

MINUTES

MONTANA HOUSE OF REPRESENTATIVES  
55th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TRANSPORTATION

**Call to Order:** By CHAIRMAN SHIELL ANDERSON, on February 5, 1997,  
at 3:00 P.M., in Room 420

ROLL CALL

**Members Present:**

Rep. Shiell W. Anderson, Chairman (R)  
Rep. Rick Jore, Vice Chairman (Majority) (R)  
Rep. Patrick G. Galvin, Vice Chairman (Minority) (D)  
Rep. Joe Barnett (R)  
Rep. Rod Bitney (R)  
Rep. Sylvia Bookout-Reinicke (R)  
Rep. Matt Brainard (R)  
Rep. Bob Clark (R)  
Rep. Charles R. Devaney (R)  
Rep. David Ewer (D)  
Rep. H.S. "Sonny" Hanson (R)  
Rep. Marian W. Hanson (R)  
Rep. Rod Marshall (R)  
Rep. Gerald Pease (D)  
Rep. William M. "Bill" Ryan (D)  
Rep. Dorothy C. Simpson (D)  
Rep. Jack Wells (R)  
Rep. Bill Whitehead (D)

**Members Excused:** None

**Members Absent:** None

**Staff Present:** Leanne Kurtz, Legislative Services Division  
Mary Lou Schmitz, Committee Secretary

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: SB 9 - 2-3-97  
HB 362 - 2-3-97  
HB 363 - 2-3-97

Executive Action: SB 9 - BE CONCURRED IN

HEARING ON SB 9

"AN ACT TO ALLOW USE OF BOOK VALUE AS MEASURE OF DAMAGES FOR  
MOTOR VEHICLES"

**Sponsor:** Senator Ric Holden, SD 1

{Tape: 1; Side: A; Approx. Time Count: 1.1 }

Opening Statement by Sponsor: Senator Holden said the Bill allows insurance consumers in the state to settle losses with their insurance carriers based on book value if they choose to. It is not mandatory.

{Tape: 1; Side: A; Approx. Time Count: 3.6 - 7.5; }

Proponents: Ron Ashabraner, State Farm Insurance.

Russell Hill, Montana Trial Lawyers.

Opponents: None

{Tape: 1; Side: A; Approx. Time Count: 8.0 - 21.1}

Questions From Committee Members and Responses: Reps. Clark, Bitney, Simpson, Anderson, Ewer, Devaney, Bookout.

Responses by Senator Holden.

{Tape: 1; Side: A; Approx. Time Count: 21.8}

Closing by Sponsor: Senator Holden closed the Hearing on SB 9.

Vice Chairman Jore conducted the meeting at this point.

#### HEARING ON HB 363

"AN ACT TO ALLOW THE MONTANA DEPARTMENT OF TRANSPORTATION AND LOCAL GOVERNMENTS TO EXCHANGE MAINTENANCE RESPONSIBILITIES."

Sponsor: Rep. Shiell Anderson, HD 25.

{Tape: 1; Side: A; Approx. Time Count: 22.9; }

Opening Statement by Sponsor: Rep. Anderson opened the Hearing on HB 363.

{Tape: 1; Side: A; Approx. Time Count: 23.7; }

Proponents: Tim Reardon, Chief Legal Counsel, Montana Department of Transportation.

{Tape 1; Side: A ; Approx. Time Count: 26.8 ; }

John Blacker, Administrator, Maintenance Division, Department of Transportation.

{Tape: 1; Side: A; Approx. Time Count: 29.7; }

Opponents: Carl Schweitzer, Montana Contractors' Association.

{Tape: 1; Side: A; Approx. Time Count: 31.0; }

Questions From Committee Members and Responses: Reps. Wells, Brainard, Barnett.

Responses by Carl Schweitzer; John Blacker; Tim Reardon; Rep. Anderson;

HOUSE TRANSPORTATION COMMITTEE  
February 5, 1997  
Page 3 of 5

{Tape: 1; Side: A; Approx. Time Count: 46.4; }

Closing by Sponsor: Rep. Anderson closed the Hearing on HB 363.

HEARING ON HB 362

"AN ACT ALLOWING THE DEPARTMENT OF TRANSPORTATION AND A LOCAL GOVENING BODY OR A TRIBAL GOVERNMENT TO EXCHANGE MAINTENANCE RESPONSIBILITIES ON ROADS AND PUBLIC HIGHWAYS WITHIN THEIR RESPECTIVE JURISDICTIONS;"

Sponsor: Rep. Shiell Anderson, HD 25.

{Tape: 1; Side: A; Approx. Time Count: 48.2 }

Opening Statement by Sponsor: Rep. Anderson opened the Hearing on HB 362.

{Tape: 1; Side: A; Approx. Time Count: 49.4 - 60.0; }

Proponents: Tim Reardon, Chief Legal Counsel, Department of Transportation.

John Blacker, Administrator, Maintenance Division, Department of Transportation.

Bob Worthington, Program Administrator, MMIA.  
(Insurance Organization).

{Tape: 1; Side: A; Approx. Time Count: 60.1 - 62.3; }

Opponents: Carl Schweitzer, Montana Construction Association.

{Tape: 1; Side: A; Approx. Time Count: 63.0 - 88.5; }

Questions From Committee Members and Responses: Reps. Whitehead, Barnett, Clark, Galvin, Jore,

Responses from Carl Schweitzer; Tim Reardon; John Blacker; Sarah Bond, Attorney General's Office;

{Tape: 1; Side: A; Approx. Time Count: ; }

Closing by Sponsor: Rep. Anderson closed the Hearing on HB 362.

EXECUTIVE ACTION ON SB 9

{Tape: 1; Side: A; Approx. Time Count: 90.1; }

Motion: Rep. Sonny Hanson moved BE CONCURRED IN.

{Tape: 1; Side: A; Approx. Time Count: 91.8 }

Motion: Rep. Ewer moved a conceptual amendment on SB 9.

{Tape: 1; Side: B; Approx. Time Count: .01 - 11.9; }

Discussion: Reps. Bitney, Simpson, Hanson, Ewer, Wells, Devaney, Bookout, Galvin, Clark, Barnett.

Responses from Sarah Bond

HOUSE TRANSPORTATION COMMITTEE  
February 5, 1997  
Page 4 of 5

Rep. Ewer withdrew his motion at this point.

**Motion:** Rep. Ewer moved to DO NOT CONCUR SB 9.

*{Tape: 1; Side: B; Approx. Time Count: 17.0; }*

**Discussion:** Reps. Barnett, Bookout, Bitney, Devaney, Ewer, Sonny Hanson, Galvin, Ryan, Brainard, Clark.

**Vote:** Motion failed 11 - 5.

**Motion/Vote:** Rep. Ewer moved a conceptual amendment requiring written disclosure by the insurance company that the customer has the choice of either receiving replacement value or book value. Motion failed 9 - 9.

*{Tape: 1; Side: B; Approx. Time Count: 27.5; }*

**Vote on Original Motion:** SB 9 BE CONCURRED IN carried 15 - 3.

HOUSE TRANSPORTATION COMMITTEE

February 5, 1997

Page 5 of 5

ADJOURNMENT

Adjournment: 5:20 p.m.

Shiell W. Anderson  
REP. SHIELL W. ANDERSON, Chairman

Mary Lou Schmitz  
MARY LOU SCHMITZ, Secretary

SWA/MLS