MINUTES

MONTANA HOUSE OF REPRESENTATIVES
59th LEGISLATURE - REGULAR SESSION

COMMITTEE ON FEDERAL RELATIONS, ENERGY, AND TELECOMMUNICATIONS

Call to Order: By **CHAIRMAN ALAN OLSON**, on February 14, 2005 at 3:08 P.M., in Room 455 Capitol.

ROLL CALL

Members Present:
Rep. Alan Olson, Chairman (R)
Rep. Dave Gallik, Vice Chairman (D)
Rep. Dennis Himmelberger, Vice Chairman (R)
Rep. Robyn Driscoll (D)
Rep. George G. Groesbeck (D)
Rep. Robin Hamilton (D)
Rep. Hal Jacobson (D)
Rep. Harry Klock (R)
Rep. Mark E. Noennig (R)
Rep. Diane Rice (R)
Rep. Wayne Stahl (R)
Rep. Karl Waitschies (R)
Rep. Brady Wiseman (D)

Members Excused: Rep. John Parker (D)

Members Absent: None.

Staff Present: Todd Everts, Legislative Branch
Cynthia Peterson, Committee Secretary

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed. Tape stamp markers follow testimony.

Committee Business Summary:
Hearing & Date Posted: HB 642, 2/10/2005; HB 539, 2/4/2005; HB 647, 2/12/2005; HJ 16, 2/8/2005
Executive Action: HB 539; HB 647; HJ 16

HEARING ON HB 642

Opening Statement by Sponsor:

REP. GEORGE GOLIE (D), HD 20, opened the hearing on **HB 642**, a bill which would authorize local governing entities to become default suppliers. **REP. GOLIE** explained the intention of HB 642 is to provide the opportunity for any incorporated city or town, consolidated city and county, or county to provide cost-based power for its citizens through a local electricity supply entity. **REP. GOLIE** pointed out a local electricity supply entity is not a public utility and would supply power, but would not distribute the power. **REP. GOLIE** cited Section 11, Page 16, as the key to the legislation. **REP. GOLIE** reviewed HB 642 for the Committee. **REP. GOLIE** submitted proposed amendment HB064201.ate. **EXHIBIT(feh36a01)**

Proponents' Testimony:

Randy Gray, Mayor of the City of Great Falls, spoke as a proponent to HB 642. **Mayor Gray** spoke about the need for the City of Great Falls to find more reliable, stable and affordable sources of power. **Mayor Gray** suggested HB 642 would supply stability for not only the City, but also the residents of Great Falls. **Mayor Gray** also suggested the predictability provided by HB 642 would enhance opportunities for economic development. **Mayor Gray** spoke about the formation of Southern Montana Electrical Generation and Transmission (SMEGAT). **Mayor Gray** noted that the utility business is not new to Great Falls. **Mayor Gray** described himself as an environmentalist and explained the proposed project would keep the air clean while providing affordable, predictable electrical rates. **Mayor Gray** specified the important items that the City of Great Falls brings to the table as water rights, transmission lines, rail lines and customers. **Mayor Gray** pointed out the unusual partnership of a rural group and an urban organization coming together to produce predictable and affordable power rates. **Mayor Gray** closed by stating HB 642 will create a model for Montana and will bring control of an economic activity to Montana for Montanans. ***{Tape: 1; Side: A; Approx. Time Counter: 8.9 - 15; Comments: Randy Gray's testimony.}***

Harley Harris, an attorney in Helena, has been working with the City of Great Falls on the proposed project. **Mr. Harris** reviewed Exhibit 1 with the Committee. **Mr. Harris** addressed the definition of "service territory." In addition, Northwestern Energy (NWE) has indicated it does not want to be involved in the

billing, so Amendment 4 makes NWE's involvement permissive. **Mr. Harris** noted the Public Service Commission (PSC) will have the responsibility to protect customers who elect not to migrate to the municipal system.

Tim Gregori, Manager, Southern Montana Electric Generation & Transmission Cooperative, Inc., submitted written testimony as a proponent of HB 642.
EXHIBIT(feh36a02)

Terry Holzer, Yellowstone Valley Electric Co-op, submitted a brochure from SMEGAT.
EXHIBIT(feh36a03)

David Hoffman, PPL Montana, submitted written testimony as a proponent of HB 642.
EXHIBIT(feh36a04)

Written testimony was also submitted to the Committee in support of HB 642 from W. Bryan Dunn, Ed.D, Superintendent of the Great Falls Public School District.
EXHIBIT(feh36a05)

Opponents' Testimony:

Gerald Mueller, Missoula, testified on behalf of himself. **Mr. Mueller** has been involved in electricity resource planning and acquisition for 31 years. **Mr. Mueller** suggested breaking up the default supply load and eliminating oversight by the PSC and Montana Consumer Counsel would be detrimental to Montana.

