INTRODUCED BILL

1	Senate BILL NO. 357
2	INTRODUCED BY LABOR & EMPLOYMENT RELATIONS COMMITTEE.
3	Chairman BY REQUEST OF
4	THE DIVISION OF WORKERS COMPENSATION
5	
6	A BILL FOR AN ACT ENTITLED: "AN ACT AMENDING SECTION
7	92-1002. R.C.M. 1947, REGARDING THE ELECTION OF AN EMPLOYER
8	TO BE BOUND BY COMPENSATION PLAN NO. 2, BY REQUIRING THAT
9	WORKERS* COMPENSATION POLICIES WRITTEN BY PRIVATE INSURANCE
10	CARRIERS BE WRITTEN ON A CONTINUOUS BASIS UNTIL PRIOR NOTICE
11	HAS BEEN SUBMITTED TO THE DIVISION THAT THE POLICY WILL BE
12	TERMINATED; AND REPEALING SECTION 92-1006, R.C.M. 1947.
13	
14	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
15	Section 1. Section 92-1002, R.C.M. 1947, is amended to
16	read as follows:
17	#92-1002. Duty of employer electing plan No. 2
18	amount of insurance necessary. (1) Any employer electing to
19	become bound by compensation plan No. 2 shall make his
20	election on the form and in the manner prescribed by the
21	division. Suchelectionshallbeaccompaniedbya
22	certificate-issued-by-the-insurer-on-the-form-prescribedby
23	thedivisionywhichshall-state-the-effective-date-of-the
24	policy-insuring-the-employery-its-expiration-dateandsuch
25	otherinformationasmayberequired-by-the-division-to

1	THTOTH-THE-DIVISION-OF-THE-BORGEDCY-OF-THE-THSUFCHCEW
2	(2) The insurer shall, within 10 days after the
3	issuance of the policy of workers compensation insurance:
4	submit to the division the notice of coverage stating the
5	effective date of the policy insuring the employer and such
6	other information as may be required by the division. The
7	policy remains in effect until cancelled, and cancellation
8	may take effect only by written notice to the named insured
9	and to the division at least 20 days prior to the date of
10	cancellation. However, the policy terminates on the
11	effective date of a replacement or succeeding workers!
12	compensation insurance policy issued to the insured.
13	(3) The division may, in its discretion, assess a
14	penalty of no more than \$200 against an insurer which as a
15	ceneral business practice does not comply with the 10-day
16	notice requirement as set forth in subsection (2) of this
17	section."
18	Section 2. Repealer. Section 92-1006, R.C.M. 1947, is
19	repealed.

-End-

Approved by Committee on Labor & Employment Relations

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3	BY REQUEST OF
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2	121 The insurer shall, within 10 days after same
3	issuance of the policy of workers* compensation insurance.
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5	effective date of the policy insuring the employer and such
6	other information as may be required by the division. The
7	policy remains in effect until cancelled, and cancellation
8	may take effect only by written notice to the named insured
9	and to the division at least 20 days prior to the date of
0	cancellation. However, the policy terminates on the
1	effective date of a replacement or succeeding workers*
2	compensation insurance policy issued to the insured.
3	(3) The division may, in its discretion, assess a
.4	penalty of no more than \$200 against an insurer which as a
.5	ceneral business practice does not comply with the 10-day
6	notice requirement as set forth in subsection (2) of this
7	<u>section₂</u> "
8	Section 2. Repealer. Section 92-1006, R.C.M. 1947, is

