

House Bill 710

In The House

February 11, 1981	Introduced and referred to Committee on Business and Industry.
February 18, 1981	Committee recommend bill do pass as amended.
February 19, 1981	Bill printed and placed on members' desks.
February 21, 1981	Second reading do pass.
February 23, 1981	Correctly engrossed.
February 24, 1981	Third reading passed.

In The Senate

March 2, 1981	Introduced and referred to Committee on Business and Industry.
March 21, 1981	Committee recommend bill concurred.
March 24, 1981	Motion pass consideration.
March 25, 1981	Second reading pass consideration.
March 26, 1981	On motion taken from second reading and referred to Committee on Business and Industry. Motion adopted.
April 23, 1981	Died in Committee.

1 HOUSE BILL NO. 710
2 INTRODUCED BY Kitelwan-----

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR FURTHER
5 CONTROLS OF NONRESIDENT INSURANCE LICENSEES; AMENDING
6 SECTION 33-17-404, MCA."

7
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

9 Section 1. Section 33-17-404, MCA, is amended to read:

10 "33-17-404. Countersigning coverage of residents. *
11 ~~Except as provided in 33-17-1111, a~~ nonresident agent shall
12 not sign or countersign policies covering subjects of
13 insurance located or to be performed in Montana. ~~Except as~~
14 ~~provided in 33-17-1111, these policies must be countersigned~~
15 ~~by a licensed resident agent."~~

16 NEW SECTION. Section 2. Nonresident agent to pay
17 income taxes -- annual report required -- penalties --
18 premium taxes. (1) A nonresident licensee is subject to
19 personal income, business income, or corporate license taxes
20 for all income earned on insurance policies issued to cover
21 subjects or risks located or to be performed in the state of
22 Montana.

23 (2) A nonresident licensee shall make a written report
24 to the commissioner annually within 45 days following the
25 end of each calendar year. The report shall contain a

1 listing of all business written on subjects or risks located
2 or performed in Montana. The report shall be in such form as
3 prescribed by the commissioner and shall include but not be
4 limited to a listing of company, policy number, premium
5 earned, and commission earned.

6 (3) A nonresident licensee who violates any provision
7 of his license, including the provision requiring an annual
8 report, is subject to a fine by the commissioner of up to
9 \$10,000 for each such violation and may, at the discretion
10 of the commissioner, have his Montana nonresident license
11 revoked or suspended for a period of up to 10 years.

12 (4) Any insurer who issues a policy on a subject or
13 risk located or to be performed in the state of Montana
14 through a nonresident licensee shall pay a premium tax on
15 such policy to the state of Montana.

16 Section 3. Codification instruction. Section 2 is
17 intended to be codified as an integral part of Title 33,
18 chapter 17, part 4, and the provisions of section 2 apply to
19 Title 33, and the provisions of Title 33 apply to section 2.

-End-

1 STATEMENT OF INTENT

2 HOUSE BILL 710

3 House Business and Industry Committee

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5 A statement of intent is required for HB 710 because
6 the bill authorizes the insurance commissioner to prescribe
7 forms for reporting of business written by nonresident
8 agents. The report shall include the name of the company,
9 the policy number, premium earned and commission earned, and
10 any other information as the commissioner may direct.

Approved by Committee
on Business and Industry

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12 (4) Any insurer who issues a policy on a subject or
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