

MINUTES

MONTANA SENATE  
51st LEGISLATURE - REGULAR SESSION  
COMMITTEE ON BUSINESS AND INDUSTRY

Call to Order: By Chairman Gene Thayer, on March 15, 1989,  
at 10:00 a.m.

ROLL CALL

Members Present: Chairman Thayer, Vice Chairman Meyer,  
Senator Boylan, Senator Noble, Senator Williams,  
Senator Hager, Senator McLane, Senator Weeding,  
Senator Lynch.

Members Excused: None

Members Absent: None

Staff Present: Mary McCue, Legislative council

Announcements/Discussion: None

HEARING ON HOUSE BILL 406

Presentation and Opening Statement by Sponsor:

Representative Gould, House District, 61, said HB 406 would put a definition in the law, to define the brokering of automobiles. He said automobile dealers were dependant on automobile auctions, and the bill did not pertain to automobile dealer auctions.

List of Testifying Proponents and What Group They Represent:

Steve Turkiewicz - Executive Vice President, Montana  
Auto Dealers Association  
Tom Harrison - Montana Auto Dealers Association

List of Testifying Opponents and What Group They Represent:

None

Testimony: Steve Turkiewicz said HB 406 was a definition of broker. He said that if you looked in Title 61, regarding automobile sales and franchise auto sales, there was reference to broker several times throughout the law, but there was no definition. He said they thought the definition was necessary and required in state law, and they felt this would address the needs of all concerned.

Tom Harrison indicated the apparent gap in the law, with no definition of the word broker, even though the word was used several places in the codes. He said the bill was their attempt to present the needed definition, as well as allow it to have some meaning throughout the code. He said he thought the reasons were good for the auto dealers, as well as for the consuming public, and hoped the committee would favor the bill.

Questions From Committee Members: Senator Lynch asked if the auctioneers could still auction automobiles, and asked if they would be the broker in that instance? Mr. Harrison said the auctioneers were satisfied that this did not affect them. He stated Peter Funk had met with Tex Pate, on the auctioneers behalf.

Closing by Sponsor: Representative Gould closed.

#### DISPOSITION OF HOUSE BILL 406

Discussion: None

Amendments and Votes: None

Recommendation and Vote: Senator Williams made a motion HB 406 BE CONCURRED IN. Senator Meyer seconded the motion. The motion Carried Unanimously. Senator Williams carried the bill on the Senate floor.

#### HEARING ON HOUSE BILL 711

Presentation and Opening Statement by Sponsor:

Representative Cobb, House District 42, said HB 711 clarified the authority of the Department of Commerce Weights and Measures Bureau, relating to product testing affecting commercial and noncommercial weighing devices, and correct references to the national institute of standards and technology. He said they had recommended some reasonable changes incorporated within the bill, and the bureau had agreed to them.

He said section 1 added a definition of commerce trading, to existing commercial law. He said it was the department's responsibility to distinguish between commercial and noncommercial transactions. He said they had tried to clarify that their main responsibility was to commercial.

Representative Cobb said section 2, 3, and 5 were mostly clean up, and changed the reference to the

bureau of standards, to the now correct reference of the national institute of standards and technology. He said section 3 also deleted the requirement of the state standard weights being submitted to the national institute of standards and technology every ten years for certification.

He said section 4 clarified that the department's primary duties relate to commercial weights and measures, as distinguished from noncommercial weights and measures.

He stated section 6 required the department to adopt rules to implement the scheduled inspection for packages and commodities. He said there had never been a schedule or formal procedure for this before.

He said section 7 authorized the department to inspect noncommercial weighing and measuring devices, but only subject to the availability of resources, and upon a payment of a fee, commensurate of the costs of inspection.

Representative Cobb said the only portion of the bill they felt was a policy issue, was on page 9, section 7, and referred to noncommercial inspections. He said that when the department had time, they had the ability and resources to provide this service.

List of Testifying Proponents and What Group They Represent:

Steve Malloy - Chief of the Weights and Measures Bureau

List of Testifying Opponents and What Group They Represent:

None

Testimony: Steve Malloy said he was there to answer any questions they may have.

Questions From Committee Members: Senator Lynch asked about the noncommercial inspections? Representative Cobb said that if schools had wrestling matches, for instance, the department would check out the scales if they had time. He said that was noncommercial, and they charged a small fee.

Mr. Malloy told Senator Lynch that normally schools made this request twice a year. One prior to the beginning of the season, and one time prior to a tournament. He

said there apparently was a section, in high school rules, which required a check before tournaments.

Representative Cobb told Senator Weeding farm scales were commercial, while hospitals and nursing homes were non-commercial.

Senator Noble asked how often butcher scales, and the like were checked? Mr. Malloy said their rules stated they should check each scale once a year, and that came with the license of the scale. He said the fee was actually for the license.

Closing by Sponsor: Representative Cobb said the bureau was under staffed, with a lot of assigned duties, so the purpose of the bill was to clarify their main duty as commercial.

#### DISPOSITION OF HOUSE BILL 711

Discussion: None

Amendments and Votes: None

Recommendation and Vote: Senator Meyer made a motion HB 711 BE CONCURRED IN. Senator McLane seconded the motion. The motion Carried Unanimously. Senator Jacobson carried the bill on the Senate floor.

