

1 H BILL NO. 229
2 INTRODUCED BY Steb

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE GROUP
5 INSURANCE FOR ALL DEPARTMENTS, BUREAUS, BOARDS, COMMISSIONS,
6 AND AGENCIES OF THE STATE OF MONTANA AND SCHOOL DISTRICTS;
7 AMENDING SECTIONS 59-1501 AND 59-1505, R.C.M. 1947; AND
8 REPEALING SECTION 11-1024, R.C.M. 1947."
9

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 Section 1. There is a new R.C.M. section numbered
12 59-1501.1 that reads as follows:

13 59-1501.1. Group insurance for all departments,
14 bureaus, boards, commissions and agencies of the state of
15 Montana and school districts -- authority -- approval of
16 employees -- limit on contributions. (1) All departments,
17 bureaus, boards, commissions, and agencies of the state of
18 Montana and school districts shall, upon approval by
19 two-thirds vote of the officers and employees of each such
20 department, bureau, board, commission, agency, or school
21 district, enter into group hospitalization, medical, health
22 including long-term disability, accident, or group life
23 insurance contracts or plans for the benefit of their
24 officers and employees and their dependents, and the
25 respective administrative and governing bodies shall pay for

1 such insurance \$10 a month for each officer, employee, and
2 legislator, provided that for all employees as defined in
3 subsection (2) of this section and for members of the
4 legislature, such payment for insurance may be an amount
5 equal to 12 times the monthly rate but may not exceed \$120 a
6 year. However, for employees of elementary and high school
7 districts, the employer's premium contributions may exceed
8 but shall not be less than the amount specified in this
9 section.

10 (2) In this section, as it applies to a person
11 employed in the executive or legislative branches of state
12 government, "employee" means:

- 13 (a) a permanent full-time employee as defined in
14 59-1007.1;
- 15 (b) a part-time employee as defined in 59-1007.1 who
16 is scheduled to work at least 20 hours per week; or
- 17 (c) a person employed in a seasonal position as
18 defined in 59-1007.1 who is employed on a regular basis at
19 least 8 months of the fiscal year.

20 Section 2. Section 59-1501, R.C.M. 1947, is amended to
21 read as follows:

22 "59-1501. Definitions. As used in this act:
23 (1) "Department" means the department of
24 administration of the state of Montana provided for in
25 chapter 2 of Title 82A.

1 (2) "Employee" means an employee of the state of
2 Montana, specifically including a member or employee of the
3 legislative branch of state government, who is eligible for
4 insurance coverage pursuant to ~~section--11-1024~~ 59-1501.1.
5 The term "employee" does not include employees of counties,
6 cities, towns and school districts of the state of Montana."

7 Section 3. Section 59-1505, R.C.M. 1947, is amended to
8 read as follows:

9 "59-1505. Approval of insurance by component group --
10 independent negotiation in event of disapproval. Two-thirds
11 ~~{2/3}~~ of the members of any existing component employee
12 group, which is part of the combined group on whose behalf
13 the department has contracted for group insurance, must
14 approve the policy in order for it to be effective as to
15 that component group. When the policy is approved, the
16 employer contribution provided for in ~~section--11-1024~~
17 59-1501.1 shall then be paid to the insurer issuing the
18 approved policy. The component employee group shall retain
19 the power to negotiate and contract for group insurance and
20 health service corporation plans if such component group
21 does not approve the policy negotiated by the department."

22 Section 4. Repealer. Section 11-1024, R.C.M. 1947, is
23 repealed.

-End-

STATE OF MONTANA

REQUEST NO. 572-77

FISCAL NOTE

Form BD-15

In compliance with a written request received February 8, 19 77, there is hereby submitted a Fiscal Note for House Bill 229 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:

An act to provide group insurance for all departments, bureaus, boards, commissions, and agencies of the State of Montana and school districts.

FISCAL IMPACT:

None. This bill is designed to make the proposed local government code consistent with present group insurance legislation, and has no fiscal impact on state government.

Richard L. Drury
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-23-77

Approved by Committee
on State Administration

1 H BILL NO. 229
2 INTRODUCTION BY

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1 such insurance \$10 a month for each officer, employee, and
2 legislator, provided that for all employees as defined in
3 subsection (2) of this section and for members of the
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HB 229

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21 does not approve the policy negotiated by the department."

22 Section 4. Repealer. Section 11-1024, R.C.M. 1947, is
23 repealed.

-End-

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18 defined in 59-1007.1 who is employed on a regular basis at
19 least 8 months of the fiscal year.

20 Section 2. Section 59-1501, R.C.M. 1947, is amended to
21 read as follows:

22 "59-1501. Definitions. As used in this act:

23 (1) "Department" means the department of
24 administration of the state of Montana provided for in
25 chapter 2 of Title 32A.

THIRD READING

1 (2) "Employee" means an employee of the state of
2 Montana, specifically including a member or employee of the
3 legislative branch of state government, who is eligible for
4 insurance coverage pursuant to ~~section--11-1024~~ 59-1501.1.
5 The term "employee" does not include employees of counties,
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20 health service corporation plans if such component group
21 does not approve the policy negotiated by the department."

22 ~~Section 4. Repealer. Section 11-1024, R.C.M., 1947, is~~
23 ~~repeated.~~

-End-