{Tape: 1; Side: B}

Mr. Mueller believed HB 642 would breakup Montana's default supply and eliminate PSC involvement.

John Fitzpatrick, Northwestern Energy, spoke about the public policy implications of HB 642. **Mr. Fitzpatrick** did not feel HB 642 was limited to the City of Great Falls and suggested it could have tremendous impact on the 300,000 ratepayers who currently receive services from the default supply. **Mr. Fitzpatrick** cautioned that HB 642 would be the most important bill to come before the Federal Relations, Energy and Telecommunications Committee during the 2005 Legislative Session. **Mr. Fitzpatrick** highlighted how difficult it is to operate as a default supplier, and how those difficulties are compounded by politics and Montana's dysfunctional power market. In addition, **Mr.**

Fitzpatrick noted the process is very slow, although he admitted progress is being made. **Mr. Fitzpatrick** explained NWE is anxious to no longer be the default supplier, but does not support the City of Great Falls' proposal. **Mr. Fitzpatrick** asked a series of questions regarding HB 642, including when the City of Great Falls will actually become the default supplier in Great Falls. **Mr. Fitzpatrick** explained how NWE's future contracts will be compromised if people have the ability to come in and go out of the default supply. **Mr. Fitzpatrick** recalled how HB 509 in 2003 attempted to provide stability for the default supply by setting a limit of 20 megawatts that could leave the system in any given year. **Mr. Fitzpatrick** suggested those sideboards would be removed by HB 642. **Mr. Fitzpatrick** suggested that the stability which HB 642 seeks will likely cause instability for the other 300,000 customers in Montana. **Mr. Fitzpatrick** wondered how many municipalities could become default suppliers in Montana. **Mr. Fitzpatrick** also wondered how stranded costs would be dealt with. **Mr. Fitzpatrick** asked if people leaving the system should take a share of the costs that were procured for the benefit of all. **Mr. Fitzpatrick** wondered if people should have a choice since there could be a reason they do not want to go with the City of Great Falls. **Mr. Fitzpatrick** also wondered what would happen to the City of Great Falls' customers if something goes wrong in the future and stated NWE may not be able to serve those customers.

Patrick Judge, Montana Environmental Information Center, opposes HB 642.

Informational Testimony:

Tom Schneider, Montana Public Service Commission, explained the PSC is split on HB 642. **Commissioner Schneider** pointed out strong arguments have been made on both sides of the issue. **Commissioner Schneider** suggested most of the issues could be dealt with. **Commissioner Schneider** identified the PSC's hesitation to become the "rubber stamp of approval" on something it will not have any ultimate control over. **Commissioner Schneider** emphasized that the movement to and from choice is not supposed to impact other customers.
{Tape: 1; Side: B; Approx. Time Counter: 17.5 - 21; Comments: Testimony of Commissioner Tom Schneider.}

Questions from Committee Members and Responses:

REP. DAVE GALLIK, HD 79, HELENA, expressed frustration about creating splinter groups and wondered why one thing is not good enough for the entire state. **REP. GOLIE** recalled a few years

ago, Montana was paying 2.6 per kilowatt hour and is now paying 4.2 per kilowatt hour. **REP. GOLIE** believed cost-based power would provide stability. **REP. GALLIK** expressed concerns about the impact on his constituents and asked how he would justify the changes to his constituents. **REP. GOLIE** suggested that no one is satisfied with the situation in Montana and that it is time for something else to happen.

REP. ROBIN HAMILTON, HD 92, MISSOULA, asked Mr. Gregori if he was willing to work with the PSC to satisfy its concerns about regulation. **Mr. Gregori** replied he was willing to work with the PSC and added that the electric co-ops have been operating for over sixty years and have served the most rural and undesirable areas, and the co-ops' rates are 25 percent less than NWE.