#### HEARING ON HOUSE BILL 466

Presentation and Opening Statement by Sponsor:

Representative Blotkamp, House District 66, said HB 466 was brought to his attention by the auto club, AAA. He said AAA guaranteed a bail bond certificate on their cards, for up to \$1000, and our statute only stated \$100. He said the judge had instructed them to get the statute changed, if they were going to advertise their larger guaranteed bond figure. He said they would like to have the statute figure raised to about \$5000, to alleviate the problem of returning right away to raise the figure each time there was an increased cost of living or inflation factor.

List of Testifying Proponents and What Group They Represent:

Jim Manion - Executive Vice President of Montana AAA  
Bob Griffith - Chief, Montana Highway Patrol  
Wallace Jewell - Montana Magistrates Association

List of Testifying Opponents and What Group They Represent:

None

Testimony: Jim Manion said, as a AAA member benefit, they were able to provide guaranteed arrest bond certificates. He said, the certificate essentially guaranteed a person's appearance in court, for violations of a vehicle law, but not driver violations, and worked in lieu of a cash bail. He stated you had to surrender your AAA card to the court or law enforcement authorities, whenever you used the certificate. If the cardholder failed to appear in court, then AAA paid the court, and collected from the member. He stated the state statute's \$100 limit was usually too small now, and their company backed them for up to \$1000. He stated the larger \$5000 figure was only for delaying their return to raise the amount as inflation took place, or their limits were raised.

Bob Griffith said they were probably the biggest handlers of the AAA cards, and had been handling them for about thirty years, with no problem. He said the cards were convenient for the motoring public, and for the patrol, and they supported the bill.

Wallace Jewell said they also supported the bill, and submitted his written testimony. (See Exhibit #1)

Questions From Committee Members: Senator Lynch asked what amount would be a good example, of a fairly high fine, for a vehicle violation? Bob Griffith said, probably the most notable offense would be the insurance card possession, which was \$250.

Mr. Manion told Senator Hager the change would not affect the fees to AAA.

Senator Weeding asked if there needed to be any limit in the statute? Mr Manion said there were some, of the thirty states involve, who did not have a limit. He said they thought \$5000 would cover them for quite a number of years, and thought a limit may be more palatable to everyone, but he did not see a need for a limit either.

Closing by Sponsor: Representative Blotkamp said he appreciated their time, and he said he was sure there would be no objection if they chose to amend the bill to not have a limit.

DISPOSITION OF HOUSE BILL 466

Discussion: Senator Weeding asked if they should remove the limit?

Senator Lynch said he thought the proposed limit would be fine for a number of years, and he thought it was easier to explain an amount versus no limit. He said it was mentioned several times, and would require language changes as well.

Chairman Thayer asked the pleasure of the committee, and stated Mary McCue had said there was no problem to amend, if that is what they wanted. The Question was called for.

Amendments and Votes: None

Recommendation and Vote: Senator Noble made a motion HB 466 BE CONCURRED IN. Senator McLane seconded the motion. The motion Carried Unanimously. Senator Lynch carried the bill on the Senate floor.

HEARING ON HOUSE BILL 645

Presentation and Opening Statement by Sponsor:

Representative Addy, House District 94, said he had been asked to introduce HB 645, by the Yellowstone County Attorney. He said that when policemen saw stolen property in a pawn shop, and informed the pawn that it was stolen, then they had to go to the courthouse and get a search warrant to seize the property. He said that quite often, when the police returned to the pawn shop, the property was no longer there. He said he originally introduced the bill with a cap on interest charges, and a surrender of the property to the law enforcement officer, and those had both been removed. He stated the procedure in the bill now required the pawn to hold the property for thirty days, to give the law enforcement officers enough time to obtain a search warrant, in cases with probable cause. He said he felt HB 645 was a good state wide standard, that could fit right in with the bill Senator Van Valkenburg had on local option regulations.

List of Testifying Proponents and What Group They Represent:

Bill Fleiner - Montana Sheriff's and Police Officers  
Association  
Peter Funk - Assistant Attorney General

Curt Wilson - Montana Pawn Brokers, Incorporated, Great Falls, Montana

List of Testifying Opponents and What Group They Represent:

None

Testimony: Bill Fleiner said they supported the legislation as it was presently before the committee. He said there had been a question concerning the search warrant, and the records of where the seized property went. He stated the search warrant made it cumbersome, because of the record keeping required on seized property. He said he felt the thirty day period, for pawn brokers to hold property, was good.

Peter Funk said the Montana County Attorney's Association supported this legislation. He said they had appeared in the House, and supported the bill's allowing seizure of stolen property, but would still support the thirty day holding period. He said they favored the original version of the bill, but felt this version would be of significant help to local law enforcement.

Curt Wilson said he was speaking on behalf of several pawn brokers in the state, because they were only in the process of setting up their association. He said they were also concerned about the people causing the problems. He stated the majority of pawn shop owners wished to help clean up the problem, and back law enforcement. He said the pawn brokers of Montana believed the bill, as amended, was agreeable to all parties. He said HB 645 was a good bill, in it's amended form, and met the concerns expressed by the county attorney's, and left a basic protection, enjoyed by other types of businesses, in place. He urged passage. (See Exhibits #2 & #3)

Questions From Committee Members: Senator Noble asked if it was a conflict of interest for a policeman to be in the pawn shop business? Representative Addy said he didn't feel it was.

