

## MINUTES

### MONTANA SENATE 63rd LEGISLATURE - REGULAR SESSION

#### COMMITTEE ON BUSINESS, LABOR, AND ECONOMIC AFFAIRS

**Call to Order:** Chair Jon Sonju, on January 31, 2013 at 9:00 AM, in Room 422 Capitol

#### ROLL CALL

**Members Present:**

Sen. Jon Sonju, Chair (R)  
Sen. Verdell Jackson, Vice Chair (R)  
Sen. Elsie Arntzen (R)  
Sen. Dee Brown (R)  
Sen. Sharon Stewart-Peregoy (D)  
Sen. Kendall Van Dyk (D)  
Sen. Gene Vuckovich (D)

**Members Excused:** Sen. Debby Barrett (R)  
Sen. Tom Facey (D)  
Sen. Frederick (Eric) Moore (R)

**Members Absent:** None

**Staff Present:** Linda Keim, Committee Secretary  
Pat Murdo, Legislative Services 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: SB 173, 1/25/2013; SB 174, 1/25/2013; SB 127, 1/25/2013; SB 128, 1/25/2013;

**HEARING ON SB 173**

**Opening Statement by Sponsor:**

00:27:39 Sen. Jim Keane (D), SD 38, opened the hearing on SB 173. Generally revising state workers' compensation insurance fund laws.

**[EXHIBIT\(bus21a01\)](#)**

00:28:30 Sen. Barrett entered the hearing.

**Proponents' Testimony:**

00:34:30 Dan Villa, State Budget Director, Governor's Office

00:38:40 Lance Zanto, State Workers' Compensation Management Bureau, Department of Administration (DOA)

00:39:15 Julie Feldman, Administrator, State Accounting Division, Department of Administration (DOA)

**Opponents' Testimony:**

00:39:53 Laurence Hubbard, President and CEO, Montana State Fund (MSF)

**[EXHIBIT\(bus21a02\)](#)**

**[EXHIBIT\(bus21a03\)](#)**

00:57:48 Wayne Dykstra, self, member of Board of Directors, Montana State Fund (MSF)

01:10:21 Joe Brenneman, self, Flathead Valley businessman and MSF policyholder

01:13:42 Barry 'Spook' Stang, Executive Vice President, Montana Motor Carriers' Association (MMCA)

01:16:11 Greg Van Horssen speaking for Jacqueline Lenmark, American Insurance Association (AIA); and Bruce Spencer, Property Casualty Insurance Association of America (PCIAA)

01:16:38 Keith Olson, Montana Logging Association (MLA)

01:17:14 Glenn Oppel, Montana Chamber of Commerce (MCOC)

01:17:29 John Youngberg, Montana Farm Bureau Federation (MFB), Montana Stockgrowers Association (MSGA)

01:17:51 Riley Johnson, National Federation of Independent Business (NFIB)

01:18:21 Bob Biskupiak, Independent Insurance Agents of Montana (IIAM)

01:18:52 Ronda Wiggers, Great Falls and Helena Chambers of Commerce

01:19:14 Steve Turkiewicz, Montana Bankers Association (MBA)

**Informational Testimony:**

01:20:23 Kris Wilkinson, Legislative Fiscal Division (LFD)

**Questions from Committee Members and Responses:**

01:20:47 Sen. Brown

01:22:41 Mr. Villa, Governor's Office

01:23:10 Chairman Sonju

01:23:16 Mr. Villa

01:23:33 Sen. Vuckovich  
01:24:20 Ms. Wilkinson, LFD  
01:24:59 Chairman Sonju  
01:28:35 Mr. Hubbard, MSF  
01:28:40 Sen. Barrett  
01:29:15 Mr. Hubbard  
01:30:39 Sen. Barrett  
01:30:48 Mr. Dykstra, self  
01:31:07 Mr. Brenneman, self  
01:31:58 Sen. Barrett  
01:32:21 Mr. Dykstra  
01:32:38 Sen. Barrett  
01:33:02 Mr. Brenneman  
01:33:06 Sen. Barrett  
01:33:17 Sen. Keane  
01:34:00 Chairman Sonju  
01:34:11 Sen. Keane  
01:34:42 Sen. Vuckovich  
01:35:20 Mr. Hubbard  
01:35:29 Sen. Barrett  
01:36:27 Sen. Keane  
01:37:29 Sen. Barrett  
01:37:46 Mr. Villa  
01:38:31 Chairman Sonju

**Closing by Sponsor:**

01:38:39 Sen. Keane

**HEARING ON SB 174**

**Opening Statement by Sponsor:**

01:40:13 Sen. Jim Keane (D), SD 38, opened the hearing on SB 174. Authorize alternatives for state agency worker's compensation coverage.

