

MINUTES

MONTANA SENATE 52nd LEGISLATURE - REGULAR SESSION CONFERENCE COMMITTEE ON SENATE BILL 343

Call to Order: By Senator Tom Towe , on April 10, 1991, at
11:30 A.M.

ROLL CALL

Members Present:

Senator Tom Towe, Chairman (D)
Senator Steve Doherty (D)
Senator David Rye (R)
Representative H.S. Hanson (R)
Representative Vicki Cocchiarella (D)

Members Excused:

Representative Timothy Whalen (D)

Staff Present: Dorothy Quinn (Committee Secretary)

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

Announcements/Discussion:

None

CONFERENCE COMMITTEE ACTION ON SENATE BILL 343

Discussion:

Senator David Rye provided background information on SB 343, stating it was heard before the Labor and Industry Committee. It attempts to provide the Department more flexibility in controlling the uninsured employers. The bill passed the Senate Labor Committee unanimously; testimony in favor came from both Mike Micone, Commissioner, Department of Labor and Industry, and Don Judge, AFL-CIO. Senator Rye commented it is rare to find those two gentlemen on the same side of labor. It also passed the Senate with only one or two dissenting votes, according to Senator Rye. The amendments which Representative Whalen added on in the House actually returned the bill to the form of existing law. In Senator Rye's judgment, there is no reason to have a bill if the House amendments stay the way there are. He asked Mr. Micone if that interpretation was correct, to which Mr. Micone answered affirmatively.

Representative Hanson advised that Representative Jerry Driscoll felt that this was not necessary. The idea is to encourage those that are not insured to come on the system. For

some reason Rep. Whalen felt strongly that the amendments should be added, according to Rep. Hanson.

Senator Rye informed the bill deals with regulating employers who have not chosen to insure themselves. The penalty for non-payment would be double the premium or \$200, whichever is greater.

Mike Micone stated that as they understood Rep. Whalen's concern, he wanted to ensure the solvency of the Uninsured Employers Fund. Their information shows that the balance there is approximately \$800,000, which is solvent for the claims that they are seeing. The Labor Department agreed there should be a penalty, but he posed the question: is it fair for an employer to be assessed \$200 for late payment of a \$20.00 premium. The Department was looking for the flexibility that would allow them to analyze each instance case by case to determine what the penalty should be. Senator Towe pointed out that this bill gives the Department the right to waive the penalty in view of an unintentional violation. Mr. Micone said his interpretation is that there is nothing in between - they either waive it or charge double. He also pointed out that the language regarding "unintentional violation" caused concern because practically every employer would give the rationale that it is unintentional.

Rep. Cocchiarella asked Mr. Micone if this gives them the flexibility of waiving a penalty if the employee shows the violation was unintentional. He responded that by changing "shall" to "may" in Section 1, line 16, they would have that flexibility.

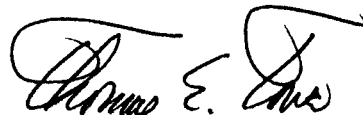
Recommendation and Vote:

Senator Rye made a motion that the amendment to strike "shall" and insert "may" on Page 1, line 16; and insert "up to" following "either" on page 1, line 18; and strike from "If" on line 22 through "waived." on line 24, be adopted.

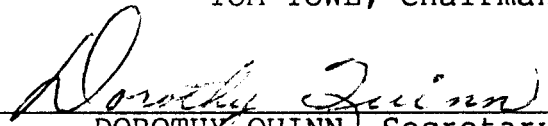
Those in favor - 5; opposed - 0. (Rep. Whalen absent)
MOTION CARRIED.

ADJOURNMENT

Adjournment At: 11:50 A.M.



TOM TOWE, Chairman



DOROTHY QUINN, Secretary

MINUTES

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SENATE AGRICULTURE, LIVESTOCK, & IRRIGATION COMMITTEE

April 10, 1991

Page 2 of 2

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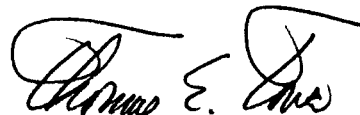
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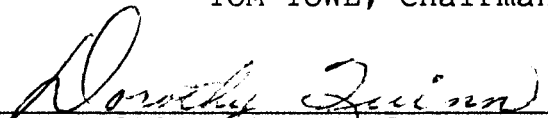
Those in favor - 5; opposed - 0. (Rep. Whalen absent)
MOTION CARRIED.

ADJOURNMENT

Adjournment At: 11:50 A.M.



TOM TOWE, Chairman



DOROTHY QUINN, Secretary

TT/dq

AG041091.SM1

Conference Committee
on Senate Bill No. 343
Report No. 1, April 10, 1991

Page 1 of 1

Mr. President and Mr. Speaker:

We, your Conference Committee on Senate Bill No. 343, met and considered the House Committee of the Whole amendment dated March 16, 1991:

We recommend that Senate Bill No. 343 (reference copy - salmon) be amended as follows:

1. Page 1, line 16.

Strike: "SHALL"

Insert: "may"

2. Page 1, line 18.

Following: "EITHER"

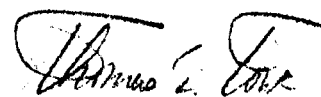
Insert: "up to"

3. Page 1, lines 22 through 24.


Strike: "IF" on line 22 through "WAIVED." on line 24.

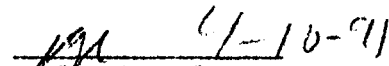
And that this Conference Committee report be adopted.

For the Senate:


Chair, Sen. Towe



Sen. Doherty



Sen. Rye


And. Coord.


Sec. of Senate

For the House:


Chair, Rep. Whalen


Rep. H. S. Hanson


Rep. Cocchiarella

ADOPT

REJECT

761347CC.Sj1

ROLL CALL VOTE

SB 343

CONFERENCE

~~SENATE~~ COMMITTEE _____

Date 4/10/91 Bill No. SB 343 Time _____

NAME	YES	NO
SENATOR TOWE	X	
SENATOR DOHERTY	X	
SENATOR RYE	X	
REP. WHALEN		
REP. COCCHIARELLA	X	
REP. H. S. HANSON	X	

DOROTHY QUINN

SEN. TOM TOWE

Secretary

Chairman

Motion: Sen Rye made a motion that
the amendment be adopted.
Those in favor 5; opposed - 0.
MOtion CARRIED.

Senator Rye made a motion that Section 1, line 16, be changed to read "may" require that the uninsured employer pay to the fund a penalty up to either double the premium amount the employer would have paid on the payroll of the employer's workers in this state if the employer had been enrolled with compensation plan No. 3 or \$200. whichever is greater "

ROLL CALL

CONFERENCE COMMITTEE
RE SB 343

DATE 4/10/91

52nd LEGISLATIVE SESSION _____

NAME	PRESENT	ABSENT	EXCUSED
SENATOR TOWE (CHAIR)	X		
SENATOR DOHERTY	X		
SENATOR RYE	X		
REP. WHALEN (CHAIR)		X	
REP. COCCHIARELLA	X		
REP. H. S. HANSON	X		

Each day attach to minutes.