

**MINUTES**

**MONTANA HOUSE OF REPRESENTATIVES  
57th LEGISLATURE - REGULAR SESSION  
COMMITTEE ON STATE ADMINISTRATION**

**Call to Order:** By **CHAIRMAN ALLAN WALTERS**, on January 17, 2001 at 8:00 A.M., in Room 455 Capitol.

**ROLL CALL**

**Members Present:**

Rep. Allan Walters, Chairman (R)  
Rep. Debby Barrett, Vice Chairman (R)  
Rep. Tom Dell, Vice Chairman (D)  
Rep. Norma Bixby (D)  
Rep. Dee Brown (R)  
Rep. Donald L. Hedges (R)  
Rep. Hal Jacobson (D)  
Rep. Larry Jent (D)  
Rep. Michelle Lee (D)  
Rep. Larry Lehman (R)  
Rep. Ralph Lenhart (D)  
Rep. Gay Ann Masolo (R)  
Rep. Douglas Mood (R)  
Rep. Alan Olson (R)  
Rep. Holly Raser (D)  
Rep. Rick Ripley (R)  
Rep. Clarice Schrupf (R)  
Rep. Frank Smith (D)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Sheri Heffelfinger, Legislative Branch  
Ruthie Padilla, Committee Secretary

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

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: HB 90, 1/11/2001  
Executive Action: HB 47; HB 38; HB 152; HB 28;  
HB 50; HB 91; HB 97

HEARING ON HB 90

Sponsor: REPRESENTATIVE JIM SHOCKLEY, HD 61, VICTOR

Proponents: Warren Scareah, Board of Professional Engineers  
and Land Surveyors  
Bryan Kendrick, Citizen of Helena MT  
Joe Burtell, Burtell Fire Protection  
David Hughes, Professional Fire Protection  
Engineer  
Mike Lewison, Citizen  
Tim Lloyd, State Building Code Division  
Steve Maloye, Professional Occupational License  
Division

Opponents: None

Opening Statement by Sponsor:

*{Tape : 1; Side : A; Approx. Time Counter : 0}*

REPRESENTATIVE JIM SHOCKLEY, HD 61, VICTOR said he is carrying the bill on behalf of the Board of Professional Engineers and Land Surveyors. The purpose of the board is to supervise Engineers and Land Surveyors and to ensure they have proper credentials. The bill allows the Board of Professional Engineers and Land Surveyors to supervise the performance and certification of people who are certified by the National Institutes for Certification of Engineering Technologies. This will ensure they have the right certification from the board and then license the individual the same as Engineers are licensed, to keep track of them. There are individuals out there who are not qualified to install sprinkler systems and the bill will ensure qualified people are the only people installing the sprinkler systems. The substance of the bill is to bring the practice of installing fire sprinkler systems in conformance with the law and statute. He submitted written testimony and information on fire sprinkler systems on behalf of Lonnie Larson, Fire Marshal and Ted Warren, Assistant Fire Marshal. **EXHIBIT (sth13a01)**

**Proponents' Testimony:**

**{Tape : 1; Side : A; Approx. Time Counter : 7.8}**

**Warren Scareah, Board of Professional Engineers and Land Surveyors,** said the main issue is whether Fire Suppression Engineers or Fire Suppression Technicians should design the sprinkler systems. Currently, the National Institutes for Certification of Engineering Technology runs courses, certifies when courses are passed and ensures individuals have the proper qualifications and experience needed, however, they will not say if the individuals are qualified to design the sprinkler systems. This legislation will allow the promotion of public safety.

**Bryan Kendrick, resident of Helena MT,** stated, as a committee member, he felt the bill is for the betterment of the public good. There are three categorized levels Engineers are tested on. Each level also has work experience requirements. Level 3 requires 5 years of experience and Level 4 requires 10 years experience. Statistics nationwide show 4% of the states are requiring a level 2 or higher, 42% are requiring a level 3 or higher, 50% have no requirement, and only 4% require a Professional Engineer's stamp on Fire Sprinkler shop drawings. Historically, since the first sprinkler was installed in Montana, it has been designed by Engineering Technicians or non-engineers working for Fire Protection Installers. Out of hundreds of projects that were done last year, there was a very small amount that received a Professional Engineer stamp. HB 90 is necessary for the Fire Protection Industry as well as to better serve Montana with a minimum level of education and experience. Under the current law, there are no laws that directly deal with fire protection fabrication shop drawings.

