# SENATE BILL NO. 363

# INTRODUCED BY CRIPPEN

## IN THE SENATE

FEBRUARY 7, 1989 INTRODUCED AND REFERRED TO COMMITTEE ON JUDICIARY.

FIRST READING.

FEBRUARY 16, 1989 COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.

FEBRUARY 17, 1989 PRINTING REPORT.

FEBRUARY 18, 1989 SECOND READING, DO PASS.

FEBRUARY 20, 1989 ENGROSSING REPORT.

THIRD READING, PASSED. AYES, 45; NOES, 5.

TRANSMITTED TO HOUSE.

IN THE HOUSE

FEBRUARY 21, 1989

MARCH 16, 1989

FEBRUARY 21, 1989

INTRODUCED AND REFERRED TO COMMITTEE ON JUDICIARY.

FIRST READING.

COMMITTEE RECOMMEND BILL BE CONCURRED IN AS AMENDED. REPORT ADOPTED.

MARCH 27, 1989 SECOND READING, CONCURRED IN.

MARCH 29, 1989 THIRD READING, CONCURRED IN. AYES, 93; NOES, 4.

RETURNED TO SENATE WITH AMENDMENTS.

IN THE SENATE

APRIL 3, 1989 SECOND READING, AMENDMENTS NOT

CONCURRED IN.

APRIL 4, 1989 ON MOTION, FREE CONFERENCE COMMITTEE REQUESTED AND APPOINTED. IN THE HOUSE APRIL 6, 1989 ON MOTION, FREE CONFERENCE COMMITTEE REQUESTED AND APPOINTED. IN THE SENATE APRIL 6, 1989 FREE CONFERENCE COMMITTEE REPORTED. IN THE HOUSE APRIL 7, 1989 FREE CONFERENCE COMMITTEE REPORTED. APRIL 11, 1989 SECOND READING, FREE CONFERENCE COMMITTEE REPORT ADOPTED. IN THE SENATE SECOND READING, FREE CONFERENCE APRIL 11, 1989 COMMITTEE REPORT ADOPTED. APRIL 13, 1989 THIRD READING, FREE CONFERENCE COMMITTEE REPORT ADOPTED.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

51st Legislature

LC 1403/01

Bet BILL NO. 363 1 INTRODUCED BY 2 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING PARTIES TO A 5 CONTRACT FOR THE ACQUISITION OF REAL OR PERSONAL PROPERTY, 6 SERVICES, OR MONEY OR CREDIT TO AGREE TO SUBMIT ANY FUTURE 7 CONTRACTUAL DISPUTES TO ARBITRATION, REGARDLESS OF THE 8 DOLLAR AMOUNT OF THE CONTRACT; DELETING THE DOLLAR AMOUNT 9 LIMITATION FOR CONTRACTS THAT MAY CONTAIN SUCH ARBITRATION 10 AGREEMENTS; AND AMENDING SECTION 27-5-114, MCA. "

11

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

13 Section 1. Section 27-5-114, MCA, is amended to read: 14 "27-5-114. Validity of arbitration agreement --15 exceptions. (1) A written agreement to submit an existing 16 controversy to arbitration is valid and enforceable except 17 upon such grounds as exist at law or in equity for the 18 revocation of a contract.

(2) A written agreement to submit to arbitration any
controversy arising between the parties after the contract
is made is valid and enforceable except upon such grounds as
exist at law or in equity for the revocation of a contract.
This subsection does not apply to:

24 (a) claims arising out of personal injury, whether25 based on contract or tort;

(b) any agreement concerning or relating to insurance
 policies or annuity contracts except for those contracts
 between insurance companies; or
 tetr-any-contract--by-an-individual-for-the-acquisition

5 of-real-or-personal-property;-services;-or-money--or--credit 6 where-the-total-consideration-to-be-paid-or-furnished-by-the

7 individual-is-\$35,000-or-less;-and

8 (d)(c) claims for workers' compensation.

9 (3) Notice that a contract is subject to arbitration 10 pursuant to this chapter shall be typed in underlined 11 capital letters on the first page of the contract; and 12 unless such notice is displayed thereon, the contract may 13 not be subject to arbitration."

