

MINUTES OF MEETING
SENATE JUDICIARY COMMITTEE
April 5, 1977

The meeting of this committee was called to order by Senator Turnage, Chairman, on the above date at 9:35 a.m. in Room 442 of the State Capitol Building.

ROLL CALL:

All members of the committee were present except Sen. Roberts who was excused to attend another meeting.

WITNESSES PRESENT TO TESTIFY:

Ray Stuart - Court Administrator, Supreme Court
Phil Strobe - First Montana Title Co.
Rep. Ramirez - Billings
Ted James - First Montana Title Co., Great Falls
Greg Morgan - Montana Bar Assn.

CONSIDERATION OF HOUSE BILL 499:

The chairman placed this bill before the committee for their consideration and action, but allowed Ray Stuart, the Court Administrator for the Montana Supreme Court, to explain the amended (Exhibit 1) fiscal note which the committee had requested and just received this date. The new fiscal note requires that two more amendments be made to this bill which had been amended 4/2/77 and the committee report held pending the receipt of the amended fiscal note. The two new amendments were included in that report and the report was redated to April 5, 1977, and turned in this date. The new amendments were as follows: to strike "One-fourth" on page 5, line 2, and insert "Forty per cent" and to strike "three quarters" on page 6, line 6, and insert "60%". Sen. Towe moved the adoption of the amendments. The motion carried unanimously.

Sen. Roberts has been excused from this meeting to attend an appropriations meeting in the Finance & Claims committee room, and he has voted against the amendments to HB 713.

CONSIDERATION OF HOUSE BILL 713:

The committee Chairman asked Phil Strobe, the Helena attorney representing the abstractors, to again explain his proposed amendments to the committee. He recapped his explanation of the amendments of April 4, 1977, and reiterated his point that a person who sells title insurance, under these amendments, must have tract-type plants which are the "tools of the trade". Section 2 in the proposed amendments, he said, will see that lawyers who sell title insurance from this time on will have to have these "tools of the trade" the same as the legislature compels a lay person to have in order to sell title insurance.

Rep. Ramirez, who was present, in answer said that this is a special interest amendment and that we are all being used here, and

that his original bill has been completely gutted by these amendments. He said that if it passed the Senate, he would do everything in his power to kill it.

The Chairman asked for action on HB 713 at this time.

DISPOSITION OF HOUSE BILL 713:

Sen. Warden moved to reconsider HB 713. The motion carried on a vote of 5 - 2 with Senators Regan and Olson voting "No".

Sen. Towe moved that HB 713 BE CONCURRED IN. Sen. Regan seconded the motion. Sen. Warden, as a substitute motion, moved that the undated one-page proposed amendments be accepted. After more discussion Sen. Olson asked why the bill had been returned to committee. Sen. Warden told him that she had asked to have it returned because of many things she had been recently told about the bill.

At this time, Ted James of the First Montana Title Co. in Great Falls was allowed to comment on the bill. He told the committee that they don't have a monopoly and that they charge the same rate as a lawyer charges because the rates are regulated by the Insurance Commissioner. He said that this is a consumer bill and, if a lawyer wants this type of business, he should have to get a plant. In some states, a group of lawyers have gotten together and started title insurance companies and have purchased a plant. He said that his company is examined by the Insurance Commissioner once every three years. However, Bob Brown's firm which does not have a plant is not examined by the Insurance Commissioner.

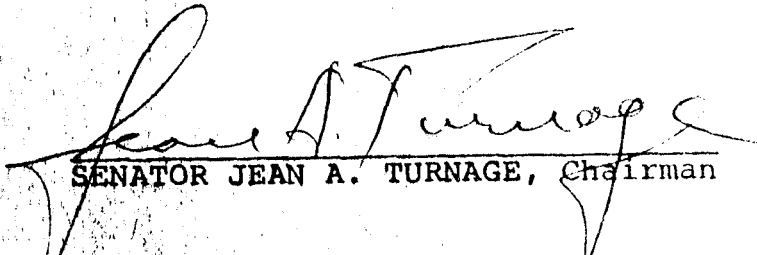
Rep. Ramirez said that everything said has nothing to do with the original bill he had introduced. This is a fight between the lawyers and the abstractors. If this bill fails, he will introduce his bill next session.

Greg Morgan, representing the Montana Bar Assn., said that they do not support the bill with the proposed amendments.

The substitute motion of Senator Warden to accept the amendments was the first motion voted on and it failed on a vote of 4 - 4. The next motion was that of Sen. Towe that HB 713 BE CONCURRED IN and that failed on a vote of 2 - 5.

Sen. Olson then moved that HB 713 BE NOT CONCURRED IN. The motion carried with a vote of 5 - 2 and Sen. Roberts excused.

There being no further business this day, the committee adjourned at 11:00 a.m. to meet again tomorrow, April 6th, at 9:30 a.m. to consider HB 654 and HB 738.


SENATOR JEAN A. TURNAGE, Chairman

Re: fiscal note to amended HB 499 - Court Fees (Ex. 1)

to amended

782,000
 195,500
 586,500
 234,200
 352,300
 335,000
 17,300
 (97,750)

amended # 499
 1/4 to counties
 75% to state
 20% JS & JRF
 balance to State General Fund
 Senate's judicial salary increase per SB71
 net to State General Fund
 net decrease to Counties' General Funds

alternative (change)

782,000
 312,800
 469,200
 234,200
 235,000
 335,000
 (100,000)
 19,550

amended # 499
 (40%) to Counties' General Funds
 60% to state
 20% JS to JRF
 balance to State General Fund
 Senate's judicial salary increase per SB71
 net to State General Fund
 net increase to Counties' General Funds