

MONTANA STATE SENATE  
BUSINESS AND INDUSTRY COMMITTEE  
MINUTES OF THE MEETING

March 29, 1986

The meeting of the Senate Business and Industry Committee was called to order at 9:00 A.M. on March 29, 1985, by Chairman Mike Halligan in Room 410 of the Capitol Building.

ROLL CALL: All committee members were present with the exception of Senator Fuller:

ACTION ON HB 16: Senator Christiaens made a motion that HB 16 be amended to include a new section, section 14, and to amend the title and statement of intent accordingly.

Senator Williams asked Andrea Bennett if she felt there would be any problem with these amendments in the House.

Andrea Bennett said she felt this is the best strategy to get this particular legislation passed. She stated this bill would be powerless without the JUA and that they would not use this section until after a hearing and after the voluntary program did not work. She feels this section is something that is needed to deal with insurance companies that operate in this state.

Senator Halligan asked Andrea how long she would expect to allow this to work before the hearing.

Andrea Bennett said she expected she would know within three to six months into the program.

Committee members showed concern that if this bill is amended, due to the time frame involved and the necessity of approval by the House of the amendments, would the bill end up not being passed.

Andrea Bennett commented to these concerns that she felt this new section was an important enough issue that it should be addressed and she felt the amendments would make it through the House.

Senator Thayer commented this is a serious consideration and he thinks we should consider passing the bill as it is without amendments. This would allow Andrea Bennett to try to encourage the industry to bid on a

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voluntary basis and there would be the option of putting mandates in later. If we do this then we are at least getting something done this session.

Senator Halligan asked Representative Cohen to respond.

Representative Cohen said without the amendments he feels the bill is absolutely useless. With the amendments there will be some help for the business community.

Senator Thayer said he thought the testimony given was that everyone was contacted and they said they would be participating. That is the voluntary plan.

Andrea Bennett said when we originally contacted the companies this amendment was in the bill. They were given copies of the bill and agreed to that proposal. When we sat down with Industry Monday they deleted the effective date and I agreed to that. Then on the House floor they amended the bill so that the JUA will never go into effect. They took away the power from this bill.

Senator Goodover asked Andrea how long it would take before they knew whether they were participating voluntarily or not.

Andrea Bennett said by June 1.


Senator Goodover feels they should be given a chance to voluntarily participate and if that does not work then the subject can be addressed in June.

Andrea Bennett said they have been given a chance and they have not come through. She said she wants to get something underway and in play so that they have the authority and do not have to come before the legislature again on this matter.

Senator Christiaens motion carried with a vote of 6-4. See attached roll call vote sheet. Senator Christiaens moved the bill as amended. The motion passed with a vote of 8-2. Senator Goodover and Senator Neuman did not vote in favor of this motion.

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ADJOURNMENT: There being no further business, the  
meeting adjourned at 9:20 A.M.

  
\_\_\_\_\_  
Committee Chairman  
Senator Mike Halligan

ROLL CALL

BUSINESS & INDUSTRY

COMMITTEE

49th LEGISLATIVE SESSION -- 1986

Date 3/29/86

SENATE  
JANUARY

NAME		PRESENT	ABSENT	EXCUSED
#40	SENATOR HALLIGAN, Chairman	X		
#16	SENATOR CHRISTIAENS, V.Chrmn.	X		
#50	SENATOR BOYLAN	X		
#43	SENATOR FULLER		X	
#12	SENATOR GAGE	X		
#24	SENATOR GOODOVER	X		
#10	SENATOR KOLSTAD	X		
#17	SENATOR NEUMAN	X		
#33	SENATOR THAYER	X		
#39	SENATOR WILLIAMS	X		
# 26	SENATOR WEEDING	X		

Each day attach to minutes.

DATE \_\_\_\_\_

100-443887-100

Executive Session H.B. 16

## VISITORS' REGISTER

[illegible]

(Please leave prepared statement with Secretariat)

NEW SECTION. Section 14. Joint underwriting association

-- rules. If, after a public hearing, the commissioner determines that a voluntary plan would, in his judgment, fail for any reason to provide essential insurance coverage, he may, by rule, establish a nonprofit unincorporated legal entity known as a joint underwriting association. Each insurer authorized to write and engaged in writing within this state, on a direct premium basis, the kind of insurance covered by the association shall remain a member of the association as a condition of its authority to continue to transact that kind of insurance in this state.

Renumber as appropriate.

SEMATE BUSINESS & INDUSTRY  
EXHIBIT NO. 1  
March 29, 1986  
House Bill 16

ROLL CALL VOTE

SENATE COMMITTEE BUSINESS & INDUSTRY

Date March 29, 1985 Bill No. HB 16 Time 9:18 A.M.

NAME	YES	NO
SENATOR BOYLAN		X
SENATOR FULLER	ABSENT	
SENATOR GAGE	X	
SENATOR GOODOVER		X
SENATOR WEEDING	X	
SENATOR KOLSTAD	X	
SENATOR NEUMAN		X
SENATOR THAYER		X
SENATOR WILLIAMS	X	
SENATOR CHRISTIAENS, VICE CHAIRMAN	X	
SENATOR HALLIGAN, CHAIRMAN	X	

Agnes Hamilton  
Secretary

Senator Mike Halligan  
Chairman

Motion: Amend HB 16 to include a new section, section 14, (see  
Exhibit 1) and to amend the title and statement of intent  
accordingly.

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..... 19.....

7. Page 11, lines 4 through 14.

Reinsert: New Section 14 in its entirety

Renumber: subsequent sections.

8. Page 14, line 12.

Following: "14"

Strike: "15"

Insert: "16"

9. Page 14, line 14.

Following: "16"

Strike: "15"

Insert: "16"

as amended  
BE CONCURRED IN

.....  
SENATOR MIKE HALLIGAN, Chairman



March 29,

1986

MR. PRESIDENT

We, your committee on..... **BUSINESS AND INDUSTRY**having had under consideration..... **House Bill** No. **16**third reading copy ( blue )  
color**Miller (Gage)****COMMERCIAL LIABILITY INSURANCE ASSISTANCE PLAN**Respectfully report as follows: That..... **House Bill** No. **16****be amended as follows:****1. Statement of Intent.**

Page 1, lines 13 through 23.

Reinsert: stricken language.

**2. Statement of Intent.**

Page 1, line 24.

Following: "16"

Strike: "15"

Insert: "16"

**3. Page 1, line 15.**

Following: "INSURANCE;"

Insert: "PROVIDING AUTHORITY TO FORM A JOINT UNDERWRITING  
ASSOCIATION FOR COMMERCIAL LIABILITY INSURANCE;"**4. Page 1, line 23.**

Following: "16"

Strike "15"

Insert: "16"

**5. Page 1, line 25.**

Following: "16"

Strike: "15"

Insert: "16"

**6. Page 2, line 3.**

Following: "16"

Strike: "15"

Insert: "16"

~~XXXXXX~~  
DO PASS~~XXXXXXXXXX~~

(continued)

Chairman.