

MINUTES

MONTANA SENATE 64th LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS, LABOR, AND ECONOMIC AFFAIRS

Call to Order: Chair Edward Buttrey, on March 17, 2015 at 8:00 AM, in Room 422
Capitol

ROLL CALL

Members Present:

Sen. Edward Buttrey, Chair (R)
Sen. Elsie Arntzen, Vice Chair (R)
Sen. Dee Brown (R)
Sen. Pat Connell (R)
Sen. Tom Facey (D)
Sen. Sharon Stewart-Peregoy (D) (arrived after roll call)
Sen. Gordon Vance (R)
Sen. Gene Vuckovich (D)

Members Excused: Sen. Lea Whitford (D)
Sen. Cary Smith (R)

Members Absent: None

Staff Present: Linda Keim, Committee Secretary
Jameson Walker, Legislative Branch

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Hearing & Date Posted: HB 503, 3/5/2015; HB 522, 3/5/2015; HB 537, 3/5/2015

Executive Action: HB 306, HB 343, HB 350, HB 118, HB 240, HB 117, HB 44,
HB 542

HEARING ON HB 503

Opening Statement by Sponsor:

00:01:40 Rep. Tom Berry (R), HD 40, opened the hearing on HB 503. Clarify loss-run insurance laws.

Proponents' Testimony:

00:04:38 Nancy Butler, Montana State Fund

Opponents' Testimony: None

Informational Testimony:

00:05:43 Frank Cote, Blue Cross, Blue Shield of Montana (BCBS)
[EXHIBIT\(bus55a01\)](#)

Questions from Committee Members and Responses:

00:07:02 Sen. Facey
00:07:49 Mr. Cote, BCBS
00:08:47 Sen. Facey
00:08:50 Rep. Berry
00:08:56 Sen. Connell
00:09:31 Rep. Berry
00:10:00 Sen. Arntzen
00:10:12 Rep. Berry

Closing by Sponsor:

00:10:50 Rep. Berry
00:11:14 Chairman Buttrey

HEARING ON HB 522

Opening Statement by Sponsor:

00:11:37 Rep. Tom Berry (R), HD 40, opened the hearing on HB 522. Allow farm mutual insurer mergers and bulk assumption agreements.

Proponents' Testimony:

00:14:39 Mary Stoican, Fergus Farm Mutual Insurance (FFMI), Missoula
[EXHIBIT\(bus55a02\)](#)
[EXHIBIT\(bus55a03\)](#)

00:17:30 Jeff Barber, Office of Commissioner of Securities and Insurance, Montana State Auditor, CSI

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

00:18:05 Sen. Brown
00:18:43 Rep. Berry
00:19:31 Chairman Buttrey
00:20:29 Rep. Berry
00:20:50 Sen. Facey
00:21:07 Rep. Berry (redirect)
00:21:15 Mr. Barber, CSI (redirect)
00:21:23 Steve Matthews, Office of Commissioner of Securities and Insurance, Montana
State Auditor, CSI
00:21:59 Sen. Facey
00:22:48 Rep. Berry
00:23:10 Sen. Brown
00:24:32 Ms. Stoican, FFMI
00:24:53 Chairman Buttrey
00:24:57 Ms. Stoican
00:25:05 Sen. Arntzen
00:25:12 Mr. Matthews
00:26:21 Sen. Facey

Closing by Sponsor:

00:26:30 Rep. Berry
00:27:05 Chairman Buttrey

HEARING ON HB 537

Opening Statement by Sponsor:

00:27:19 Rep. Tom Berry (R), HD 40, opened the hearing on HB 537. Revise laws to allow LLCs to transact captive insurance.

Proponents' Testimony:

00:29:23 John Huth, Montana Captive Insurance Association (MCIA)
00:30:46 Jeff Barber, Office of Commissioner of Securities and Insurance, Montana State Auditor (CSI)

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

00:31:16 Sen. Brown
00:31:21 Rep. Berry (redirect)
00:32:07 Mr. Huth, MCIA

Closing by Sponsor:

00:32:48 Rep. Berry
00:33:08 Chairman Buttrey
00:34:11 Recess
01:25:20 Reconvene
Sen. Connell and Sen. Arntzen did not return to the hearing.