REP. HAL JACOBSON, HD 82, HELENA, asked Mr. Judge why he opposes HB 642. **Mr. Judge** spoke about the PSC's Procurement Guidelines and the process involved in developing those guidelines. **Mr. Judge** stated he also participated in developing HB 509 in 2003 and that a very delicate balance was achieved in creating a default supply system. **Mr. Judge** believed HB 642 would turn everything on its head. **Mr. Judge** noted the complexity of being the default supplier and suggested NWE has done a good job.

REP. JACOBSON asked Commissioner Schneider if he could envision a compromise on HB 642. **Commissioner Schneider** replied one approach would be to put something in Section 11(1) since subsections (a) and (b) are not adequate in providing the PSC with an ability to ensure a cost-effective supply. **Commissioner Schneider** believed there should be a substantive showing that the project and long-term default supply is likely to be superior to that of the current default supplier.

{Tape: 2; Side: A}

In addition, **Commissioner Schneider** thought the time line for approval is too tight, and the provisions for consideration and approval or rejection are too lean.

REP. JACOBSON asked REP. GOLIE whether he believed a compromise could be reached between the proponents and opponents. **REP. GOLIE** replied he did not believe the parties were that far apart and noted HB 642 contains safeguards.

REP. BRADY WISEMAN, HD 65, BOZEMAN, asked Mr. Hoffman if he agreed with Mr. Fitzpatrick's statement that HB 642 would give PPL Montana more power in terms of pricing. **Mr. Hoffman**

disagreed and stated NWE received 44 separate proposals for power and suggested it is disingenuous to represent that PPL Montana is the only game in town.

Closing by Sponsor:

REP. GOLIE closed by reminding the Committee that not too many years ago, Montana was paying 2.6 per kilowatt hour for electricity and is currently paying 4.2. **REP. GOLIE** suggested it is difficult to predict the future, but at the local level it is easier to predict stability and cost-based power supply. **REP. GOLIE** believed local control by a local governing body would provide more stability. **REP. GOLIE** emphasized Section 11(4) would afford protection to default customers left behind. **REP. GOLIE** wondered if Montana was headed in the right direction with its energy needs and if Montanans really had a choice.

HEARING ON HB 539

Opening Statement by Sponsor:

REP. MONICA LINDEEN (D), HD 43, opened the hearing on **HB 539**, a bill which would generally revise telecommunications laws. **REP. LINDEEN** emphasized how quickly the telecommunication industry has changed in the past ten years. **REP. LINDEEN** spoke about her business in the telecommunications field and noted HB 539 recognizes the reality of the changing environment and updates the current regulatory model in Montana. **REP. LINDEEN** explained HB 539 to the Committee. **REP. LINDEEN** believed HB 539 would be good for consumers and good for business. **REP. LINDEEN** also believed passing HB 539 would be a responsible step to recognizing the changes in the industry while maintaining strong regulated oversight over regulated telephone companies. **REP. LINDEEN** highlighted the differences between regulated and unregulated companies. In Montana there is a small number of regulated companies and a large number of phone companies that have no regulation. The two issues contained in HB 539 are customer promotions and streamlining regulations. **REP. LINDEEN** spoke about special offers for cellular phones and how those offers are not regulated by the PSC. Meanwhile if a regulated phone company wants to make a similar special offer, it must first go through the lengthy and public process of getting PSC approval. Competitors then have ample time to gain competitive advantage. **REP. LINDEEN** believed HB 539 would provide more opportunities for customers and would be more fair to regulated companies.

REP. LINDEEN then addressed streamlining provided in HB 539. **REP. LINDEEN** stated the primary phone line into a home or business has fewer choices of companies unless the customer continues with a traditional regulated phone company. **REP. LINDEEN** suggested things like additional lines and optional services, such as call-waiting and caller I.D., have multiple options and providers, and **REP. LINDEEN** did not believe PSC oversight was necessary. **REP. LINDEEN** pointed out that in 2002 the Federal Communications Commission (FCC) said Montana's local network was open to competition and suggested it is time Montana's regulations kept pace with the ever-changing telecommunications industry. **REP. LINDEEN** stated similar legislation has worked in Montana's neighboring states, and she was confident it could work in Montana as well.