-End-



-2- INTRODUCED BILL SB 363

LC 1403/01

LC 1403/01

51st Legislature

#### APPROVED BY COMMITTEE On Judiciary

IL BILL NO. 363 1 INTRODUCED BY 2 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING PARTIES TO A 5 CONTRACT FOR THE ACQUISITION OF REAL OR PERSONAL PROPERTY, 6 SERVICES, OR MONEY OR CREDIT TO AGREE TO SUBMIT ANY FUTURE 7 CONTRACTUAL DISPUTES TO ARBITRATION, REGARDLESS OF THE 8 DOLLAR AMOUNT OF THE CONTRACT; DELETING THE DOLLAR AMOUNT 9 LIMITATION FOR CONTRACTS THAT MAY CONTAIN SUCH ARBITRATION 10 AGREEMENTS; AND AMENDING SECTION 27-5-114, MCA. "

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4 (c)--any--contract--by-an-individual-for-the-acquisition
5 of-real-or-personal-property-services-or-money--or--credit
6 where-the-total-consideration-to-be-paid-or-furnished-by-the
7 individual-is-\$357000-or-less-and

8 (d)(c) claims for workers' compensation.

9 (3) Notice that a contract is subject to arbitration 10 pursuant to this chapter shall be typed in underlined 11 capital letters on the first page of the contract; and 12 unless such notice is displayed thereon, the contract may 13 not be subject to arbitration."

-End-

# SECOND READING

#### LC 1403/01

LC 1403/01

LC 1403/01

mate BILL NO. 363 1 2 INTRODUCED BY 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING PARTIES TO A 5 CONTRACT FOR THE ACQUISITION OF REAL OR PERSONAL PROPERTY, 6 SERVICES, OR MONEY OR CREDIT TO AGREE TO SUBMIT ANY FUTURE 7 CONTRACTUAL DISPUTES TO ARBITRATION, REGARDLESS OF THE 8 DOLLAR AMOUNT OF THE CONTRACT; DELETING THE DOLLAR AMOUNT 9 LIMITATION FOR CONTRACTS THAT MAY CONTAIN SUCH ARBITRATION 10 AGREEMENTS; AND AMENDING SECTION 27-5-114, MCA. "

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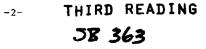
(b) any agreement concerning or relating to insurance
 policies or annuity contracts except for those contracts
 between insurance companies; or

4 (c)--any--contract--by-an-individual-for-the-acquisition
5 of-real-or-personal-property7-services7-or-money--or--credit
6 where-the-total-consideration-to-be-paid-or-furnished-by-the
7 individual-is-\$357000-or-tess7-and

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-End-



# STANDING COMMITTEE REPORT

March 16, 1989 Page 1 of 1

Mr. Speaker: We, the committee on <u>Judiciary</u> report that <u>SENATE BILL 363</u> (third reading copy -- blue) <u>be concurred in</u> as amended .

Signed: Chairman Dave Brown,

[REP. MERCER WILL CARRY THIS BILL ON THE HOUSE FLOOR]

## And, that such amendments read:

1. Title, line 6.
Following: "CREDIT
Insert: "WHERE THE CONSIDERATION TO BE PAID BY THE INDIVIDUAL IS
\$10,000 OR LESS"

2. Title, lines 7 and 8.
Strike: ", REGARDLESS" on line 7 through "DELETING" line 8
Insert: "; CHANGING"

3. Page 1, following line 25. Insert: "(b) any contract by an individual for the acquisition of real or personal property, services, or money or credit where the total consideration to be paid or furnished by the individual is \$10,000 or less;" Renumber: subsequent sections

> HOUSE 58 363

### 51st Legislature

## SB 0363/02

1	SENATE BILL NO. 363
2	INTRODUCED BY CRIPPEN
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING PARTIES TO A
5	CONTRACT FOR THE ACQUISITION OF REAL OR PERSONAL PROPERTY,
6	SERVICES, OR MONEY OR CREDIT WHERE THE CONSIDERATION TO BE
7	PAID BY THE INDIVIDUAL IS \$10,000 OR LESS TO AGREE TO SUBMIT
8	ANY FUTURE CONTRACTUAL DISPUTES TO ARBITRATION7-REGARDLESS
9	OF-THE-DOLLAR-AMOUNT-OF-THE-CONTRACT; DELETING; CHANGING THE
10	DOLLAR AMOUNT LIMITATION FOR CONTRACTS THAT MAY CONTAIN SUCH
11	ARBITRATION AGREEMENTS; AND AMENDING SECTION 27-5-114, MCA.

12

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

Section 1. Section 27-5-114, MCA, is amended to read: "27-5-114. Validity of arbitration agreement -exceptions. (1) A written agreement to submit an existing controversy to arbitration is valid and enforceable except upon such grounds as exist at law or in equity for the revocation of a contract.