**Joe Burtell, Burtell Fire Protection** stated he is currently certified as a level 4, which requires 10 years of experience to achieve. He is also a Certified Fire Protection Specialist. The way the system currently is, the laws are not being enforced. The door is open to anyone as long as the designs look good, no one will question whether they are qualified or not. The bill is a means of ensuring qualified people are the only people doing the work.

**David Hughes, Registered Professional Engineer,** said, currently in the State of Montana, there is no protection for the public in terms of designs of fire sprinkler systems. This does present a problem for public safety. He was a member on the committee developing this legislation so this hole can be filled.

**Mike Lewison, resident of Montana**, stated the bill will provide excellent basis for the registration of system designers.

**Questions from Committee Members and Responses:**

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**REPRESENTATIVE LEHMAN** asked who does the actual installation of fire suppression system. **Bryan Kendrick** replied, Licensed Sprinkler Technicians who are licensed through the Department of Commerce.

**REPRESENTATIVE BROWN** asked how an Engineering Technician would get certified through the process. **Bryan Kendrick** stated, you need work experience and a recommendation from a professional Engineer or from someone in the field who is qualified. When you sign up for the work elements, your immediate supervisor has to verify, sign and initial each work element the individual signs up for. The process takes 90 days from the receipt of the application. A test is then given and it takes another 90 days for the test to be evaluated. If the test is failed, you are not allowed to retest for 6 months.

**REPRESENTATIVE BROWN** asked if another law should be created if the current laws are not being followed. **Joe Burtell** replied the law is not being enforced because the current law only affects publicly funded projects. There are many other projects being done in Montana that do not require a seal. This bill would require that all projects, public or private, have a designed sprinkler system by a certified Engineering Technician.

**REPRESENTATIVE BROWN** then asked what the extra cost would be to a private citizen if a designed system was required. **Joe Burtell** stated he did not know what the extra cost would be to tax payers, however he would rather pay more tax dollars to have safety in the system than to have no safety, as it is now.

**REPRESENTATIVE HEDGES** asked for a verbal procedure of how the drawings of the system are developed. **Tim Lloyde** replied, in creating the drawings, the owner would go to a designer or engineer to have the system designed. After the system is designed, the project would be put out for bid, for a contractor to install them. The State Building Code Division is responsible for reviewing the drawings and ensuring they are to code.

**REPRESENTATIVE MASOLO** asked what the current application fee is. **Steve Maloye** stated it depended on the amount of licensees and the amount it would cost to administer the program.

**REPRESENTATIVE MASOLO** then asked if the application fee and annual renewal fee will be raised. **Steve Maloye** stated no, either way there will be no fiscal impact.

**REPRESENTATIVE DELL** stated it appears Local Government entities who have their own building codes will not be required to comply with this legislation. Does that leave a hole in the bill. **David Hughes** stated he feels, if the bill becomes law, Local Government entities will follow the legislation.

**REPRESENTATIVE RASER** asked, because there is such a small number of people who are currently licensed, in an area where no one is available, what would happen? **David Hughes** replied individuals who do the designs work state-wide, not in one geographical area.

**REPRESENTATIVE SMITH** inquired, when an architectural drawing is done on sprinkler systems, does the architect have to require that the installer be licensed. **Steve Maloye** stated some individuals have permits but are not licensed. There is nothing on the compliance end that ensures the individual's drawing permits are licensed.

**Closing by Sponsor:**

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**REPRESENTATIVE SHOCKLEY** stated the bill addresses a design issue not an installation issue. This legislation will allow engineers to stamp the actual design of the system.

**EXECUTIVE ACTION ON HB 47**

*{Tape : 1; Side : B; Approx. Time Counter : 0}*

**Motion:** REP. OLSON moved that HB 47 DO PASS.

**Motion:** REP. OLSON moved that HB 47 BE AMENDED. **EXHIBIT**(sth13a02)

**Discussion:**

**REPRESENTATIVE BROWN** stated she supports the amendment as well as the bill. She has contacted both bankers in her district. Their only concern was the elimination of the cap.

**REPRESENTATIVE RIPLEY** stated he feels the bill is good, however he cannot support it without some restrictions. The amendment makes the bill better and he supports the amendment.