REP. LINDEEN submitted proposed amendment HB053901.ate which was meant to address concerns about predatory pricing.
EXHIBIT(feh36a06)
{Tape: 2; Side: A; Approx. Time Counter: 6.4 - 14.2; Comments: REP. LINDEEN's opening statement on HB 539.}

Proponents' Testimony:

Rick Hayes, President of Operations in Montana, Qwest, testified that Qwest employs approximately 400 Montanans and provides a variety of communication services to approximately 350,000 customers. **Mr. Hayes** believed HB 539 would do three things: (1) eliminate the PSC's regulation of promotional offerings by regulated telephone companies; (2) preserve existing regulation over the primary line into all homes or businesses; and (3) prohibit predatory pricing practices. **Mr. Hayes** provided an historical context of the telecom industry in Montana. **Mr. Hayes** emphasized HB 539 would not deregulate phone service in Montana. **Mr. Hayes** predicted that competitors to HB 539 would be companies that are not currently regulated by the PSC and are Qwest's competitors. **Mr. Hayes** believed HB 539 would encourage choices for Montana consumers and the ability to choose would be beneficial to Montanans.

Mr. Hayes explained how the primary line into a home or business would continue to be regulated, but other lines such as computer lines, fax lines, teen lines and other services such as caller I.D. and call-waiting would be regulated by the competitive market place rather than the PSC. **Mr. Hayes** believed PSC oversight over optional services is no longer necessary since those are the services where customers have choices and options. **Mr. Hayes** submitted a letter from Frontier, a Citizens

Communication Company, and a list of Montana telecommunications companies indicating which companies are regulated by the PSC.
EXHIBIT(feh36a07)
EXHIBIT(feh36a08)

Clark Spranget, International Brotherhood of Electrical Workers, Local 206, believed passage of HB 539 would send the clear signal that Montana intends to remain committed to maintaining and improving Montana's telecommunications infrastructure. **Mr. Spranget** believed HB 539 would level the playing field, encourage investment in the infrastructure and result in more jobs. ***{Tape: 2; Side: A; Approx. Time Counter: 22.9 - 24.5; Comments: Testimony of Clark Spranget.}***

Barbara Ranf, Montana Chamber of Commerce, testified that competition in the telecommunications industry continues to bring new services and choices to Montana customers. **Ms. Ranf** thought it would be beneficial to customers for regulation to change as the industry changes.

Opponents' Testimony:

Doug Mood, Commissioner, Montana Public Service Commission, believed there is not enough competition in telecommunications delivery in Montana to warrant further deregulation of the industry and stated the PSC could not support HB 539. **Commissioner Mood** pointed out that over the years, the PSC has eliminated its regulation of a number of telecommunication services as warranted by markets and competition. **Commissioner Mood** pointed out that Montana has already experienced the negatives of deregulation. **Commissioner Mood** did not believe HB 539 would result in lower rates to consumers. **Commissioner Mood** encouraged the Committee to table HB 539.

Monica Tranel, an attorney for the Montana Public Service Commission, submitted a HB 539 Fact Sheet and reviewed the Fact Sheet with the Committee. **Ms. Tranel** believed HB 539 is a deregulation bill and is simply about money.
EXHIBIT(feh36a09)

{Tape: 2; Side: B}

Chris Dimock, OneEighty Communications, submitted written testimony in opposition to HB 539. **Mr. Dimock** also submitted a map depicting Montana telecommunication territories.
EXHIBIT(feh36a10)
EXHIBIT(feh36a11)

Phil Maxwell, 3 Rivers Communications, submitted written testimony in opposition to HB 539.
EXHIBIT(feh36a12)
{Tape: 2; Side: B; Approx. Time Counter: 16.3 - 19.4; Comments: Testimony of Phil Maxwell.}

Amy Grmjolez, submitted written testimony from Bill Squires, Blackfoot Communications, in opposition to HB 539.
EXHIBIT(feh36a13)

Mary Wright, an attorney for Montana Consumer Counsel, submitted written testimony in opposition to HB 539.
EXHIBIT(feh36a14)

Brad Molnar, Commissioner, Montana Public Commission, testified that the PSC spent more time on this issue than any other. **Commissioner Molnar** stated he was very concerned about the ability to make special offers. **Commissioner Molnar** spoke about the difficulties in using a proprietary approach. He did not believe there was a way to make it a fair market.

Informational Testimony: None.

Questions from Committee Members and Responses:

REP. WISEMAN asked Ms. Tranel about Page 6, Lines 27 through 29, of the bill and the reference to "vertical service" and asked what "vertical service" means. **Ms. Tranel** referred REP. WISEMAN to Exhibit 9 and explained vertical services include caller I.D., call-waiting, voice-mail messaging, and call-forwarding services. **Ms. Tranel** noted that vertical features can be added to the primary line base rate without any review as to whether they are being priced above relevant costs.