**Proponents' Testimony:**

01:40:44 Dan Villa, State Budget Director, Governor's Office  
01:41:17 Lance Zanto, State Workers' Compensation Management Bureau, Department of Administration (DOA)  
01:44:22 Greg Van Horssen speaking for Jacqueline Lenmark, American Insurance Association (AIA); and Bruce Spencer, Property Casualty Insurance Association of America (PCIAA)  
01:45:03 Gary Matthews, Victory Insurance Company

**Opponents' Testimony:** None

**Informational Testimony:**

01:46:08 Nancy Butler, Montana State Fund (MSF)  
01:46:24 Kris Wilkinson, Legislative Fiscal Division (LFD)

**Questions from Committee Members and Responses:**

01:46:36 Chairman Sonju  
01:46:44 Mr. Villa, Governor's Office  
01:47:16 Sen. Arntzen  
01:48:07 Mr. Zanto, DOA

**Closing by Sponsor:**

01:48:56 Sen. Keane  
01:49:12 Recess  
01:59:50 Reconvened

Note: Senators Van Dyk and Sonju did not immediately return from recess  
Vice Chair Jackson re-opened the hearing.

**HEARING ON SB 127**

**Opening Statement by Sponsor:**

02:00:10 Sen. Edward Buttrey (R), SD 13, opened the hearing on SB 127. Revise  
unemployment law, revise definition of misconduct, revise benefit eligibility.

**[EXHIBIT\(bus21a04\)](#)**

02:05:23 Chairman Sonju returned to the hearing.

**Proponents' Testimony:**

02:05:44 Ben Ives, self

**Opponents' Testimony:**

02:09:43 Keith Allen, International Brotherhood of Electrical Workers (IBEW), Local #233  
02:11:06 John Forkan, Montana State Association Plumbers and Pipefitters (MSAPP)  
02:11:31 John 'JD' Lynch, Pacific Northwest Regional Council of Carpenters (PCRCC)  
02:12:13 Chris Cavazos, Montana State American Federation of Labor-Congress of  
Industrial Organizations (AFL-CIO)  
02:12:33 Rebecca Barger, Teamsters Union Local #190, Billings

**Informational Testimony:**

02:12:58 Roy Mulvaney, Administrator, Unemployment Insurance Division, Department of  
Labor and Industry (DLI)

**Questions from Committee Members and Responses:**

02:13:21 Sen. Brown  
02:13:50 Sen. Buttrey  
02:14:16 Sen. Brown  
02:15:37 Mr. Mulvaney, DLI  
02:15:50 Don Gilbert, Department of Labor and Industry (DLI)  
02:17:21 Sen. Barrett  
02:18:57 Mr. Allen, IBEW  
02:19:48 Sen. Barrett  
02:19:57 Mr. Mulvaney

**Closing by Sponsor:**

02:20:24 Sen. Buttrey

**HEARING ON SB 128**

**Opening Statement by Sponsor:**

02:21:04 Sen. Edward Buttrey (R), SD 13, opened the hearing on SB 128. Revise when unemployment insurance rates not affected by benefits paid.

[EXHIBIT\(bus21a05\)](#)

02:24:29 Sen. Barrett left the hearing.

**Proponents' Testimony:** None

**Opponents' Testimony:**

02:27:12 Chris Cavazos, Montana State American Federation of Labor-Congress of Industrial Organizations (AFL-CIO)  
02:27:36 Sen. Brown left the hearing.  
02:27:38 Sen. Facey entered the hearing.

**Informational Testimony:**

02:27:57 Roy Mulvaney, Administrator, Unemployment Insurance Division, Department of Labor and Industry (DLI)

**Questions from Committee Members and Responses:**

02:28:22 Sen. Stewart-Peregoy  
02:29:05 Mr. Mulvaney, DLI  
02:29:53 Vice Chairman Jackson  
02:30:57 Sen. Buttrey

**Closing by Sponsor:**

02:31:50 Sen. Buttrey

02:32:37 Vice Chairman Jackson closed the hearing on SB 174 and Chairman Sonju assumed the position of Chair.

**Committee Business:**

02:32:44 Chairman Sonju

02:33:30 Pat Murdo, Legislative Services Division (LSD)

**EXHIBIT(bus21a06)**

02:34:05 Chairman Sonju

02:34:10 Pat Murdo, LSD

02:34:25 Sen. Arntzen

02:34:32 Pat Murdo

**ADJOURNMENT**

Adjournment: 11:08 A.M.

---

Linda Keim, Secretary

lk

Additional Documents:

**EXHIBIT([bus21aad.pdf](#))**