Senator Williams asked, in reference to page 2, line 23, what a police officer had to do to request? Representative Addy said he would say "I have information that leads me to believe that, that item of property is stolen, and under Montana law, I request that you have to hold it for thirty days, and I request that you do so. If you don't, and it is stolen, and you sell it you will be guilty of stealing the property, just as much as the thief was. Because you

have reasonable notice that it was stolen." He told Senator Williams, yes, it could be a verbal request. He said he thought that would be confirmed by the fact that the police officer would then go to the courthouse and seek a search warrant, so you would have some documentary evidence the process was started.

Senator Boylan asked if this included second hand stores?  
Representative Addy said he didn't think so.

Chairman Thayer cited language on page 2, line 21, which stated 'a pawn broker or junk dealer'. Bill Fleiner said property, which was stolen, was recovered however possible.

Senator Lynch said he thought it was an excellent bill, but the adjective 'junk', and maybe the words pawnbroker or dealer, should be stricken, to make it apply to those using a different description of themselves.  
Representative Addy said he would defend the amendment when it went back to the House.

Chairman Thayer asked if Senator Van Valkenburg's bill had anything to do with this procedure? Representative Addy said it did not.

Senator Lynch asked if this would curtail the fencing which was involved in the pawn broker business?  
Representative Addy said he thought it would, because pawn brokers would have to become more careful in obtaining their merchandise.

Closing by Sponsor: Representative Addy thanked them for the good hearing, and stated he liked the bill as it was, but let him know what they decided.

#### DISPOSITION OF HOUSE BILL 645

Discussion: Chairman Thayer asked Mary McCue to explain what she had found in the statute? Mary McCue said, this was originally drafted to revise the interest charges, and these are statutes in the chapter on credit transactions. She said, the removal of the amendments to that statute, left you with something that seemed to be more of a criminal procedure provision. She asked Peter Funk what he thought of codifying it in title 46, and expanding it to apply to those receiving second hand merchandise?

Peter Funk said he thought that made a lot of sense for two reasons. (1) Because of what Mary McCue had pointed out, on the interest charges. (2) He said, the discussion to broaden this beyond pawn shops, would be an effective step to take, on behalf of law enforcement. He said this section of code applied only to pawn shops, so he felt it was a good idea to place it in the criminal procedure section, because that was really what it was.

Chairman Thayer asked if the changes would fit within the title of the bill? Mary McCue said it would, because it narrowed the bill even further. She said she thought they should strike section 1, and take that new language, and make a new section out of it, and change the codification.

Representative Addy said he was comfortable with the changes.

Chairman Thayer asked the different parties to get together to discuss the amendment with Mary McCue, so she could have it ready for the hearing tomorrow.

Amendments and Votes: None

Recommendation and Vote: None

#### DISPOSITION OF HOUSE BILL 483

Discussion: Chairman Thayer asked Mary McCue to explain the amendments. Mary McCue said the amendments did two things. She said the language amended into the bill, on pages 5 and 6, was needed, but had been put in the middle of a sentence. She referred them to amendment #2, Exhibit #4. She referred to amendment #3, #4, and #5, on the same exhibit, and explained the corrections and clarification each made.

Amendments and Votes: Senator Lynch moved the amendments to HB 483, as contained in exhibit #4, be adopted. Senator Noble seconded the motion. The motion Carried Unanimously.

Recommendation and Vote: Senator Noble made a motion HB 483 BE CONCURRED IN AS AMENDED. Senator Lynch seconded the motion. The motion Carried Unanimously. Senator Thayer carried the bill on the Senate floor.

## DISPOSITION OF HOUSE BILL 662

Discussion: Chairman Thayer asked Mr. Lane of the Department of Fish Wildlife and Parks, to advise the committee of points they wished to make. Mr. Lane said the concern was whether the present statutory language generated a contractual obligation, on behalf of the state. He said the language could indicate that, but he felt people buying the \$1 sticker, would not generally expect to bind the state. (See Exhibit #5) He said he thought this should be looked at as a privilege extended, and the language basically delineated the extent of that privilege and the amount was merely an administrative fee. He stated it was very difficult for the State Legislature from one session, to bind that of another session. He said he did not feel the sticker was a contractual obligation.

Senator Williams asked if there was a letter which accompanied the sticker? Mr. Lane said the sticker was all anyone had received.

Senator Lynch said he felt there was a lesson to be learned, that shouldn't put in statute, words such as 'this pass is valid for the lifetime of the individual'.

Amendments and Votes: None

Recommendation and Vote: Senator Weeding made a motion HB 662 BE CONCURRED IN. Senator Noble seconded the motion. The motion Carried, with Senator Lynch, Senator Boylan, and Senator Meyer opposing. Senator Weeding carried the bill on the Senate floor.

