

SENATE JOINT RESOLUTION NO. 1  
INTRODUCED BY TOWE, SPAETH, VINCENT

IN THE SENATE

|                |   |
|----------------|---|
| March 26, 1986 | Introduced and referred to<br>Committee on State<br>Administration. |
| March 27, 1986 | Committee recommend bill do<br>pass as amended. Report<br>adopted.  |
|                | Second reading, do pass.  |
|                | Third reading, passed.<br>Ayes 49; Noes, 0.                         |
|                | Transmitted to House.   |

IN THE HOUSE

|                |   |
|----------------|---|
| March 27, 1986 | Introduced and referred to<br>Committee on Business and<br>Labor. |
| March 28, 1986 | Committee recommend bill be<br>concurred in. Report adopted.      |
|                | Second reading, concurred in<br>as amended.                       |
|                | Third reading, concurred in.                                      |
|                | Returned to Senate with<br>amendments.                            |

IN THE SENATE

March 29, 1986

Received from House.

On motion, SJR 1 be placed on second reading this day.

Second reading, amendments not concurred in.

On motion, Conference Committee requested and appointed.

Conference Committee reported.

Second reading, Conference Committee report adopted.

Third reading, Conference Committee report adopted.  
Ayes 48; Noes, 1.

Conference Committee report adopted by House.

Sent to enrolling.

Reported correctly enrolled.

REFER TO  
STATE ADMINISTRATION

1 Senate JOINT RESOLUTION NO. 1  
2 INTRODUCED BY Don Speth VINCENT  
3

4 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF  
5 REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN  
6 INTERIM STUDY OF INSURANCE-RELATED PROBLEMS, INCLUDING THE  
7 HIGH COST AND UNAVAILABILITY OF LIABILITY INSURANCE,  
8 PROPOSAL FOR GENERAL TORT REFORM, AND GENERAL QUESTIONS  
9 INVOLVING PUBLIC AND PRIVATE LIABILITY ISSUES; REQUIRING A  
10 REPORT OF THE FINDINGS OF THE STUDY TO THE 50TH LEGISLATURE.  
11

12 WHEREAS, on December 31, 1985, the Supreme Court of the  
13 State of Montana issued the Pfost decision, overturning our  
14 sovereign immunity protections and thereby exposing state  
15 governmental entities to unlimited civil liability; and

16 WHEREAS, recent turmoil in the insurance industry has  
17 placed insurance coverage and protection beyond the reach of  
18 many businesses and governmental entities; and

19 WHEREAS, considerable evidence establishes the  
20 difficulty of other businesses and governmental entities to  
21 obtain insurance coverage and protection at reasonable  
22 rates; and

23 WHEREAS, the high cost of insurance seriously threatens  
24 the provision of certain goods and services to the state's  
25 citizens; and

1 WHEREAS, certain proposed solutions to the complex  
2 problems of insurance coverage and protection and public and  
3 private tort liability are extremely complex, and adequate  
4 and effective solutions may not be obtainable within the  
5 pressures of a special or regular legislative session; and  
6 WHEREAS, a thoughtful and reasoned study of the myriad  
7 aspects of insurance costs and availability, tort reform  
8 proposals, and public and private liability would aid in the  
9 solution of these complex issues.  
10

11 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE  
12 OF REPRESENTATIVES OF THE STATE OF MONTANA:

13 That a special joint interim committee be assigned to  
14 study and to prepare legislation to address:

15 (1) insurance problems, including how to make  
16 insurance coverage and protection available to Montana  
17 citizens at a reasonable cost;

18 (2) the effectiveness of various tort reform  
19 proposals; and

20 (3) general questions involving public and private  
21 liability, including but not limited to the issues of the  
22 collateral source rule, simultaneous pursuit of a bad faith  
23 claim with the underlying claim, structured settlements,  
24 statutes of limitations, joint and several liability, caps  
25 on damage awards, contingent fee arrangements, punitive

-2- INTRODUCED BILL  
SJR1

LC 0028/01

- 1 damages, and sanctions for filing frivolous lawsuits.
- 2 BE IT FURTHER RESOLVED, that money be appropriated to
- 3 fund the study, and that the committee prepare a report of
- 4 study findings for the 50th Legislature.

