67th Legislature SB 265.2

1	SENATE BILL NO. 265
2	INTRODUCED BY S. FITZPATRICK, D. ANKNEY, J. SMALL
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING VENUES FOR ARBITRATION IN ELECTRICAL
5	GENERATION DISPUTES THAT OCCUR WITHIN MONTANA; PROVIDING STANDARDS FOR
6	ARBITRATION PANELS IN ELECTRICAL GENERATION DISPUTES; AMENDING SECTION 27-5-323, MCA
7	AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."
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9	WHEREAS, electrical generation facilities located in Montana have significant implications for the
10	economy, environment, and health and welfare of Montana consumers; and
11	WHEREAS, the Legislature, mindful of its constitutional obligations under Article II, section 16, of the
12	Montana Constitution, enacted section 27-5-323, MCA, to ensure Montana residents have a right to arbitrate in
13	Montana; and
14	WHEREAS, arbitration of disputes concerning Montana electrical generation facilities outside of
15	Montana threatens Montana's laws, policies, and the interests of Montana in securing and maintaining a
16	reliable source of electricity.
17	
18	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
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20	Section 1. Section 27-5-323, MCA, is amended to read:
21	"27-5-323. Venue. (1) An initial application must be made to the court of the county in which the
22	agreement provides the arbitration hearing must be held or, if the hearing has been held, in the county in which
23	it was held. Otherwise, the application must be made in the county where the adverse party resides or has a
24	place of business or, if the adverse party does not have a residence or place of business in this state, to the
25	court of any county. All subsequent applications must be made to the court hearing the initial application unless
26	the court otherwise directs. An agreement concerning venue involving a resident of this state is not valid unless
27	the agreement requires that arbitration occur within the state of Montana. This requirement may only be waived
28	upon the advice of counsel as evidenced by counsel's signature on the agreement.



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1	(2) (a) An agreement concerning venue involving an electrical generation facility in this state is not
2	valid unless the agreement requires that arbitration occur within the state before a panel of three arbitrators
3	selected under the Uniform Arbitration Act unless all parties agree in writing to a single arbitrator.
4	(b) For the purposes of this subsection, "electrical generation facility" has the meaning provided in 15
5	<u>24-3001.</u> "
6	
7	NEW SECTION. SECTION 2. SEVERABILITY. IF A PART OF [THIS ACT] IS INVALID, ALL VALID PARTS THAT ARE
8	SEVERABLE FROM THE INVALID PART REMAIN IN EFFECT. IF A PART OF [THIS ACT] IS INVALID IN ONE OR MORE OF ITS
9	APPLICATIONS, THE PART REMAINS IN EFFECT IN ALL VALID APPLICATIONS THAT ARE SEVERABLE FROM THE INVALID
10	APPLICATIONS.
11	
12	NEW SECTION. Section 3. Effective date. [This act] is effective on passage and approval.
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14	NEW SECTION. Section 4. Retroactive applicability. [This act] applies retroactively, within the
15	meaning of 1-2-109, to applications made on or after January 1, 2021.
16	- END -