## DISPOSITION OF HOUSE BILL 734

Discussion: Chairman Thayer said they had been holding, HB 536, pending what they did with HB 734. Chairman Thayer stated the sponsor had asked the committee to strip the House amendments, and reinsert new amendments. Mary McCue said Exhibit #6 contained the technical amendments they had discussed. except for the one substantive one, which was striking section 58 in its entirety. She said that was the section which dealt with increasing the fine for false application. She said the amendments from the insurance commissioner's office, simply removed the House amendments. She stated Representative Thomas' amendments put back, the provisions for appointments. (See Exhibit #6)

Chairman Thayer asked Susan Witte of the Auditor's Office, the position of the Auditor on the amendments? Susan Witte said the Auditor did not like the appointments in there. She stated, the portion pertaining to false applications, should be referenced to 33-1-701 which is the hearings procedure for the Insurance Department.

Roger McGlenn said he agreed, that the Insurance Department would only handle the hearing portion, then the felony charges would be under the authority of another department.

Mary McCue asked if it would be more appropriate to refer to the whole part seven, the hearing process? Susan Witte said you probably could, but it may be better to just use the hearing section.

Roger McGlenn told Mary McCue he was comfortable with using the whole part.

Chairman Thayer stated this was the second or third bill where the Auditor had language moving from misdemeanors, to felonies. He said the committee had opposed the language on all occasions, because the language seemed so broad, as to encompass an innocent mistake. Would you like to comment on that language, and tell us what is wrong with the current mechanism for dealing with violators? Susan Witte said she didn't think there was anything in the criminal code that would make violations, of the unfair trade practices chapter, a felony. She said a prosecutor would look to the insurance code for the penalty, and if they looked at it now, they would prosecute it for a misdemeanor. She said they had seen some pretty unfair claims, and all they could do was revoke the license, or fine that person. She said the County Attorney had to deal with any misdemeanor or felony, and it did not give them any more authority.

Larry Akey told Chairman Thayer that Ms. Witte was correct. It did not expand the powers of the Commissioner's Office, but it did expand the penalty from a misdemeanor to a felony. He said they did support the provision in the bill, which gave the Commissioner's Office the ability to revoke a license, of any individual violating provisions of the code, for up to five years. He said they felt that removing someone's livelihood for up to five years, was more than an adequate penalty.

Mary McCue asked where the causes were in bill, as described, in the new section 6, where it said `the causes listed in section 49 or 63? Larry Akey said they were sections 47 and 61 in the new bill.

Chairman Thayer asked if he was right in summarizing, by saying that if they adopted the McCue technical amendments, and if they adopt the McClure amendments Representative Thomas proposed, with this technical change being discussed now, this bill would then meet the approval of everyone; including the Auditor, with the exception of the language that dealt with the appointment process?

Susan Witte said he was correct, the Auditor did not like the appointment language at all.

Chairman Thayer said that it came from the House with that language, and even though the Auditor wanted that language struck, the House would not accept that. He said he felt this language probably made it better, and the House may accept it. He stated there had been a lot of conflicting testimony, as to the need for the appointment language, and his opinion was that the language was necessary. He said the new language did allow the process to work more smoothly.

Amendments and Votes: Senator Meyer moved to adopt the amendments in exhibit #6. Senator McLane seconded the motion. The motion Carried Unanimously.

Discussion: Mary McCue said on page 2, in the new section 6, correcting the internal references, they will now be `if the reason for the for the termination is for any of the causes listed in section 49 or 62, because we are removing section 58. She said at the end of that sentence, where it referred to section 60, we are going to insert `title 33, chapter 1, part 7.

Amendments and Votes: Senator Noble moved to adopt the amendments in exhibit #7. Senator Meyer seconded the motion. The motion Carried Unanimously.

Recommendation and Vote: Senator McLane made a motion HB 734 BE CONCURRED IN AS AMENDED. Senator Williams seconded the motion. The motion Carried Unanimously. Senator Williams carried the bill on the Senate floor.

DISPOSITION OF HOUSE BILL 536

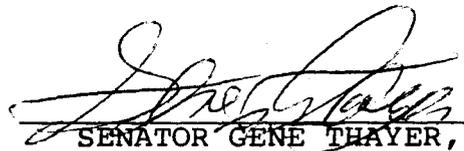
Discussion: Mary McCue said Larry Akey had asked the 40 hours, of prelicensing education, be amended back into the bill.

Amendments and Votes: Senator Meyer moved to adopt the Akey amendment of 40 hours. Senator McLane seconded the motion. The motion carried, with Senator Williams voting against the amendment.

Recommendation and Vote: Senator Weeding made a motion HB 536 BE CONCURRED IN AS AMENDED. senator Hager seconded the motion. The motion Carried Unanimously. Senator Lynch carried the bill on the Senate floor.

ADJOURNMENT

Adjournment At: 11:41 a.m.

  
SENATOR GENE THAYER, Chairman

GT/ct

ROLL CALL

BUSINESS & INDUSTRY COMMITTEE

DATE 3/15/89

51st LEGISLATIVE SESSION 1989

NAME	PRESENT	ABSENT	EXCUSED
SENATOR DARRYL MEYER	✓		
SENATOR PAUL BOYLAN	✓		
SENATOR JERRY NOBLE	✓		
SENATOR BOB WILLIAMS	✓		
SENATOR TOM HAGER	✓		
SENATOR HARRY MC LANE	✓		
SENATOR CECIL WEEDING	✓		
SENATOR JOHN "J.D." LYNCH	✓		
SENATOR GENE THAYER	✓		

Each day attach to minutes.