REP. GALLIK noticed Exhibit 14 indicates there is a regulatory framework that allows the orderly transition from regulation to competition and asked Ms. Wright to explain the orderly transition and how far along the transition path Montana is. **Ms. Wright** explained that Ms. Tranel had provided information about steps the PSC has taken over the past 20 years in Exhibit 9. **Ms. Wright** explained there is a process that allows a company to come to the PSC and ask for regulatory forbearance. **Ms. Wright** believed that procedure is appropriate.

{Tape: 3; Side: A}

REP. GEORGE GROESBECK, HD 74, BUTTE, asked for an explanation of the difference between a competitor and an incumbent provider. **Ms. Wright** identified Qwest as the largest incumbent provider and explained incumbent providers are the companies serving before 1996. These companies control 96 percent of the market.

REP. MARK NOENNIG, HD 46, BILLINGS, asked about the concept of proprietary information and why the concept did not work. **Ms. Tranel** explained that when a promotional offering is filed at the PSC, it is reviewed to see if it cost-effective. In the history of the PSC, they have never rejected a promotional filing submitted by Qwest. The concern with the proprietary issue is that input from competitors is extremely important in the hearing process. If a promotional offering is proprietary, it would preclude the PSC from seeking input from Qwest's competitors.

Closing by Sponsor:

REP. LINDEEN stated that because she is in the telecommunication business, she benefitted from the telecommunications law passed in 1996. **REP. LINDEEN** stated that the telecommunication industry changes with lightening speed due to changes in technology. **REP. LINDEEN** admitted change is not easy, especially if that change brings uncertainty. **REP. LINDEEN** believed HB 539 would work well in Montana and believed it was unfair to refer to HB 539 in the light of deregulation. **REP. LINDEEN** stated the bill is about competition in a free market and providing quality service to customers.

HEARING ON HB 647

Opening Statement by Sponsor:

REP. SCOTT MENDENHALL (R), HD 77, opened the hearing on HB 647, a bill to revise state contracting laws regarding custodial/ janitorial services. **REP. MENDENHALL** explained that a state contractor who is only providing custodial/janitorial services should not have to do weekly payroll. **REP. MENDENHALL** believed that many custodial/janitorial service contractors sign four- or five-year contracts, and that it is costly to have to do payroll weekly.

Proponents' Testimony: None.

Opponents' Testimony: None.

Informational Testimony: None.

Questions from Committee Members and Responses:

REP. WISEMAN asked if there was a requirement that certain businesses run payroll on a weekly basis. **REP. MENDENHALL** explained under state contracting law, there are rules that pertain to particular subcontractors. **REP. MENDENHALL** suggested there may be good reasons why a group such as seasonal firefighters need to have weekly payroll, but did not feel those reasons apply to janitorial services.

REP. NOENNIG asked why one particular group should be carved out. **REP. MENDENHALL** replied it costs one particular janitorial crew an extra $6,000 per year to outsource payroll and have it done weekly rather than biweekly. **REP. NOENNIG** suggested maybe the law should be based on dollar volume rather than a particular occupation. **REP. MENDENHALL** was not convinced REP. NOENNIG's suggestion would solve the problem, and pointed out that the wages for custodial services are sometimes $10 per hour or more.

REP. DIANE RICE, HD 71, HARRISON, recalled that agricultural operations are required to pay monthly and wondered if the laws were industry specific. **REP. MENDENHALL** replied he did not know.

REP. GROESBECK suggested if an exception is made for custodial/janitorial services, that someone else would come forth with a request to be exempted. **REP. MENDENHALL** replied that would be a policy decision to be made by the Legislature, but that it was his understanding that by far the people who fall under this section of the law are seasonal contractors. **REP. MENDENHALL** did not believe it would be a large precedent-setting issue.

REP. WAITCHIES requested examples of other occupations that are required to pay weekly. **REP. MENDENHALL** could not give any immediate examples, but he offered to research the issue for the Committee.