-End-

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\$8 0357/02

\$3 0357/02

45ta Legislature

1	SENATE BILL NO. 357
2	INTRODUCED BY LABOR & EMPLOYMENT RELATIONS COMMITTEE
3	LEE, CHAIRMAN
4	BY REQUEST OF
5	THE DIVISION OF WORKERS COMPENSATION
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7	A BILL FOR AN ACT ENTITLED: "AN ACT AMENDING SECTION
8	92-1002, R.C.M. 1947, REGARDING THE ELECTION OF AN EMPLOYER
9	TO BE BOUND BY COMPENSATION PLAN NO. 2, BY REQUIRING THAT
0	WORKERS* COMPENSATION POLICIES WRITTEN BY PRIVATE INSURANCE
1	CARRIERS BE WRITTEN ON A CONTINUOUS BASIS UNTIL PRIOR NOTICE
2	HAS BEEN SUBMITTED TO THE DIVISION THAT THE POLICY WILL BE
3	TERMINATED; AND REPEALING SECTION 92-1006, 92-1009, R.C.M.
4	1947.**
5	
6	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
7	Section 1. Section 92-1002, R.C.M. 1947, is amended to
. B	read as follows:
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2	amount of insurance necessary. (11) Any employer electing to
1	become bound by compensation plan No. 2 shall make his
2	election on the form and in the manner prescribed by the
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4	certificateissued-by-the-insurer-on-the-form-prescribed-by
:5	the-divisiony-which-shall-state-the-effectivedateofthe

1	partey-traspring-the-emproyery-res-expression-date-and-suc
2	other-information-as-may-berequiredbythedivisiont
3	inform-the-division-of-the-adequacy-of-the-insurance*
4	(2) Ine insurer shall: within 19 10 days after th
5	issuance of the policy of workers' compensation insurance
6	submit to the division the notice of coverage stating th
7	effective_date_of_the_policy_insuring_the_employer_and_suc
ક	other information as may be required by the division. Th
3	policy_remains_in_effect_until_cancelled:andcancellatio
10	may_take_effect_only_by_written_notice_to_the_named_insure
11	and to the division at least 20 days prior to the date o
12	cancellation. However, the policy terminates on th
13	effective date_of_a_replacement_or_succeeding_workers
14	compensation insurance policy issued to the insurad: NOTHIN
15	IN THIS SUBSECTION PREVENTS AN INSURER FROM CANCELLING
16	POLICY OF HORKERS* COMPENSATION INSURANCE UNTIL
17	REPLACEMENT POLICY IS ISSUED TO THE INSURED.
18	(3) Ine division mays in its discretions assess
19	penalty of no more than \$200 against an insurer which as
20	<u>general_business_practice_does_not_comply_with_the ta-da</u>
21	39-0AY notice requirement as set forth in subsection (2) o
22	this_section."
23	Section 2. Repealer. Section 92-1006, 92-1309, R.C.M
24	1947, is repealed.

HOUSE 'REPRESENTATIVES arch 11, 1977
LABOR AND EMPLOYMENT RELATIONS COMMITTEE AMENDMENTS TO SENATE BILL 357,
Third Reading Copy:

1. Amend page 2, section 1, line 16.

Following: "INSURANCE"

Strike: "UNTIL"
Insert: "BEFORE"

AS AMENDED BE CONCURRED IN

45th Legislature SR 0357/03 SB 0357/03

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2	other-information-as-may-berequiredbythedivisionte
3	inform-the-division-of-the-adequacy-of-the-insurancew
4	(2) The insurer shall, within 10 30 days after the
5	issuance of the policy of workers compensation insurance.
61	submit to the division the notice of coverage stating the
7	effective date of the policy insuring the employer and such
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9	policy remains in effect until cancelled, and cancellation
10	may take effect only by written notice to the named insured
11	and to the division at least 20 days prior to the date of
12	cancellation. However, the policy terminates on the
13	effective date of a replacement or succeeding workers
14	compensation insurance policy issued to the insured. NOTHING
15	IN 1815 SUBSECTION PREVENTS AN INSURER FROM CANCELLING A
16	POLICY OF WORKERS COMPENSATION INSURANCE WHILE BEFORE A
17	REPLACEMENT POLICY IS ISSUED TO THE INSURED.
18	(3) The division may, in its discretion, assess a
19	penalty of no more than \$200 against an insurer which as a
20	general business practice does not comply with the 10 day
21	30-DAY notice requirement as set forth in subsection (2) of
22	this_section."
23	Section 2. Repealer. Section 92-1006, <u>92-1009</u> , R.C.M.
24	1947, is repealed.

-End-