Discussion:

01:57:50 Pat Murdo, LSD

01:58:47 **Motion/Vote:** Rep. Fitzpatrick moved that **HB 506 BE AMENDED**. Motion carried unanimously by voice vote. Rep. Salomon voted by proxy.

EXHIBIT(buh37a09)

01:59:06 **Motion/Vote:** Rep. Fitzpatrick moved that **HB 506 DO PASS AS AMENDED**. Motion carried unanimously by voice vote. Rep. Salomon voted by proxy.

Note: HB 506 is awaiting the arrival of fiscal note in Committee. Bill will remain in Committee until further notice.

EXECUTIVE ACTION ON HB 526

01:59:30 **Motion:** Rep. Fitzpatrick moved that **HB 526 DO PASS**.

Discussion:

01:59:56 Rep. Lynch

02:00:39 Rep. Pope

02:01:07 Rep. Olsen

02:01:39 Rep. Pierson

02:01:57 Rep. Fitzpatrick

02:02:16 Rep. Lang

02:03:16 **Vote:** Motion failed 9-10 by roll call vote with Rep. Curdy, Rep. Hunter, Rep. Kipp, Rep. Lynch, Rep. Olsen, Rep. Pierson, Rep. Pope, Rep. Salomon and Rep. Steenberg voting aye. Rep. Salomon voted by proxy.

02:04:18 **Motion/Vote:** Rep. Fitzpatrick moved that **HB 526 BE TABLED**. Motion carried 16-2 by voice vote with Rep. Kipp and Rep. Olsen voting no. Rep. Salomon did not vote.

02:04:43 Chairman Berry approved request from Rep. Olsen to change her vote on HB 515 from aye to no.

02:04:56 Chairman Berry

ADJOURNMENT

Adjournment: 02:05:28

Karen Armstrong, Secretary

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Additional Documents:

EXHIBIT([buh37aad.pdf](#))

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