**SENATE STANDING COMMITTEE REPORT**

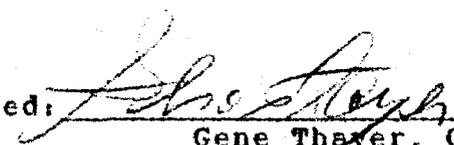
March 15, 1989

**MR. PRESIDENT:**

We, your committee on Business and Industry, having had under consideration HB 406 (third reading copy -- blue), respectfully report that HB 406 be concurred in.

Sponsor: Gould (Williams)

**BE CONCURRED IN**

Signed: 

Gene Thayer, Chairman

41.0.184  
3115 40  
17.2.  
SCRHB406.315

SENATE STANDING COMMITTEE REPORT

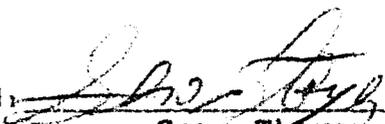
March 15, 1989

MR. PRESIDENT:

We, your committee on Business and Industry, having had under consideration HB 711 (third reading copy -- blue), respectfully report that HB 711 be concurred in.

Sponsor: Cobb (Jacobson)

BE CONCURRED IN

Signed: 

Gene Thayer, Chairman

SCRHB711.315

*Handwritten note:*  
2/15/89  
17:40  
p.m.

**SENATE STANDING COMMITTEE REPORT**

March 15, 1989

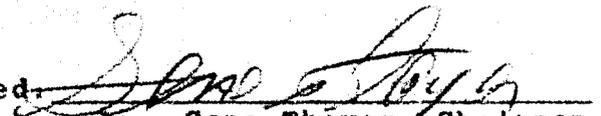
**MR. PRESIDENT:**

We, your committee on Business and Industry, having had under consideration HB 466 (third reading copy -- blue), respectfully report that HB 466 be concurred in.

Sponsor: Blotkamp (Lynch)

**BE CONCURRED IN**

Signed

  
Gene Thayer, Chairman

SENATE STANDING COMMITTEE REPORT

March 15, 1989

MR. PRESIDENT:

We, your committee on Business and Industry, having had under consideration HB 483 (third reading copy -- blue), respectfully report that HB 483 be amended and as so amended be concurred in:

Sponsor: Driscoll (Thayer)

1. Page 5, line 24.

Following: "(1)"

Strike: "An"

Insert: "Except for providing financial support to a private development organization, including a corporation organized under Title 32, chapter 4, whose purpose is to advance the economic development of its jurisdiction and of the state and its citizens, an"

2. Page 5, line 25 through page 6, line 6.

Strike: "except" on line 25 through "CITIZENS," page 6, line 6

3. Page 8, line 6.

Following: "TO"

Insert: "private development"

4. Page 8, line 12.

Strike: "ORGANZATIONS"

Insert: "organizations"

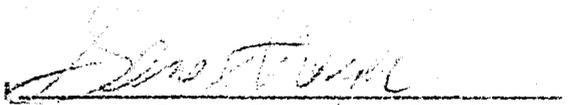
5. Page 8, line 20.

Following: "chapter 4,"

Insert: "whose purpose is to advance the economic development of its jurisdiction and of the state and its citizens,"

AND AS AMENDED BE CONCURRED IN

Signed:



Gene Thayer, Chairman

71.6  
2/15/89  
4:13  
P.M.

SENATE STANDING COMMITTEE REPORT

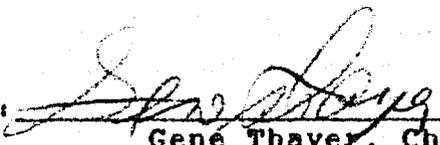
March 15, 1989

MR. PRESIDENT:

We, your committee on Business and Industry, having had under consideration HB 662 (third reading copy -- blue), respectfully report that HB 662 be concurred in.

Sponsor: Rice (Weeding)

BE CONCURRED IN

Signed:   
Gene Thayer, Chairman

Y.C.  
3/15/89  
12:40  
Y.M.

SENATE STANDING COMMITTEE REPORT

page 1 of 4  
March 15, 1989

MR. PRESIDENT:

We, your committee on Business and Industry, having had under consideration HB 734 (third reading copy -- blue), respectfully report that HB 734 be amended and as so amended be concurred in:

Sponsor: Thomas (Williams)

