

HOUSE BILL NO. 434

INTRODUCED BY RICE, J. BROWN, COCCHIARELLA, WHALEN, MERCER

IN THE HOUSE

JANUARY 26, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT. FIRST READING.
FEBRUARY 1, 1989	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
FEBRUARY 2, 1989	PRINTING REPORT.
FEBRUARY 3, 1989	SECOND READING, DO PASS AS AMENDED.
FEBRUARY 4, 1989	ENGROSSING REPORT.
FEBRUARY 6, 1989	THIRD READING, PASSED. AYES, 98; NOES, 0. TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 7, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & INDUSTRY. FIRST READING.
MARCH 13, 1989	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 14, 1989	SECOND READING, CONCURRED IN.
MARCH 16, 1989	THIRD READING, CONCURRED IN. AYES, 48; NOES, 0. RETURNED TO HOUSE.

MARCH 17, 1989

IN THE HOUSE

RECEIVED FROM SENATE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 *House* BILL NO. *434*
2 INTRODUCED BY *Kici J. Brown Paulinaella*
3 *Whalen* *MERCER*
4 A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THAT
5 TELECOMMUNICATIONS CONTRACTS ARE NOT INSURANCE CONTRACTS;
6 AMENDING SECTION 33-1-201, MCA; AND PROVIDING AN IMMEDIATE
7 EFFECTIVE DATE."
8

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 **Section 1.** Section 33-1-201, MCA, is amended to read:

11 "33-1-201. Definitions -- insurance in general. For
12 the purposes of this code, the following definitions apply
13 unless the context requires otherwise:

14 (1) An "alien insurer" is one formed under the laws of
15 any country other than the United States, its states,
16 districts, territories, and commonwealths.

17 (2) An "authorized insurer" is one duly authorized by
18 subsisting certificate of authority issued by the
19 commissioner to transact insurance in this state.

20 (3) A "domestic insurer" is one incorporated under the
21 laws of this state.

22 (4) A "foreign insurer" is one formed under the laws
23 of any jurisdiction other than this state. Except where
24 distinguished by context, foreign insurer includes also an
25 alien insurer.

1 (5) (a) "Insurance" is a contract whereby one
2 undertakes to indemnify another or pay or provide a
3 specified or determinable amount or benefit upon
4 determinable contingencies.

5 (b) Insurance does not include contracts for the
6 provision of inside telecommunications wiring to residential
7 or business premises.

8 (6) "Insurer" includes every person engaged as
9 indemnitor, surety, or contractor in the business of
10 entering into contracts of insurance. The term also
11 includes a health service corporation in the provisions
12 listed in 33-30-102.

13 (7) A "resident domestic insurer" is an insurer
14 incorporated under the laws of this state and:

15 (a) if a mutual company, not less than one-half of the
16 policyholders are natural persons who are residents of this
17 state; or

18 (b) if a stock insurer, not less than one-half of the
19 shares are owned by natural persons who are residents of
20 this state and all of the directors and officers of the
21 insurer are residents of this state.

22 (8) "State", when used as relating to jurisdiction,
23 means a state, the District of Columbia, or a territory,
24 commonwealth, or possession of the United States.

25 (9) "Transact", with respect to insurance, includes

1 any of the following:

- 2 (a) solicitation and inducement;
- 3 (b) preliminary negotiations;
- 4 (c) effectuation of a contract of insurance;
- 5 (d) transaction of matters subsequent to effectuation
- 6 of the contract of insurance and arising out of it.

7 (10) An "unauthorized insurer" is one not authorized by
8 subsisting certificate of authority issued by the
9 commissioner to transact insurance in this state."

10 NEW SECTION. Section 2. Extension of authority. Any
11 existing authority to make rules on the subject of the
12 provisions of [this act] is extended to the provisions of
13 [this act].

14 NEW SECTION. Section 3. Effective date. [This act] is
15 effective on passage and approval.

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APPROVED BY COMM. ON BUSINESS
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