Closing by Sponsor:

REP. MENDENHALL closed the hearing on HB 647.
{Tape: 3; Side: A; Approx. Time Counter: 9 - 19.8; Comments: Hearing on HB 647.}

HEARING ON HJ 16

Opening Statement by Sponsor:

REP. GEORGE GROESBECK (D), HD 74, opened the hearing on **HJ 16,** a resolution which would urge support for a hypersonic wind tunnel in Butte. **REP. GROESBECK** provided the Committee with background information on HJ 16 and stated a hypersonic wind tunnel would test equipment, materials and aerospace designs at hypersonic speeds. **REP. GROESBECK** explained "hypersonic" means greater than mach five, and there are currently no hypersonic wind tunnels in operation in the world. **REP. GROESBECK** identified hypersonic flight as the next great milestone to be achieved and utilized by the defense and aerospace industries. **REP. GROESBECK** spoke about a pilot project being proposed in Butte led by MSE Technology Applications, Inc. **REP. GROESBECK** suggested the final project would be built at a secure location such as Malstrom Air Force Base in Great Falls. **REP. GROESBECK** identified the positive economic impacts to Montana. **REP. GROESBECK** stated the purpose of HJ 16 is to show those who have a stake in the development of hypersonic engineering technology that Montana is supportive of the industry.

Proponents' Testimony:

Don Peoples, President of MSE Technology Applications, Inc. (MSE), testified MSE is the lead agency in the national program. Previously, the program was sponsored by NASA and the United States Air Force. **Mr. Peoples** believed this is a very significant program for Montana. **Mr. Peoples** spoke about aerospace opportunities for Montana and the potential for a $1 billion impact to Montana's economy. **Mr. Peoples** requested that some indication be given to the congressional delegation that Montana is serious about entering into the aerospace arena.

Keith Allen, International Brotherhood of Electrical Workers, suggested the hypersonic wind tunnel would create good-paying jobs for a skilled workforce in Montana and urged support for the resolution.

{Tape: 3; Side: B}

Dan Flynn, International Brotherhood of Electrical Workers, also testified as a proponent of HJ 16.

Frank Cote, MSE Technology Applications, Inc., testified as a proponent of HJ 16.

Opponents' Testimony: None.

Informational Testimony: None.

Questions from Committee Members and Responses: None.

Closing by Sponsor:

REP. GROESBECK closed the hearing on HJ 16 by stating the project is worth requesting support from the congressional delegation.

(REP. GALLIK left the meeting.)

EXECUTIVE ACTION ON HJ 16

Motion/Vote: **REP. HIMMELBERGER moved that HJ 16 DO PASS. Motion carried unanimously by voice vote with REP. PARKER and REP. GALLIK voting by proxy.**

EXECUTIVE ACTION ON HB 647

Motion: **REP. HIMMELBERGER moved that HB 647 DO PASS.**

Discussion:

REP. NOENNIG commented it is difficult to know the circumstances of all the people the bill will encompass and to know whether the exemption should be applied. **REP. NOENNIG** stated he is not comfortable carving out one exception and believed others would come forward as a result.

REP. GROESBECK stated he agreed with REP. NOENNIG.

REP. WAYNE STAHL, HD 35, SACO, clarified that the reason these contracted services are paid weekly is because if the contractor or subcontractor fails to meet his payroll obligation, it can create a difficult situation.

REP. WISEMAN added he does not understand why there is a payroll requirement at all. **REP. STAHL** clarified that some on the contracts are extremely large, and they pay weekly in case there is a problem with the contractor and/or cash flow.

REP. RICE recalled that when there is a contract for a multiple-year time period, they know there will be cash flow to pay employees.

Vote: Motion carried unanimously by roll call vote with REP. GALLIK and REP. PARKER voting aye by proxy.

(REP. JACOBSON leaves.)

EXECUTIVE ACTION ON HB 539

Motion: REP. RICE moved that HB 539 DO PASS.

Discussion:

REP. STAHL commented he appreciated Commissioner Molnar's analysis that this is a tough problem to attempt to resolve.

REP. ROBYN DRISCOLL, HD 51, BILLINGS stated she would not support the bill because Qwest is dominating the market.

Substitute Motion/Vote: REP. WISEMAN made a substitute motion that HB 539 BE TABLED. Substitute motion carried 13-1 by roll call vote with REP. OLSON voting no, and REP. GALLIK, REP. PARKER and REP. JACOBSON voting aye by proxy.
{Tape: 3; Side: B; Approx. Time Counter: 11.2 - 15.6; Comments: Executive action on HB 539.}

ADJOURNMENT

Adjournment: 6:04 P.M.

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REP. ALAN OLSON, Chairman

_____
CYNTHIA PETERSON, Secretary

AO/cp

Additional Exhibits:

EXHIBIT(feh36aad0.TIF)