**Motion:** REP. OLSON moved that HB 47 BE AMENDED. Motion carried 17-1 with Jent voting no.

**Motion/Vote:** REP. HEDGES moved that HB 47 DO PASS AS AMENDED.

**Discussion:**

REPRESENTATIVE JENT commented, the total amount of the trust is in excess of 645 million dollars. In the past, the first 40 or 50 loans made from the trust were less than a half million dollars. The use of the trust, so far, has been for medium sized to small business and for capital improvement loans. He supports the trust being used to help small businesses, however he does not want the trust being used to support larger businesses. The loans would be a much higher amount and if the business were to become bankrupt, the trust would have a much bigger loss, not only to the trust, but to the smaller businesses as well. He supports continuing the cap at 1% because it is a much safer approach. REPRESENTATIVE BROWN responded she does not see this as being a big liability for the state. Only banks and the state are going to be together on the bill. The greater burden would be to the banking institution that did not make a good loan, not the state.

**Motion/Vote:** REP. HEDGES moved that HB 47 DO PASS AS AMENDED. Motion carried 17-1 with Jent voting no.

**EXECUTIVE ACTION ON HB 38**

*{Tape : 1; Side : B; Approx. Time Counter : 13.6}*

**Motion:** REP. LEE moved that HB 38 DO PASS.

**Motion:** REP. MASOLO moved that HB 38 BE CONCEPTUALLY AMENDED.

**Discussion:**

REPRESENTATIVE MASOLO stated she would like to have a conceptual amendment to insert "passenger vehicle" on lines 6,8,15 and 20.

REPRESENTATIVE DELL stated he does not want to take away flexibility from the department, therefore, he is not going to support the amendment.

REPRESENTATIVE RASER asked, if we added passenger to the bill, would it be putting too much limitation to the bill.

**REPRESENTATIVE SCHMIDT** replied it would be acceptable, as long as it is not too restrictive.

**REPRESENTATIVE BROWN** stated this bill would allow individuals to travel to work, not to make a business out of their work. This would not buy an individual a truck to create a business, but to get to their place of employment. **CHAIRMAN WALTERS** replied, under the right circumstances, he could see an individual being self employed and needing the use of a small pick-up truck. For example, someone may need a small pick-up to get their produce to the Farmers Market to be sold. He said he does not want to limit the department from buying a pick-up truck for someone who may really need it, therefore, he does not support the amendment.

**REPRESENTATIVE HEDGES** commented, if someone needs a small pick-up truck to haul vegetables to the Farmers Market, then someone else may need a larger pick-up truck to put a snow plow on the front to be able to clean parking-lots with it.

**REPRESENTATIVE SMITH** stated he opposes the amendment

**REPRESENTATIVE BROWN** stated she feels the non-profits will use the money wisely and use good judgement when making the loans to individuals.

**Motion:** REP. MASOLO made a motion that **AMENDMENT on HB 38 BE WITHDRAWN.**

**Motion:** REP. HEDGES moved that **HB 38 BE AMENDED.**

**EXHIBIT (sth13a03)**

**Vote:** Motion **carried unanimously.**

**Motion:** REP. MASOLO moved that **HB 38 DO PASS AS AMENDED.**

**Discussion:**

**REPRESENTATIVE BROWN** stated this bill is one of the first steps needed in getting individuals who have not been working, into the working world of a tax-paying citizen, therefore, she is in support of the bill.

**REPRESENTATIVE MOOD** commented that nice ideas do not always make good policies, and this bill is a bad policy.

**REPRESENTATIVE BARRETT** stated, in the proponents' testimony, they considered this bill one of the basic needs and she does not.

**REPRESENTATIVE LEE** said transportation is a big issue and it does matter. This is a big barrier that does needs to be addressed. This is a good way to address it and everyone wins.

**REPRESENTATIVE RASER** commented a vehicle is a necessity. This will not cost the state anything. It will make the vehicles available for purchase by other agencies.

**REPRESENTATIVE HEDGES** asked what the difference would be in supplying a number of automobiles through the Surplus Motor Pool verses taking a similar amount of money and putting it in the Social Services Department where they can go to town and purchase their client an automobile. **REPRESENTATIVE MASOLO** replied, one advantage of going through the State Motor Pool is knowing the vehicles have been serviced, therefore are less likely to break down.

**REPRESENTATIVE LENHART** asked how many vehicles would be needed each year. **REPRESENTATIVE SCHMIDT** replied the fiscal note states 25 per year.

**REPRESENTATIVE DELL** stated this is a good rural and jobs' bill. It will give assistance to individuals who have no means of getting to work, especially in places where there is no bus service.

**REPRESENTATIVE SCHRUMPF** commented, the bill is the missing link to welfare and taxed wages. If you cannot get to work, you cannot work. Without a vehicle, you will be struggling, defeated and frustrated. This will allow you to get out on the job market.

