

1 Zeuge BILL NO. 611
 2 INTRODUCED BY Johnson
 3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION
 5 11-1024, R.C.M. 1947, INCREASING THE PUBLIC EMPLOYER'S
 6 CONTRIBUTION TO INSURANCE FOR PUBLIC EMPLOYEES TO TWENTY
 7 DOLLARS PER MONTH; AND TO PROVIDE AUTHORITY FOR FUNDING."

8
 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 10 Section 1. Section 11-1024, R.C.M. 1947, is amended to
 11 read as follows:

12 "11-1024. Group insurance for all departments,
 13 bureaus, boards, commissions and agencies of the state of
 14 Montana, county, city, and town officers and
 15 employees--authority--approval of employees--limit on
 16 contributions. All departments, bureaus, boards, commissions
 17 and agencies of the state of Montana, and all counties,
 18 cities and towns shall upon approval by two-thirds (2/3)
 19 vote of the officers and employees of each such department,
 20 bureau, board, commission, agency, county, city and town,
 21 enter into group hospitalization, medical, health including
 22 long-term disability, accident and/or group life insurance
 23 contracts or plans for the benefit of their officers,
 24 employees and their dependents, and the respective
 25 administrative and governing bodies shall pay for such

1 insurance ~~ten~~ twenty dollars ~~(\$10)~~ (\$20) per month for each
 2 officer and employee, and provided for employees of
 3 educational institutions whose employment contracts show at
 4 a minimum a full-time academic year of employment such
 5 payment for insurance may be an amount equal to ~~twelve~~ (12)
 6 times the monthly rate, but may not exceed ~~one~~ two hundred
 7 ~~twenty~~ forty dollars ~~(\$120)~~ (\$240) per year. Provided,
 8 however, that for public employees, ~~of elementary and high~~
 9 ~~school districts~~ premium contributions are not subject to
 10 the ~~ten~~ twenty dollar ~~(\$10)~~ (\$20) limitation of this
 11 section."

12 Section 2. Special funding. Those local government
 13 bodies which require additional funds to finance the
 14 provisions of this act will provide the additional funding
 15 from the general fund levies of such local government body.

-End-

STATE OF MONTANA

REQUEST NO. 216-75

FISCAL NOTE

Form BD-15

In compliance with a written request received February 11, 1975, 19 _____, there is hereby submitted a Fiscal Note for House Bill 611 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

Senate Bill 611 would increase the public employer insurance contribution from the present \$10 per month per employee to a maximum of \$20 per month per employee.

ASSUMPTIONS:

1. Realistically, an employee only insurance plan would be designed to meet whatever limit is set as the employer contribution.
2. Employer contributions under proposed law would be twice the contributions under current law.

FISCAL IMPACT:

	FY 76	FY 77
Employer contributions under current law	\$1,681,899	\$1,708,138
Employer contributions under proposed law	<u>3,363,798</u>	<u>3,416,276</u>
Increase in expenditures	<u>\$1,681,899</u>	<u>\$1,708,138</u>

LOCAL IMPACT:

This act would increase the insurance contributions for employees of city and counties. The amount of the increase is not possible to determine within the time limitation.

CONCLUSION:

Enactment of House Bill 611 would increase state expenditures by approximately \$3.4 million under the proposed law during the 1975-77 biennium. Approximately 44% or \$1.49 million of increased expenditures would be from the General Fund.

Michael D. Prillip

BUDGET DIRECTOR

Office of Budget and Program Planning

Date: February 14, 1975

Approved by Committee
on Labor & Employment
Relations

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9 ~~and--high--school--districts~~ premium contributions are not
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