

# Montana's Credit Unions

## Montana's 67th Legislative Session Summary



**MONTANA'S  
CREDIT UNIONS**  
Educate. Advocate. Collaborate.

During the 2021 Legislative Session, Montana's Credit Unions advocated on behalf of the credit unions in Montana. We tracked and analyzed bills, consulted with credit unions, testified before committees, and lobbied lawmakers. We identified 76 bills as potentially impacting credit unions and monitored them throughout the session. Of those, we flagged 22 that were especially critical to our industry, and we actively lobbied them and closely watched them as they worked through the legislative process. The following recap summarizes those 22 bills and our work on them.

### 2021 Session by the Numbers:



## Supported

[SB 65](#)

### Revise civil liability laws

Sponsor: Steve Fitzpatrick (R) SD 10

**Passed**

*effective 2/11/21*

*An act revising civil liability laws. The bill shields businesses and other private entities from legal liability in the event someone is injured or dies after being exposed to COVID-19 on their premises. Its shield provisions don't apply in situations legally classified as "gross negligence" or "willful and wanton misconduct."*

[HB 254](#)

### Revise the wrongful discharge act

Sponsor: Ross H Fitzgerald (R) HD 17

**Passed**

*effective 3/31/21*

*Amendments to original act revising provisions relating to elements of wrongful discharge and the employment relationship. Highlights on the language changes include adjustments to probationary periods, broadening discretion when making a decision to discharge a managerial or supervisory employee, and increase to 14 days to notify discharged employee of any internal grievance policy/procedures. **Information has been provided by Montana's Credit Unions.***

[HJ 25](#)

### Request interim study of student debt

Sponsor: Sara Novak (D) HD 77

**Failed**

*The interim study would include the examination of historical context and causes of student loan debt, investigate the impacts of students graduating with increased levels of debt, review mechanisms other states have implemented to reduce the burden of student loan debt, and consider alternative solutions for addressing student loan debt in Montana.*

## Opposed

- [HB 102](#) Generally revise gun laws** **Passed**  
Sponsor: Seth Berglee (R) HD 58 *effective 2/18/21*
- Revision to gun laws expanding an individuals legal ability to provide for their own defense by reducing or eliminating government-mandated place where only criminals are armed and where citizens are prevented from exercising their fundamental right to defend themselves and others. Removed financial institutions as a prohibited place to carry concealed weapons.*
- [HB 149](#) Allow certain card transaction fees** **Failed**  
Sponsor: Vince Ricci (R) HD 55
- An act allowing merchants, vendors, creditors, or other parties to charge card transaction fees for transactions with a credit or debit card. This was specifically intended to allow debt collectors the ability to charge a fee as a way for them to offset fees they incur for processing credit/debit cards.*
- [HB 321](#) Provide for a dental patient bill of rights** **Failed**  
Sponsor: Mark Noland (R) HD 10
- Language in the bill would prohibit/limit virtual credit cards and their use as claims payments, ultimately, resulting in an increase in costs for members. We requested the bill adopt language proposed on the federal level resolving this issue.*
- [HB 378](#) Create a mini-COBRA law for small employer health insurance plans** **Failed**  
Sponsor: Mark Thane (D) HD 99
- This legislation would require Montana Small Businesses under 20 employees to offer Cobra coverage.*
- [SB 83](#) Revise special lien law** **Passed**  
Sponsor: Brian Hoven (R) SD 13 *effective 10/1/2021*
- This bill revises Special Lien Laws to allow a nonpossessory special lien on implements of husbandry, construction equipment, motorized lawncare and landscaping equipment, and forestry equipment; providing enforcement of nonpossessory special liens. We asked the bill sponsor to consider specific language that states nonpossessory lien is junior and subordinate to a prior duly perfected security interest - this was not included in the final bill. Further, the holder of the prior security interest shall be made a party defendant to any action in foreclosure or nonpossessory lien enforcement action. There's also concern about notification to lien holders – or lack of notification. **MCU working on options/suggestions for CUs to provide members with methods to verify liens.***
- [SB 216](#) Revise laws relating to insurance parity compliance reporting** **Passed**  
Sponsor: Jason D Small (R) SD 21 *effective 10/1/2021*
- Revision to laws related to requirement for health insurance issuers to provide parity compliance reporting. Opposed on behalf of MCUL Group Benefits Trust. The proposed legislation was duplicative of Federal Consolidated Appropriations Act (CAA) legislation that has already passed. The sponsor made satisfactory adjustments to the language we originally opposed.*

