

1 House JOINT RESOLUTION NO. 50
 2 INTRODUCED BY Bengton
 3

4 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF
 5 REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING THE
 6 COMMISSIONER OF INSURANCE TO CREATE AN INSURANCE ADVISORY
 7 COUNCIL TO ADVISE THE COMMISSIONER OF INSURANCE REGARDING
 8 THE ADMINISTRATION AND ENFORCEMENT OF THE MONTANA INSURANCE
 9 CODE.

10
 11 WHEREAS, the Legislature enacted the Montana Insurance
 12 Code and assigned responsibility for administration and
 13 enforcement of that code to the Commissioner of Insurance of
 14 the State of Montana; and

15 WHEREAS, the administration and enforcement of the
 16 Montana Insurance Code substantially affects insurers, their
 17 agents, and consumers both within and outside the State of
 18 Montana; and

19 WHEREAS, the complexity of the considerations before
 20 the Commissioner of Insurance in the performance of his
 21 statutory functions often prevents understanding of his acts
 22 by those affected; and

23 WHEREAS, the Commissioner of Insurance and those
 24 affected by his actions would benefit from the creation of a
 25 forum where their opinions and questions could be regularly

INTRODUCED BILL

1 aired; and
 2 WHEREAS, a greater public understanding of the
 3 functions and actions of the Commissioner of Insurance would
 4 benefit both Montana consumers and the commissioner and
 5 would ultimately strengthen the necessary and vital
 6 insurance industry in Montana.

7
 8 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE
 9 OF REPRESENTATIVES OF THE STATE OF MONTANA:

10 That the Commissioner of Insurance create an insurance
 11 advisory council consisting of:

12 (1) one member to be appointed by the Commissioner of
 13 Insurance from each of the following categories:

- 14 (a) the Independent Insurance Agents' Association;
- 15 (b) the Montana Mutual Agents' Association;
- 16 (c) the Montana Life Underwriters' Association;
- 17 (d) the fire and casualty insurance industry; and

18 (2) members to be appointed by the governor from each
 19 of the following categories:

- 20 (a) one member of the Montana Press Association; and
- 21 (b) two members from the public at large who have no
 22 connection with the insurance industry other than as
 23 policyholders.

24 (3) the Commissioner of Insurance as an ex officio
 25 member and the chairman of the insurance advisory council.

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1 BE IT FURTHER RESOLVED, that the insurance advisory
2 council shall be governed by the provisions of section
3 82A-110, R.C.M. 1947; except that the advisory council shall
4 meet at least quarterly.

5 BE IT FURTHER RESOLVED, that copies of this resolution
6 be sent by the Secretary of State to the Honorable Thomas L.
7 Judge, Governor of the State of Montana, and to the
8 Honorable E. V. "Sonny" Omholt, Commissioner of Insurance.

-End-

STATE OF MONTANA

REQUEST NO. 375-77

FISCAL NOTE

Form BD-15

In compliance with a written request received February 7, 19 77, there is hereby submitted a Fiscal Note for HJR 50 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

A request to the commissioner of insurance to create an insurance advisory council to advise the commissioner of insurance regarding the administration and enforcement of the Montana insurance code.

ASSUMPTIONS:

1. No costs can be absorbed in the current auditor's budget.
2. Each quarterly meeting would last two days, x 7 members = 14 person days.
3. Average round-trip mileage per member = 300 miles.
4. Honorarium salary @ maximum per Sec. 82A-110(5), R.C.M., 1947.
5. Travel expenses per Sections 59-538 & 539, 59-801, R.C.M., 1947.

FISCAL IMPACT:

	<u>FY78</u>	<u>FY79</u>	<u>Total</u>
Additional cost of proposed legislation	<u>\$10,000</u>	<u>\$10,000</u>	<u>\$20,000</u>

Richard L. Drayton
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-11-77