

HOUSE BUSINESS AND INDUSTRY COMMITTEE

March 18, 1977

The meeting was called to order at 10:00 a.m. with all members present with the exception of Reps. Bradley, Burnett and Tower, who were excused.

Senate Bill No. 231 was discussed. Sen. Rasmussen, sponsor, gave a brief explanation of the bill.

Mr. Ed Jasmin, proponent, stated that the common trust fund is a vehicle for investing trust funds of trust owners money (testimony attached).

Mr. John Cadby expressed his support in the bill along with Mr. Harold Pitts, Mr. Chuck Peterson, Mr. Gene Phillips, and Mr. George Bealle (testimonies attached).

Mr. Pitts stated that it would benefit small independent banks. Mr. Peterson said that his trust department is much smaller than most trust departments. He said this type of legislation is really needed and that with this type of bill it would be feasible.

There were no opponents.

Senate Bill No. 231 was discussed. Sen. Rasmussen, sponsor, gave an explanation of the bill then introduced Mr. Bealle.

Mr. George Bealle said the purpose is to amend the Commercial Code. It will expedite transfer of securities. Also, it would provide for better protection of securities.

Mr. John Johnson, Mr. Ed Jasmin, Mr. John Cadby, and Mr. Harold Pitts expressed their support in the bill. Mr. Johnson stated that the bill would reduce the paperwork and it would also expedite the transfer of securities. Mr. Jasmin stated it would provide better efficiency because of centralization.

Senate Bill No. 182 was discussed. Sen. Roberts, sponsor, introduced Mr. Ross Cannon (testimony attached).

Mr. Ross Cannon gave an explanation of the bill stating that the amendments would provide that a single copy may be used for education process (attached).

There were no opponents or questions.

Senate Bill No. 280 was discussed. Sen. R. Smith, sponsor, gave an explanation of the bill stating that it would allow organizations to bargain for automobile insurance. It would work similar as people could get health insurance through a bank, automobile insurance people could be set up the same way. He then introduced Mr. Ernie Post.

Mr. Ernie Post stated that with the high cost of auto insurance at the present time, this type of legislation is badly needed.

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Ms. Pat Decker, Mr. Gerald Neils, Ms. Jo Driscoll, Mr. Boyce Clarke, and Mr. Pete Surdock all expressed their support in the bill.

Ms. Decker submitted an amendment which is attached.

Sen. Smith stated in closing that the State is paying for insurance for urban driving. It is time that we went to a group policy and allow people driving in Montana to have reduced rates.

There was some discussion regarding fictitious groups. A group of people can go to the Insurance Commission office and apply for group rates. There cannot be discrimination.

Senate Bill No. 245 was discussed. Sen. Lowe, sponsor, gave a brief explanation of the bill. He stated the difference in the three plans is in the funding of them. This bill will make plan 2 and plan 3 similar or competitive and have them act as the check when the system was started.

The following people testified as proponents: Mr. Boyce Clarke, Mr. Dick Fish, Mr. Tom Clarke, Mr. Don Maloney, Mr. Ray Conger, Mr. Arnold Cunning, Mr. Tom Maddox, Mr. Keith Keller, Mr. Gerald Neills, and Ms. Jo Driscoll (testimonies attached).

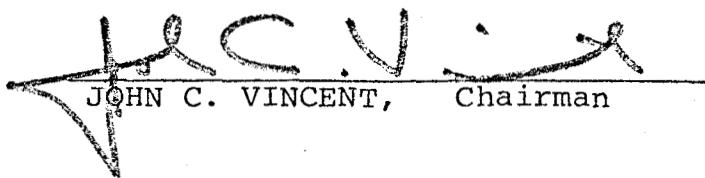
Mr. Neills stated that they are the highest rated group in Montana. If they were allowed to act in concert, their rates would go down substantially. The premium would be of such a nature that the insurance company would then feel justified of putting a man in the field full time to visit the logging shows throughout the state to find out why these accidents occur. The Logging Association urges the support of this legislation.

Mr. Kenneth Mitchell and Mr. Mike Knepper testified in opposition to the bill (testimonies attached). Mr. Mitchell stated that there are a number of major studies going on at this time to see if this type of writing would be appropriate. If you cut this control in rates, carriers will contend to possibly not be able to afford the services. This piece of legislation needs to be studied further to be sure that adequate controls will be made.

Sen. Lowe stated in closing that the interpretation is meant as it reads.

There was some discussion regarding the bill.

The meeting adjourned at 12:10 p.m.


JOHN C. VINCENT, Chairman