LC 0727/01

INTRODUCED BY \_\_\_\_\_\_ H\_\_\_ BILL NO. 229 1 2 3 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE GROUP 4 INSURANCE FOR ALL DEPARTMENTS, BUREAUS, BOARDS, COMMISSIONS, 5 AND AGENCIES OF THE STATE OF MONTANA AND SCHOOL DISTRICTS; 6 7 AMENDING SECTIONS 59-1501 AND 59-1505, R.C.H. 1947; AND REPEALING SECTION 11-1024, R.C.N. 1947." 8 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 10 Section 1. There is a new R.C.M. section numbered 11 59-1501.1 that reads as follows: 12 59-1501.1. Group insurance for all departments. 13 bureaus, boards, commissions and agencies of the state of 14 Montana and school districts -- authority -- approval of 15 employees -- limit on contributions. (1) All departments. 16 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 department, pureau, board, commission, agency, or school 20 district. enter into group hospitalization, medical, health 21 including long-term disability, accident, or group life 22 insurance contracts or plans for the benefit of their 23 officers and employees and their dependents, and the 24 respective administrative and governing bodies shall pay for 25

such insurance \$10 a month for each officer, employee, and 1 legislator, provided that for all employees as defined in 2 з subsection (2) of this section and for members of the 4 legislature, such payment for insurance may be an amount equal to 12 times the monthly rate but may not exceed \$120 a 5 year. However, for employees of elementary and high school 6 7 districts, the employer's premium contributions may exceed а but shall not be less than the amount specified in this 9 section. (2) In this section, as it applies to a person 10 11 employed in the executive or legislative branches of state government, "employee" means: 12 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: (1) "Department" 23 means the department of administration of the state of Montana provided for in 24

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chapter 2 of Title 82A.

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INTRODUCED BILL

1 (2) "Employee" means an employee of the state of z 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, cities, towns and school districts of the state of Montana." 6 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 +2+3+ of the members of any existing component employee 11 12 group, which is part of the combined group on whose behalf 13 the department has contracted for group insurance, must approve the policy in order for it to be effective as to 14 15 that component group. When the policy is approved, the employer contribution provided for in section-~11-1024 16 17 59-1501-1 shall then be paid to the insurer issuing the approved policy. The component employee group shall retain 18 19 the power to negotiate and contract for group insurance and 20 health service corporation plans if such component group does not approve the policy negotiated by the department." 21 Section 4. Repealer. Section 11-1024, R.C.M. 1947, is 22 23 repealed.

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## STATE OF MONTANA

REQUEST NO. 572-77

## FISCAL NOTE

Form BD-15

In compliance with a written request received <u>February 8</u>, 19 <u>77</u>, there is hereby submitted a Fiscal Note for <u>House Bill 229</u> 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.

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BUDGET DIRECTOR V Office of Budget and Program Planning Date: 2 - 2 3 - 7 7

l	<u>H</u> BILL NO. 229
2	INTRODUCED BY
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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:
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14	bureaus, boards, commissions and agencies of the state of
15	Nontana and school districts authority approval of
15	employees limit on contributions. (1) All departments.
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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 legislature, such payment for insurance may be an amount 4 equal to 12 times the monthly rate but may not exceed \$120 a 5 year. However, for employees of elementary and high school 6 7 districts, the employer's premium contributions may exceed я but shall not be less than the amount specified in this 9 section. -10 (2) In this section, as it applies to a person employed in the executive or legislative branches of state 11 12 government, "employee" means: 13 (a) a permanent full-time employee as defined in 59-1007-1: 14 (b) a part-time employee as defined in 59-1007.1 who 15 is scheduled to work at least 20 hours per week; or 16 17 (c) a person employed in a seasonal position as 18 defined in 59-1007.1 who is employed on a regular basis at least 8 months of the fiscal year. 19 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.

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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, cities, towns and school districts of the state of Montana." 6 7 Section 3. Section 59-1505. R.C.M. 1947. is amended to 8 read as follows:

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THIRD READING

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of

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1 (2) "Employee" means an employee of the state of Montana, specifically including a member or employee of the 2 3 legislative branch of state government, who is eligible for 4 insurance coverage pursuant to section--11-1024 59-1501.1. The term "employee" does not include employees of counties, 5 cities, towns and school districts of the state of Montana." 6 7 Section 3. Section 59-1505, R.C.M. 1947, is amended to read as follows: 8

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23 repeatedy

-End-

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