20 (2) A written agreement to submit to arbitration any
21 controversy arising between the parties after the contract
22 is made is valid and enforceable except upon such grounds as
23 exist at law or in equity for the revocation of a contract.
24 This subsection does not apply to:

SB 0363/02

1	(a) claims arising out of personal injury, whether		
2	based on contract or tort;		
3	(B) ANY CONTRACT BY AN INDIVIDUAL FOR THE ACQUISITION		
4	OF REAL OR PERSONAL PROPERTY, SERVICES, OR MONEY OR CREDIT		
5	WHERE THE TOTAL CONSIDERATION TO BE PAID OR FURNISHED BY THE		
6	INDIVIDUAL IS \$10,000 OR LESS;		
7	<pre>(b)(C) any agreement concerning or relating to</pre>		
8	insurance policies or annuity contracts except for those		
9	contracts between insurance companies; or		
10	(c)any-contract-by-an-individual-for-theacquisition		
11	ofrealor-personal-property;-services;-or-money-or-credit		
12	where-the-total-consideration-to-be-paid-or-furnished-by-the		
13	individual-is-\$357000-or-less7-and		
14	<pre>td)<u>tc)(D)</u> claims for workers' compensation.</pre>		
15	(3) Notice that a contract is subject to arbitration		
16	pursuant to this chapter shall be typed in underlined		
17	capital letters on the first page of the contract; and		
18	unless such notice is displayed thereon, the contract may		
19	not be subject to arbitration."		

-End-

Montana Legislative Council

-2-

SB 363 REFERENCE BILL AS AMENDED Free Conference Committee Report on SB 363 Report No. 1, April 5, 1989

Mr President and Mr. Speaker:

We, your Free Conference Committee on SB 363 met and considered:

The House Committee on Judiciary amendments to SB 363 (third reading copy -- blue) dated March 16, 1989.

We recommend that SB 363 (reference copy -- salmon) be amended as follows:

1. Title, line 7. Strike: "<u>\$10,000</u>" Insert: "\$5,000"

2. Page 2, line 6. Strike: "<u>\$10,000</u>" Insert: "\$5,000"

And that this Conference Committee Report be adopted.

FOR THE SENATE Şen. Cr hairman

Sen. Bishop

Sen. Halltan

FOR THE HOUSE

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cer

ADOPT

REJECT

SB 0363/03

1	SENATE BILL NO. 363	1	(a) claims arising out of personal injury, whether
2	INTRODUCED BY CRIPPEN	2	based on contract or tort;
3		3	(B) ANY CONTRACT BY AN INDIVIDUAL FOR THE ACQUISITION
4	A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING PARTIES TO A	4	OF REAL OR PERSONAL PROPERTY, SERVICES, OR MONEY OR CREDIT
5	CONTRACT FOR THE ACQUISITION OF REAL OR PERSONAL PROPERTY,	5	WHERE THE TOTAL CONSIDERATION TO BE PAID OR FURNISHED BY THE
6	SERVICES, OR MONEY OR CREDIT WHERE THE CONSIDERATION TO BE	6	INDIVIDUAL IS \$10,000 \$5,000 OR LESS;
7	PAID BY THE INDIVIDUAL IS \$10,000 OR LESS TO AGREE TO	7	<pre>(b)(C) any agreement concerning or relating to</pre>
8	SUBMIT ANY FUTURE CONTRACTUAL DISPUTES TO ARBITRATION $\tau$	8	insurance policies or annuity contracts except for those
9	REGARDLESS-OP-THE-DOLLAR-AMOUNT-OP-THECONTRAC?;DELETING;	9	contracts between insurance companies; or
10	CHANGING THE DOLLAR AMOUNT LIMITATION FOR CONTRACTS THAT MAY	10	<pre>fc)anycontract-by-an-individual-for-the-acquisition</pre>
11	CONTAIN SUCH ARBITRATION AGREEMENTS; AND AMENDING SECTION	11	of-real-or-personal-property,-services,-or-moneyorcredie
12	27-5-114, MCA. "	12	where-the-total-consideration-to-be-paid-or-furnished-by-the
13		13	individual-is-\$357000-or-less;-and
14	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	14	<pre>fd;<u>fc;(D)</u> claims for workers' compensation.</pre>
15	Section 1. Section 27-5-114, MCA, is amended to read:	15	(3) Notice that a contract is subject to arbitration
16	"27-5-114. Validity of arbitration agreement	16	pursuant to this chapter shall be typed in underlined
17	exceptions. (1) A written agreement to submit an existing	17	capital letters on the first page of the contract; and
18	controversy to arbitration is valid and enforceable except	18	unless such notice is displayed thereon, the contract may
19	upon such grounds as exist at law or in equity for the	19	not be subject to arbitration."
20	revocation of a contract.		-End-
21	(2) A written agreement to submit to arbitration any		
22	controversy arising between the parties after the contract		
23	is made is valid and enforceable except upon such grounds as		

25 This subsection does not apply to:

24

Montana Legislative Council

exist at law or in equity for the revocation of a contract.

-2- SB 363 REFERENCE BILL: Includes Free Conference Committee Report Dated <u>4-5-89</u>