1. Title, line 20.  
Following: "RESIDENCE;"  
Insert: "PROVIDING FOR APPOINTMENT OF INSURANCE PRODUCERS;  
PROVIDING FOR NOTIFICATION UPON TERMINATION OF AN APPOINTED  
INSURANCE PRODUCER;"
2. Title, line 22.  
Strike: "33-14-301,"
3. Title, Page 2, line 4.  
Strike: "33-18-401,"
4. Title, Page 2, lines 7 and 8.  
Following: "33-17-403," on line 7 .  
Strike: "AND"  
Following: "~~33-17-1104,~~" on line 8  
Insert: "AND 33-17-1104,"
5. Page 3, line 1.  
Strike: "33-17-204 through"
6. Page 3, line 2.  
Strike: "33-17-218," and "33-17-403,"
7. Page 3, line 3.  
Strike: "33-17-601,"
8. Page 5, line 5.  
Following: line 4  
Insert: "NEW SECTION. Section 5. Appointments of insurance  
producers by insurers. (1) An insurance producer may not  
claim to be a representative of or an authorized or appointed  
insurance producer of or use another term implying a  
contractual relationship with a particular insurer and may  
not accept applications for the insurer unless the insurance  
producer becomes an appointed insurance producer of that  
insurer pursuant to this section. The following are the  
appointing insurer's requirements for making appointment of  
a licensed insurance producer:

(a) The insurer shall, no later than 15 days from the date the agency contract is executed or the first insurance application is submitted by a licensed insurance producer, whichever is earlier, file with the insurance department a written notice of appointment on a form prescribed by the insurance department.

(b) If there is no executed agency contract, the insurer shall mail to the licensed insurance producer, no later than 15 days from the date the first insurance application is submitted by him, a copy of the notice of appointment form filed with the insurance department. If the licensed insurance producer does not receive the acknowledgement of appointment from the insurer within 30 days from the date the first insurance application is submitted to the insurer, the insurance producer shall immediately discontinue acting as an insurance producer on behalf of that insurer until the acknowledgement is received or the agency contract is executed.

(2) Upon receipt of the notice of appointment, the insurance department shall verify within 5 working days that the licensed insurance producer is eligible for appointment. If the licensed insurance producer is determined to be ineligible for appointment, the insurance department shall notify the insurer within 5 days of the determination.

(3) An appointment is effective on the date of the executed contract and is perpetual until canceled by the insurer.

NEW SECTION. Section 6. Notification of appointment termination. (1) Upon the termination of an appointed insurance producer by an insurer, the insurer shall notify the insurance department within 30 days in the manner prescribed by the insurance department. If the reason of the termination is for any of the causes listed in [section 49 or 62], the insurer shall notify the insurance department of the reason and the insurer shall, upon request of the insurance department, provide information, documents, records, or other data pertaining to the termination that may be used by the insurance department in any action taken pursuant to Title 33, chapter 1, part 7.

(2) Any information, documents, records, or other data provided pursuant to this section is privileged and there is no liability on the part of nor may a cause of action of any nature arise against the insurance department, the insurance company, or an authorized representative of either so long as the privileged information is furnished in good faith."

Renumber: subsequent sections

9. Page 14, lines 13.

Strike: "\$ 500.00"

Insert: "\$ 600.00"

10. Page 14, lines 14 and 16.

Strike: "500.00"

Insert: "600.00"

11. Page 15, lines 8 through 21.

Strike: subsection (e) in its entirety

Re-number: subsequent subsections

12. Page 16, line 6.

Following: "~~100.00~~"

Strike: "50.00"

Insert: "40.00"

13. Page 19, lines 18 through 23.

Strike: subsection (2) in its entirety

Re-number: subsequent subsection

14. Page 25, line 5.

Strike: "or"

Insert: "of"

15. Page 29, lines 8 through 13.

Strike: subsection (2) in its entirety

Re-number: subsequent subsections

16. Page 30, line 24.

Strike: "that"

Insert: "the"

17. Page 32, lines 10 through 15.

Strike: subsection (2) in its entirety

Re-number: subsequent subsections

18. Page 34, line 1.

Strike: "that"

Insert: "the"

19. Page 45, line 14.

Following: "contents"

Insert: "-- lapse of license -- change of address"

20. Page 69, line 4.

Following: "any"

Insert: "other"

21. Page 69, line 22.

Strike: "in"

22. Page 77, lines 4 through 6.

Following: "~~33-17-1104~~"

Strike: remainder of line 4 through "33-17-1104" on line 6

23. Page 82, line 19 through page 83, line 15.

Strike: section 58 in its entirety

Re-number: subsequent sections

24. Page 92, line 2.

Following: "33-17-403,"

Strike: "AND

Following: "~~33-17-1104,~~"

Insert: "and 33-17-1104,"

25. Page 92, line 9.

Strike: "Section"

Insert: "Sections"

Following: "4"

Insert: "through 6"

Following: "4]"

Strike: "is"

Insert: "are"

26. Page 92, line 11.

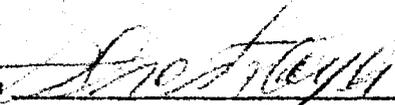
Strike: "section"

Insert: "sections"

Following: "4"

Insert: "through 6"

AND AS AMENDED BE CONCURRED IN

Signed: 

Gene Thayer, Chairman

SENATE STANDING COMMITTEE REPORT

March 17, 1989

MR. PRESIDENT:

We, your committee on Business and Industry, having had under consideration HB 536 (third reading copy -- blue), respectfully report that HB 536 be amended and as so amended be concurred in:

Sponsor: Brown, J. (Lynch)

1. Page 2, line 11.

Strike: "20TH"

Insert: "40th"

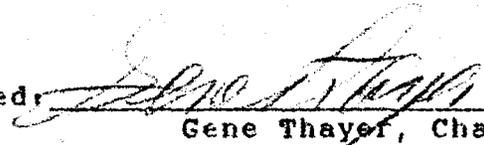
2. Page 3, lines 6 and 13.