**Motion:** REP. MASOLO moved that **HB 38 DO PASS AS AMENDED. Vote:** Motion carried 12-6 with Barrett, Hedges, Lehman, Mood, Olson, and Ripley voting no.

#### EXECUTIVE ACTION ON HB 152

*{Tape : 2; Side : A; Approx. Time Counter : 12.5}*

**Motion:** REP. JACOBSON moved that **HB 152 DO PASS.**

**Motion:** REP. JACOBSON moved that **HB 152 BE AMENDED.**  
**EXHIBIT** (sth13a04) **Vote:** Motion carried unanimously.

**Motion/Vote:** REP. JACOBSON moved that **HB 152 DO PASS AS AMENDED.**  
Motion carried unanimously.

EXECUTIVE ACTION ON HB 28

*{Tape : 2; Side : A; Approx. Time Counter : 16.7}*

Motion: REP. OLSON moved that HB 28 DO PASS.

Substitute Motion/Vote: REP. MASOLO made a substitute motion that HB 28 BE TABLED. Substitute motion carried 15-3 with Bixby, Lenhart, and Smith voting no.

EXECUTIVE ACTION ON HB 50

*{Tape : 2; Side : A; Approx. Time Counter : 19.5}*

Motion: REP. SMITH moved that HB 50 DO PASS.

Motion: REP. SMITH moved that HB 50 BE AMENDED. **EXHIBIT**(sth13a05)

Discussion:

REPRESENTATIVE SMITH said he spoke to insurance companies and they wanted the effective date to be January 1, 2002 instead of October 1, 2001 because most of their policies start on January 1<sup>st</sup>. The amendment he submitted will change the dates to reflect this.

Motion: REP. SMITH moved that HB 50 BE AMENDED. Vote: Motion carried unanimously.

Motion/Vote: REP. SMITH moved that HB 50 DO PASS AS AMENDED. Motion carried 17-1 with Masolo voting no.

EXECUTIVE ACTION ON HB 183

*{Tape : 2; Side : A; Approx. Time Counter : 24.6}*

Motion: REP. RIPLEY moved that HB 183 DO PASS.

Discussion:

REPRESENTATIVE LEHMAN stated he apposes a do pass on HB 183.

REPRESENTATIVE RASER said she has spoken to several individuals who are in the chemical dependency field. Most of their concerns were wanting to raise the quality of the people who are Licensed Chemical Dependency Councilors. We do need to have people served

well, if we intend to actually cure them. Individuals are turning down the job as Chemical Dependency Councilor due to the limiting factor of the pay, not because of qualification requirements.

**REPRESENTATIVE BROWN** stated she also contacted several people in her district who would be impacted by the bill. Flathead Valley Community College was concerned that there are only two institutions offering a BA in the State of Montana. This could be something put into the hiring practice rather than legislating it.

**REPRESENTATIVE LENHART** commented he agrees with **REPRESENTATIVE BROWN**. Eastern Montana would have a difficult time getting really qualified people with higher degrees.

**Motion:** REP. RIPLEY moved that **HB 183 DO PASS**. **Vote:** Motion failed 4-14 with Bixby, Dell, Raser, and Smith voting yes.

**Motion/Vote:** REP. MASOLO made a substitute motion that **HB 183 BE TABLED**. Motion carried 14-4 with Bixby, Dell, Raser, and Smith voting no.

#### EXECUTIVE ACTION ON HB 91

*{Tape : 2; Side : B; Approx. Time Counter : 0}*

**Motion:** REP. JACOBSON moved that **HB 91 DO PASS**.

**Motion:** REP. JACOBSON moved that **HB 91 BE AMENDED**. **EXHIBIT**(sth13a06) **Vote:** Motion carried unanimously.

**Motion/Vote:** REP. JACOBSON moved that **HB 91 DO PASS AS AMENDED**. Motion carried unanimously.

#### EXECUTIVE ACTION ON HB 97

*{Tape : 2; Side : B; Approx. Time Counter : 3.2}*

**Motion:** REP. MASOLO moved that **HB 97 DO PASS**.

**Motion:** REP. WALTERS moved that **HB 97 BE AMENDED**. **EXHIBIT**(sth13a07) **Vote:** Motion carried unanimously.

**Motion/Vote:** REP. RASER moved that **HB 97 DO PASS AS AMENDED**. Motion carried unanimously.

**ADJOURNMENT**

Adjournment: 10:12 A.M.

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REP. ALLAN WALTERS, Chairman

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RUTHIE PADILLA, Secretary

AW/RP

**EXHIBIT (sth13aad)**