EXECUTIVE ACTION ON HB 44

01:25:29 **Motion:** Sen. Vance moved that **HB 44 BE CONCURRED IN.**

Discussion:

01:25:42 Chairman Buttrey
01:25:48 Sen. Vuckovich
01:26:01 Chairman Buttrey
01:26:26 Sen. Facey
01:26:33 Sen. Brown
01:26:59 **Vote:** Motion carried 6-0 by voice vote of those present and voting. Sen. Arntzen, Sen. Connell, Sen. Smith and Sen. Whitford were excused. Sen. Thomas will carry the bill.

EXECUTIVE ACTION ON HB 117

01:27:24 **Motion:** Sen. Vance moved that **HB 117 BE CONCURRED IN.**

Discussion:

01:27:35 Chairman Buttrey
01:27:43 Sen. Facey
01:28:12 Sen. Brown
01:28:32 Sen. Stewart-Peregoy
01:28:55 Chairman Buttrey
01:29:06 Sen. Facey
01:29:29 Sen. Brown
01:29:59 Chairman Buttrey
01:30:25 Sen. Stewart-Peregoy

01:30:37 **Vote:** Motion carried 6-0 by voice vote of those present and voting. Sen. Arntzen, Sen. Connell, Sen. Smith and Sen. Whitford were excused. Sen. Keane will carry the bill.

EXECUTIVE ACTION ON HB 118

01:30:55 **Motion:** Sen. Vance moved that **HB 118 BE CONCURRED IN.**

01:31:07 Chairman Buttrey
EXHIBIT(bus55a04)

01:31:53 **Motion:** Sen. Buttrey moved that **HB 118 BE AMENDED.**

Discussion:

01:32:05 Jamison Walker, Legislative Services Division (LSD)
01:32:51 Chairman Buttrey
01:32:57 Sen. Brown
01:33:20 Chairman Buttrey
01:33:45 Sen. Brown

01:34:08 **Vote:** Motion carried 6-0 by voice vote of those present and voting. Sen. Arntzen, Sen. Connell, Sen. Smith and Sen. Whitford were excused.

01:34:20 **Motion:** Sen. Vance moved that **HB 118 BE CONCURRED IN AS AMENDED.**

Discussion:

01:34:29 Sen. Brown
01:35:06 Chairman Buttrey

01:35:11 **Vote:** Motion carried 6-0 by voice vote of those present and voting. Sen. Arntzen, Sen. Connell, Sen. Smith and Sen. Whitford were excused. Sen. Facey will carry the bill. (Note: Bill not reported out of committee until 3/18/2015.)

EXECUTIVE ACTION ON HB 240

01:35:24 **Motion:** Sen. Vance moved that **HB 240 BE CONCURRED IN.**

Discussion:

01:35:46 Chairman Buttrey
01:35:57 Sen. Vance
01:36:01 Sen. Facey
01:36:16 Chairman Buttrey

01:36:20 **Vote:** Motion carried 6-0 by voice vote of those present and voting. Sen. Arntzen, Sen. Connell, Sen. Smith and Sen. Whitford were excused. Sen. Thomas will carry the bill.

EXECUTIVE ACTION ON HB 306

01:36:30 **Motion:** Sen. Vance moved that **HB 306 BE CONCURRED IN.**

Discussion:

01:36:37 Chairman Buttrey

01:36:42 Sen. Vance

01:36:47 Chairman Buttrey

EXHIBIT(bus55a05)

01:37:15 **Motion:** Sen. Stewart-Peregoy moved that **HB 306 BE AMENDED.**

Discussion:

01:37:25 Sen. Stewart-Peregoy

01:37:29 Chairman Buttrey

01:37:45 Sen. Facey

01:38:31 Sen. Brown

01:38:45 Sen. Arntzen entered the hearing.

01:38:58 Sen. Stewart-Peregoy

01:39:45 Sen. Arntzen

01:40:13 Jamison Walker, Legislative Services Division, (LSD)

01:40:48 Sen. Arntzen

01:42:05 **Vote:** Motion failed 4-6 by roll call vote with Sen. Facey, Sen. Stewart-Peregoy, Sen. Vuckovich and Sen. Whitford voting aye. Sen. Connell, Sen. Smith and Sen. Whitford voted by proxy.