Page 14, line 11.

Strike: "20"

Insert: "40"

AND AS AMENDED BE CONCURRED IN

Signed: 

Gene Thayer, Chairman

410.  
3/17/89  
4:55  
p.m.

SCRHB536.317

# Montana Magistrates Association

SENATE BILL NO. 1000

EXHIBIT NO. 1

DATE 3/15/89

BILL NO. HB466

15 March 1989

Testimony offered in support of HB466, a bill for an act entitled: "An act to increase the maximum value of guaranteed arrest bond certificates that may be issued by an automobile club or association or an insurance company from \$100 to \$5,000."

Given by Wallace A. Jewell on behalf of the Montana Magistrates Association representing the judges of courts of limited jurisdiction of Montana.

We support this proposal because in this day and age there are many offenses that the limited jurisdiction courts see that have a bond schedule amount well in excess of \$100. As an example, probably the most commonly seen offense is failing to show proof of liability insurance which, by the mandate of the legislature, now has a minimum fine of \$260. In many instances, especially when the defendant is not a resident of the jurisdiction in which he receives the citation, the defendant must remain in custody when he receives such a citation. Most of the time a defendant who has a guaranteed arrest bond certificate also has liability insurance, but if he can not show proof of same he must remain in custody. If the maximum value of the arrest bond certificate were increased it would cover this situation and many others.

We urge you to support this proposal to bring the value of the guaranteed arrest bond certificates in line with what seem to be ever increasing fine amounts.

*Wallace A Jewell*

EXHIBIT NO. 2

DATE 3/15/89

DATE BILL 3/15/89 AB645

NAME: Curt Wilson

ADDRESS: 212 S<sup>th</sup> St. So Great Falls, Montawa

PHONE: Bus: (406) 727-9543 Home (406) 965-3032

REPRESENTING WHOM? Montawa Pawn Brokers

APPEARING ON WHICH PROPOSAL: HB 645

DO YOU: SUPPORT?  As previously amended AMEND? \_\_\_\_\_ OPPOSE? \_\_\_\_\_

COMMENTS: ~~attached~~ submitted

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

## HB 645

Members of the committee, my name is Curt Wilson I am the owner of Montana Pawn Broker\*s Inc., in Great Falls, and I am speaking on behalf of several of the Pawn Brokers in Montana.

There are at this time, apprx. 61 different business in the state with over 70 locations in twenty counties. While the majority of the shops are one family operations, some of them employ 6-8 people in different locations.

After much discussion on H B 645, sponsored by Rep. Addy, on behalf of the Yellowstone County Attorney, We the Pawn Broker's of Montana believe that the bill, as amended, is agreeable to all parties.

Apparently, there is one individual in yellowstone county and 2 in Missoula County that have caused some problems for law enforcement. It appears that the Missoula problems have been taken care of by SB 413, which passed in committee last week.

HB 645 is a good bill, as presently amended, as it meets the concerns expressed by the county attorneys and also leaves in place basic protections that are enjoyed by all the other business's and individuals alike in our state. As this Bill, as presently amended favorably impacts over 100 families in Montana, we urge a do pass as presently amended.

Thank you very much fo your time.

Amendments to House Bill No. 483  
Third Reading Copy

Requested by Rep. Driscoll  
For the Committee on Business and Industry

Prepared by Mary McCue  
March 14, 1989

1. Page 5, line 24.

Following: "(1)"

Strike: "An"

Insert: "Except as to provide financial support to a private organization, including a corporation organized under the Development Corporation Act, whose purpose is to advance the economic development of its jurisdiction and the state and its citizens, an"

2. Page 5, line 25 through page 6, line 6.

Strike: ", except" on line 25 through "CITIZENS," page 6, line 6

3. Page 8, line 6.

Following: "TO"

Insert: "private development"

4. Page 8, line 12.

Strike: "ORGANZATIONS"

Insert: "organizations"

5. Page 8, line 20.

Following: "chapter 4,"

Insert: "whose purpose is to advance the economic development of its jurisdiction and of the state and its citizens,"

EXHIBIT NO. 5

DATE 3/15/89

BILL NO. HB 662

*Lane*

BEND AND PEEL AT SCORE LINE

## GOLDEN YEARS PASS

This Camping Permit will allow the purchaser and all persons accompanying him in a noncommercial vehicle to camp in all areas developed for this purpose by the Montana Department of Fish and Game.

Camping in such areas is subject to rules and regulations promulgated by the commission.

This permit must be permanently affixed to the left rear side window of the vehicle or nearest window to the left rear corner of the vehicle if no side window exists.

Issued by the Montana Department of Fish and Game.