## Monitored

- [HB 23](#)** **Revise tax lien and tax deed process** **Passed**  
effective 2/23/21  
Becky Beard (R) HD 80  
*Revising the tax lien and tax deed process laws; providing that property with a residence is subject to a tax deed auction only if the owner occupies the residence; clarifying timelines for notification requirements; providing the county treasurer distributes surplus auction proceeds to the legal titleholder.*
- [HB 284](#)** **Provide living wage** **Failed**  
Mary Ann Dunwell (D) HD 84  
*An act proposing an increased minimum wage to \$15 per hour; removing minimum wage rates for certain businesses with annual gross sales < \$111,000.*
- [HB 564](#)** **Revise laws relating to lawyers ability to handle real estate transactions** **Failed**  
Mark Noland (R) HD 10  
*Revision to laws related to attorneys and real estate transactions; removing the exemptions for attorneys in the regulation of escrow businesses.*
- [HB 486](#)** **Providing an increase in minimum wage** **Failed**  
Kelly Kortum (D) HD 65  
*An act proposing an increased minimum wage; limiting cost-of-living increases until the minimum wage reaches \$10/hour; add removing a \$4 minimum wage for certain businesses.*
- [HB 569](#)** **Revise nonprofit officer compensation** **Failed**  
Scot Kerns (R) HD 23  
*Revision to the nonprofit corporation officer compensation law to include officers of the nonprofit.*
- [HB 655](#)** **Generally revise marijuana laws** **Passed**  
effective 7/1/21  
Edward Buttrey (R) HD 21  
*General revisions to marijuana laws revising labor laws relating to marijuana; requiring certain drug testing to comply with applicable Federal Laws; providing certain exemptions for medical marijuana; revisions to the burden of proof in workers compensation related to marijuana.*
- [HB 566](#)** **Revise guarantor exoneration law** **Passed**  
effective 10/1/2021  
Tom Welch (R) HD 72  
*A guarantor is exonerated, except so far as the guarantor may be indemnified by the principal, if by any act of the creditor not authorized by the original guaranty instrument or without the separate consent of the guarantor, the original obligation of the principal is altered in any respect, or the remedies or rights of the creditor against the principal in respect to the original obligation are in any way impaired or suspended.*
- [HB 116](#)** **Indoor cleanup standards for methamphetamine** **Passed**  
effective 10/1/2021  
Vince Ricci (R) HD 55  
*Expanding the requirement to notify and remediate inhabitable properties contaminated with methamphetamine residue and raising the decontamination standard. Added smoke from methamphetamine as contaminants.*

**[SB 8](#)** **Revise filing requirements for warrants of distraint** **Failed**  
Jill Cohenour (D) SD 42

*Act provides that a warrant for distraint creates a lien against certain personal property located within the boundaries of Montana owned by a delinquent taxpayer.*

**[SB 147](#)** **Establish commercial property assessed capital enhancements (C-PACE) program** **Passed**  
Mary McNally (D) SD 24 *effective 1/1/22*

*Bill authorizes local government to adopt C-PACE programs through districts to promote energy conservation measures. Previous concerns regarding subordination of lender's lien to the PACE assessment were addressed during the 2019 session (though the bill did not pass then). The contract is invalid unless the holder of a mortgage trust deed or loan service executes a notarized subordination agreement three months prior to the application and the person who executed the subordination agreement is authorized to do so. **MCU to provide CUs with guidance on how to engage and/or implement C-PACE.***

**[SB 114](#)** **Revise the homestead exemption** **Passed**  
Jason W Ellsworth (R) SD 43 *effective 5/4/21*

*The bill increases the homestead value limitation to \$350,000 in 2021. The Department of Revenue will adopt administrative rules setting the homestead value limit. The homestead value limit must increase by 4% every calendar year after 2021.*

**[SB 287](#)** **Generally revise public project financing laws** **Passed**  
Walt Sales (R) SD 35 *effective 10/1/2021*

*The bill revises the selection of lenders for state building construction loan process. When selecting a financial institution to be the lender for a state building construction loan, a public agency shall select the financial institution that is the lowest responsible bidder in terms of interest rate, without regard to residency. If the lowest bidder does not have a physical branch located in the state, the public agency shall consider if the next lowest bidder has a physical branch in the state. If so, when multiplying the low bid by 1.025, the next lowest bid is at or less than the bid of the lowest bidder, notify the next lowest bidder and give that bidder 2 business days to offer a bid of equal terms.*

**[SB 308](#)** **Revise the Montana Building and Loan Associations Act** **Passed**  
Jeffrey W Welborn (R) SD 36 *effective 10/1/2021*

*The bill modernizes the Building and Loan Associations Act to align with the Montana Bank Act, while making it mutual association specific. This bill allows for the choice of a federal mutual association to convert to a state mutual association in Montana.*