## HOUSE BILL NO. 197

### INTRODUCED BY BOHARSKI

### IN THE HOUSE

	IN THE HOUSE
JANUARY 15, 1991	INTRODUCED AND REFERRED TO COMMITTEE ON JUDICIARY.
JANUARY 16, 1991	FIRST READING.
JANUARY 24, 1991	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
JANUARY 25, 1991	PRINTING REPORT.
JANUARY 26, 1991	SECOND READING, DO PASS.
JANUARY 28, 1991	ENGROSSING REPORT.
JANUARY 30, 1991	THIRD READING, PASSED. AYES, 100; NOES, 0.
	TRANSMITTED TO SENATE.
	IN THE SENATE
JANUARY 31, 1991	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & INDUSTRY.
	FIRST READING.
MARCH 12, 1991	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 13, 1991	SECOND READING, CONCURRED IN.
MARCH 14, 1991	THIRD READING, CONCURRED IN. AYES, 47; NOES, 1.
	RETURNED TO HOUSE.
	IN THE HOUSE
MARCH 15, 1991	RECEIVED FROM SENATE.
	SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

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4	A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THAT THE
5	PENALTY IMPOSED UPON INSURERS WHO UNREASONABLY DELAY PAYING
6	WORKERS' COMPENSATION CLAIMS MAY BE IMPOSED WHEN AN INSURER
7	ACCEPTS LIABILITY BUT UNREASONABLY DELAYS PAYING A CLAIM
В	WHETHER OR NOT THE WORKERS' COMPENSATION COURT ORDERS
9	PAYMENT OF THE CLAIM; APPLYING THE MONTANA SUPREME COURT'S
.0	DECISION IN HANDLOS V. CYPRUS, 47 ST. REP. 1329, 794 P.2D
1	702 (1990); AMENDING SECTION 39-71-2907, MCA; AND PROVIDING
. 2	AN APPLICABILITY DATE."
. 3	
. 4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
.5	Section 1. Section 39-71-2907, MCA, is amended to read:
16	"39-71-2907. Increase in award for unreasonable delay
.7	or refusal to pay. (1) When-payment-of-compensation-has-been
.8	unreasonably-delayed-or-refused-by-aninsurer;either The
9	workers' compensation judge may increase the full amount of
20	a claimant's compensation benefits by 20% when:
21	(a) the insurer agrees to pay compensation benefits but
22	unreasonably delays or refuses to make the agreed-upon
23	payments to the claimant; or
24	(b) prior or subsequent to the issuance of an order by
26	the workers' compensation judge granting a claimant

2	benefitsdueaclaimantbetweenthetimecompensation
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4	grantingaclaimant-compensation-benefits-may-be-increase
5	bytheworkers1compensationjudgeby20% insure
6	unreasonably delays or refuses to make the payments.
7	(2) The question of unreasonable delay or refusal shal
8	be determined by the workers' compensation judge, and such
9	finding constitutes good cause to rescind, alter, or amen
10	any order, decision, or award previously made in the caus
11	for the purpose of making the increase provided herein.
12	(2)(3) A finding of unreasonableness under this section
13	does not constitute a finding that the insurer acted in ba
14	faith or violated the unfair trade practices provisions o
15	Title 33, chapter 18."
16	NEW SECTION. Section 2. Applicability. [This act
17	applies to workers' compensation claims filed on or afte
18	October 1, 1991.
	-End-

compensation benefits, the full-amount-of-the-compensation

INTRODUCED BILL HB 197

# APPROVED BY COMMITTEE ON JUDICIARY

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21	CLAIMANT DURING THE PERIOD OF DELAY OR REFUSAL TO PAY, when:
22	(a) the insurer agrees to pay compensation benefits but
23	unreasonably delays or refuses to make the agreed-upon
24	payments to the claimant; or
<b>2</b> 5	(b) prior or subsequent to the issuance of an order by



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(2) The question of unreasonable delay or refusal shall be determined by the workers' compensation judge, and such a finding constitutes good cause to rescind, alter, or amend any order, decision, or award previously made in the cause for the purpose of making the increase provided herein.

13 (2)(3) A finding of unreasonableness under this section 14 does not constitute a finding that the insurer acted in bad 15 faith or violated the unfair trade practices provisions of 16 Title 33, chapter 18."

18 applies to workers' compensation claims filed on or after

NEW SECTION. Section 2. Applicability. [This

19 October 1, 1991.

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-End-

### SECOND READING

act]

Montana Legislative Council

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