ADHERE TO INSIDE OF GLASS

SERIAL NUMBER 1- 2916

Amendments to House Bill No. 734  
Third Reading Copy  
For the Committee on Business and Industry  
Prepared by Mary McCue  
March 14, 1989

1. Title, line 22.  
Strike: "33-14-301,"
2. Title, Page 2, line 4.  
Strike: "33-18-401,"
3. Page 3, line 1.  
Strike: "33-17-204 through"
4. Page 3, line 2.  
Strike: "33-17-218," and "33-17-403,"
5. Page 3, line 3.  
Strike: "33-17-601,"
6. Page 25, line 5.  
Strike: "or"  
Insert: "of"
7. Page 28, line 15.  
Strike: "(5)"  
Insert: "(6)"
8. Page 30, line 24.  
Strike: "that"  
Insert: "the"
9. Page 34, line 1.  
Strike: "that"  
Insert: "the"
10. Page 45, line 14.  
Following: "contents"  
Insert: "-- lapse of license -- change of address"
11. Page 69, line 4.  
Following: "any"  
Insert: "other"
12. Page 69, line 22.  
Strike: "in"
13. Page 77, line 4.  
Strike: "AS"
14. Page 82, line 19 through page 83, line 15.  
Strike: section 58 in its entirety  
Renumber: subsequent sections

Amendments to House Bill No. 734  
Third Reading Copy

For the Senate Committee on Business and Industry

Prepared by Eddy McClure  
March 9, 1989

1. Title, line 20.

Following: "RESIDENCE;"

Insert: "PROVIDING FOR APPOINTMENT OF INSURANCE PRODUCERS;  
PROVIDING FOR NOTIFICATION UPON TERMINATION OF AN APPOINTED  
INSURANCE PRODUCER;"

2. Title, Page 2, lines 7 and 8.

Following: "33-17-403,"

Strike: "AND"

Following: "~~33-17-1104,~~"

Insert: "AND 33-17-1104,"

3. Page 5, line 5.

Following: line 4

Insert: "NEW SECTION. Section 5. Appointments of insurance producers by insurers. (1) An insurance producer may not claim to be a representative of or an authorized or appointed insurance producer of or use another term implying a contractual relationship with a particular insurer and may not accept applications for the insurer unless the insurance producer becomes an appointed insurance producer of that insurer pursuant to this section. The following are the appointing insurer's requirements for making appointment of a licensed insurance producer:

(a) The insurer shall, no later than 15 days from the date the agency contract is executed or the first insurance application is submitted by a licensed insurance producer, whichever is earlier, file with the insurance department a written notice of appointment on a form prescribed by the insurance department.

(b) If there is no executed agency contract, the insurer shall mail to the licensed insurance producer, no later than 15 days from the date the first insurance application is submitted by him, a copy of the notice of appointment form filed with the insurance department. If the licensed insurance producer does not receive the acknowledgement of appointment from the insurer within 30 days from the date the first insurance application is submitted to the insurer, the insurance producer shall immediately discontinue acting as an insurance producer on behalf of that insurer until the acknowledgement is received or the agency contract is executed.

(2) Upon receipt of the notice of appointment, the

EX. #1  
3/15/89

insurance department shall verify within 5 working days that the licensed insurance producer is eligible for appointment. If the licensed insurance producer is determined to be ineligible for appointment, the insurance department shall notify the insurer within 5 days of the determination.

(3) An appointment is effective on the date of the executed contract and is perpetual until canceled by the insurer.

NEW SECTION. Section 6. Notification of appointment termination. (1) Upon the termination of an appointed insurance producer by an insurer, the insurer shall notify the insurance department within 30 days in the manner prescribed by the insurance department. If the reason of the termination is for any of the causes listed in [section 49 or 63], the insurer shall notify the insurance department of the reason and the insurer shall, upon request of the insurance department, provide information, documents, records, or other data pertaining to the termination that may be used by the insurance department in any action taken pursuant to [section 60].

(2) Any information, documents, records, or other data provided pursuant to this section is privileged and there is no liability on the part of nor may a cause of action of any nature arise against the insurance department, the insurance company, or an authorized representative of either so long as the privileged information is furnished in good faith."

Renumber: subsequent sections

4. Page 14, lines 13 through 15.

Following: "~~\$ 300.00~~"

Strike: "\$ 500.00"

Insert: "\$ 600.00"

5. Page 15, lines 8 through 21.

Strike: subsection (e) in its entirety

Renumber: subsequent subsections

6. Page 16, line 6.

Following: "~~100.00~~"

Strike: "50.00"

Insert: "40.00"

7. Page 19, lines 18 through 23.

Strike: subsection (2) in its entirety

Renumber: subsequent subsection

8. Page 29, lines 8 through 13.

Strike: subsection (2) in its entirety

3/15/89

Renumber: subsequent subsections

9. Page 32, lines 10 through 15.

Strike: subsection (2) in its entirety

Renumber: subsequent subsections

10. Page 77, lines 4 through 6.

Following: "~~33-17-1104~~"

Strike: remainder of line 4 through "33-17-1104" on line 6

11. Page 92, line 2.

Following: "33-17-403,"

Strike: "AND

Following: "~~33-17-1104,~~"

Insert: "and 33-17-1104,"

12. Page 92, line 9.

Following: "4"

Insert: "through 6"

Following: "4]"

Strike: "is"

Insert: "are"

13. Page 92, line 11.

Following: "4"

Insert: "through 6"