-End-

APPROVED BY COMMITTEE  
ON STATE ADMINISTRATION

SJR 0001/02

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WHEREAS, on December 31, 1985, the Supreme Court of the State of Montana issued the Pfost decision, overturning our sovereign immunity protections and thereby exposing state governmental entities to unlimited civil liability; and

WHEREAS, ~~recent-turmoil~~ CURRENT CIRCUMSTANCES in the insurance industry ~~has-placed~~ HAVE MADE insurance coverage and protection ~~beyond-the-reach-of~~ UNAVAILABLE FOR many businesses and governmental entities; and

WHEREAS, considerable evidence establishes the difficulty of other businesses and governmental entities to obtain insurance coverage and protection at reasonable rates; and

WHEREAS, the high cost of insurance seriously threatens the provision of certain goods and services to the state's

citizens; and

WHEREAS, certain proposed solutions to the complex problems of insurance coverage and protection and public and private tort liability are ~~extremely--complex~~ NOT EASILY IDENTIFIED, and adequate and effective solutions may not be obtainable within the pressures of a special or regular legislative session; and

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**SECOND READING**

1 collateral source rule, simultaneous pursuit of a bad faith  
2 claim with the underlying claim, structured settlements,  
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5 FOR DEFENSE COUNSEL, REINSURANCE, A STATE REINSURANCE FUND,  
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LC 0028/01

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REFERENCE BILL  
SJR 1  
AS AMENDED

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11 BE-IT-FURTHER-RESOLVED,-THAT,-PRIOR-TO-MAKING--THEIR  
12 APPOINTMENTS--UNDER--AUTHORITY--OF-5-5-211,-MCA,-THE-SPEAKER  
13 AND-COMMITTEE-ON-COMMITTEES-ARE-REQUESTED--TO--CONSULT--WITH  
14 AND--FOLLOW--THE--RECOMMENDATIONS--OF--THE--RESPECTIVE-PARTY  
15 LEADERS-IN-EACH-HOUSE,

-End-

# CONFERENCE COMMITTEE REPORT

Report No. 1

3/29/86 19  

MR. SPEAKER

We, your \_\_\_\_\_ Conference Committee on

Senate Joint Resolution No. 1

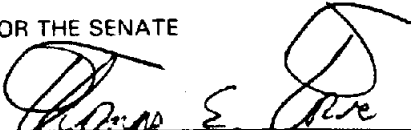
met and considered House Committee of the Whole Amendment of 3/28/86

We recommend as follows:

That the House recede from the amendment of 3/28/86

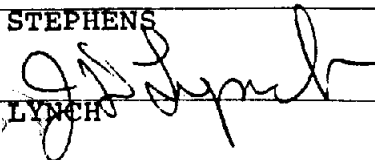
And that this Conference Committee report be adopted.

FOR THE SENATE



TOWE

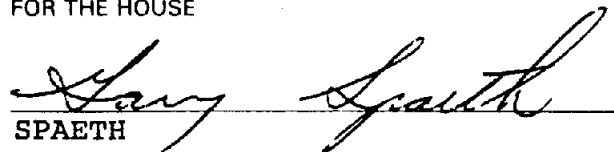
STEPHENS



LYNCH

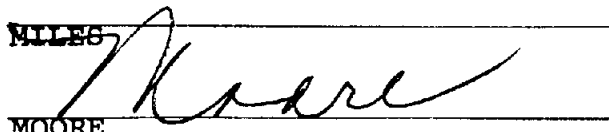
ADOPT REJECT

FOR THE HOUSE



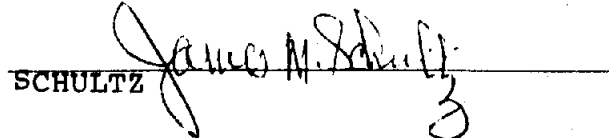
SPAETH

MILES



MOORE

SCHULTZ



# COMMITTEE OF THE WHOLE AMENDMENT

3/28/86

DATE

7:52

TIME

MR. CHAIRMAN: I MOVE TO AMEND SENATE JOINT RESOLUTION 1

3rd reading copy ( blue ) as follows:  
Color

1. Page 3, following line 1.

Insert: "BE IT FURTHER RESOLVED, that, prior to making their appointments under authority of 5-5-211, MCA, the speaker and committee on committees are requested to consult with and follow the recommendations of the respective party leaders in each house."

ADOPT

REJECT



Rep. Marks