01:43:30 Sen. Brown

01:43:49 **Vote:** Motion carried 8-2 by roll call vote with Sen. C. Smith and Sen. Vance voting no. Sen. Connell, Sen. Smith and Sen. Whitford voted by proxy. Sen. Whitford will carry the bill.

EXECUTIVE ACTION ON HB 343

01:45:06 **Motion:** Sen. Arntzen moved that **HB 343 BE CONCURRED IN.**

01:45:31 Chairman Buttrey

EXHIBIT(bus55a06)

01:45:54 **Motion:** Sen. Arntzen moved that **HB 343 BE AMENDED.**

Discussion:

01:46:02 Jamison Walker, Legislative Services Division (LSD)

01:46:27 Sen. Brown

01:46:44 Sen. Arntzen
 01:47:23 Sen. Facey
 01:47:58 Sen. Arntzen
 01:48:04 Chairman Buttrey

01:48:08 **Vote:** Motion carried 7-0 by voice vote of those present and voting.

01:48:28 **Motion/Vote:** Sen. Arntzen moved that **HB 343 BE CONCURRED IN AS AMENDED**. Motion carried 7-0 by voice vote of those present and voting. Sen. Connell, Sen. Smith and Sen. Whitford were excused. Sen. Facey will carry the bill.

EXECUTIVE ACTION ON HB 350

01:48:47 **Motion:** Sen. Arntzen moved that **HB 350 BE CONCURRED IN**.

01:48:55 Sen. Brown
[EXHIBIT\(bus55a07\)](#)

01:49:39 **Motion:** Sen. D. Brown moved that **HB 350 BE AMENDED**.

Discussion:

01:50:17 Jamison Walker, Legislative Services Division (LSD)
 01:50:23 Chairman Buttrey
 01:50:44 Sen. Facey

01:51:05 **Vote:** Motion carried 9-1 by voice vote with Sen. C. Smith voting no. Sen. Connell, Sen. Smith and Sen. Whitford voted by proxy.

01:51:15 **Motion:** Sen. Arntzen moved that **HB 350 BE CONCURRED IN AS AMENDED**.

01:51:32 **Motion:** Sen. Facey moved that **HB 350 BE CONCEPTUALLY AMENDED**.

Discussion:

01:52:19 Chairman Buttrey
 01:52:40 Mr. Walker, LSD
 01:53:22 Chairman Buttrey
 01:53:38 Sen. Facey
 01:53:50 Chairman Buttrey
 01:53:56 Sen. Arntzen
 01:54:11 Mr. Walker
 01:54:25 Sen. Arntzen
 01:54:40 Sen. Facey
 01:54:58 Sen. Brown
 01:55:15 Chairman Buttrey
 01:55:32 Sen. Facey
 01:55:57 Sen. Stewart-Peregoy

01:56:13 Without objection, Sen. Arntzen moved to postpone further action.

EXECUTIVE ACTION ON HB 542

01:56:42 **Motion:** Sen. Arntzen moved that **HB 542 BE CONCURRED IN.**

Discussion:

01:56:53 Chairman Buttrey

01:57:17 Sen. Brown

01:58:12 Chairman Buttrey

01:58:54 Sen. Facey

01:59:01 Sen. Vuckovich

01:59:26 Sen. Arntzen

02:00:13 Sen. Brown

02:01:12 **Vote:** Motion failed 4-6 by roll call vote with Sen. Arntzen, Sen. Buttrey, Sen. Connell and Sen. Stewart-Peregoy voting aye. Sen. Connell, Sen. Smith and Sen. Whitford voted by proxy.

02:02:15 **Motion/Vote:** Sen. Facey moved that **HB 542 BE TABLED.** Motion carried 7-0 by voice vote of those present and voting. Sen. Connell, Sen. Smith and Sen. Whitford were excused.

02:02:35 Chairman Buttrey

ADJOURNMENT

Adjournment: 10:03 A.M.

Linda Keim, Secretary

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Additional Documents:

EXHIBIT([bus55aad.pdf](#))