

SENATE BILL NO. 258

INTRODUCED BY DOVER, GALT, THIESSEN, GRAHAM

IN THE SENATE

January 25, 1979	Introduced and referred to Committee on Labor and Employment Relations.
February 15, 1979	Committee recommend bill do pass as amended. Report adopted.
February 17, 1979	Printed and placed on members' desks.
February 19, 1979	Second reading, do pass as amended.
February 20, 1979	Correctly engrossed.
February 21, 1979	Third reading, passed. Transmitted to second house.

IN THE HOUSE

February 22, 1979	Introduced and referred to Committee on Labor and Employment Relations.
March 3, 1979	Committee recommend bill be concurred in. Report adopted.
March 5, 1979	Second reading, concurred in.
March 7, 1979	Third reading, concurred in.

IN THE SENATE

March 8, 1979	Returned from second house. Concurred in. Sent to enrolling. Reported correctly enrolled.
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1 *Senate* BILL NO. *258*
 2 INTRODUCED BY *Don Maltzman*

3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE PUBLIC
 5 CORPORATIONS AN OPTION FOR PLAN COVERAGE UNDER THE WORKERS'
 6 COMPENSATION ACT; PROVIDING FOR PAYMENT; AND AMENDING
 7 SECTION 39-71-403, MCA."

8
 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Section 39-71-403, MCA, is amended to read:

11 "39-71-403. Plan three exclusive, compulsory, and
 12 obligatory for ~~public corporations~~ state agencies. Where a
 13 ~~public--corporation~~ state agency is the employer, the terms,
 14 conditions, and provisions of compensation plan No. 3 shall
 15 be exclusive, compulsory, and obligatory upon both employer
 16 and employee. Any sums necessary to be paid under the
 17 provisions of this chapter by any ~~public-corporation~~ state
 18 agency shall be considered to be ordinary and necessary
 19 expense of ~~such--corporation~~ the agency, and the governing
 20 ~~body-of-such-public-corporation~~ state treasurer shall make
 21 appropriation of and pay such sums into the accident or
 22 administration fund, as the case may be, at the time and in
 23 the manner provided for in this chapter, notwithstanding
 24 that such-governing-body the state agency may have failed to
 25 anticipate such ordinary and necessary expense in any

1 budget, estimate of expenses, appropriations, ordinances, or
 2 otherwise."

3 NEW SECTION. Section 2. Election of coverage by
 4 public corporations. A public corporation, other than a
 5 state agency, may elect coverage under compensation plan No.
 6 1, employer; plan No. 2, insurer; or plan No. 3, state
 7 insurance fund; separately or jointly with any other public
 8 corporation, other than a state agency, or may elect to
 9 utilize any combination of plan No. 1 or plan No. 2 as
 10 determined by the governing body.

11 (2) A public corporation, other than a state agency,
 12 that elects plan No. 1 in whole or in part may establish a
 13 fund sufficient to pay the compensation and benefits
 14 provided for in Title 39, chapter 71, and to discharge all
 15 liabilities that reasonably incur during the fiscal year for
 16 which the election is effective. Proceeds from the fund must
 17 be used only to pay claims covered by Title 39, chapter 71,
 18 and for actual and necessary expenses required for the
 19 efficient administration of the fund.

20 (3) All money in the fund established under this
 21 section not needed to meet immediate expenditures must be
 22 invested by the governing body of the public corporations,
 23 and all proceeds of the investment shall be credited to the
 24 fund.

25 NEW SECTION. Section 3. Tax to meet obligations. If

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 INTRODUCED BILL

1 the required contributions to the fund established in
2 [section 2] exceed the funds available to the public
3 corporation from general revenue sources, the public
4 corporation may budget, levy, and collect annually a special
5 tax upon the assessable property within the boundaries of
6 the public corporation in the amount required to provide
7 sufficient revenue to meet the obligation of the public
8 corporation to the fund. The rate of taxation may be in
9 addition to the rate of taxation allowed by law to be levied
10 by the public corporation.

-End-

Approved by Committee
on Labor & Employment
Relations

SENATE BILL NO. 258

INTRODUCED BY DOVER, GALT, THIESSEN, GRAHAM

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE PUBLIC CORPORATIONS AN OPTION FOR PLAN COVERAGE UNDER THE WORKERS' COMPENSATION ACT; PROVIDING FOR PAYMENT; AND AMENDING SECTION 39-71-403, MCA."

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

Section 1. Section 39-71-403, MCA, is amended to read:

"39-71-403. Plan three exclusive, compulsory, and obligatory for public-corporations state-agencies. Where a public--corporation state-agency is the employer, the terms, conditions, and provisions of compensation plan No. 3 shall be exclusive, compulsory, and obligatory upon both employer and employee. Any sums necessary to be paid under the provisions of this chapter by any public-corporation state-agency shall be considered to be ordinary and necessary expense of such--corporation the-agency, and the governing body-of-such-public-corporation state-treasurer AGENCY shall make appropriation of and pay such sums into the accident or administration fund, as the case may be, at the time and in the manner provided for in this chapter, notwithstanding that such-governing-body the-state-agency may have failed to anticipate such ordinary and necessary expense in any

budget, estimate of expenses, appropriations, ordinances, or otherwise."

~~NEW SECTION. Section 2. Election of coverage by public corporations. A public corporation, other than a state agency, may elect coverage under compensation plan No. 1, employer; plan No. 2, insurer; or plan No. 3, state insurance fund; separately or jointly with any other public corporation, other than a state agency, or may elect to utilize any combination of plan No. 1 or plan No. 2 as determined by the governing body. A PUBLIC CORPORATION ELECTING COMPENSATION PLAN NO. 1 MAY PURCHASE REINSURANCE. A PUBLIC CORPORATION ELECTING COMPENSATION PLAN NO. 1 IS SUBJECT TO THE SAME PROVISIONS AS A PRIVATE EMPLOYER ELECTING COMPENSATION PLAN NO. 1.~~

(2) A public corporation, other than a state agency, that elects plan No. 1 in-whole-or-in-part may establish a fund sufficient to pay the compensation and benefits provided for in Title 39, chapter CHAPTERS 71 AND 72, and to discharge all liabilities that reasonably incur during the fiscal year for which the election is effective. Proceeds from the fund must be used only to pay claims covered by Title 39, chapter CHAPTERS 71 AND 72, and for actual and necessary expenses required for the efficient administration of the fund.

(3) All money in the fund established under this

1 section not needed to meet immediate expenditures must be
2 invested by the governing body of the public corporation,
3 and all proceeds of the investment shall be credited to the
4 fund.

5 NEW SECTION. Section 3. Tax to meet obligations. If
6 the required contributions to the fund established in
7 [section 2] exceed the funds available to the public
8 corporation from general revenue sources, the public
9 corporation may budget, levy, and collect annually a special
10 tax upon the assessable property within the boundaries of
11 the public corporation in the amount required to provide
12 sufficient revenue to meet the obligation of the public
13 corporation to the fund. The rate of taxation may be in
14 addition to the rate of taxation allowed by law to be levied
15 by the public corporation.

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10 Section 1. Section 39-71-403, MCA, is amended to read:

11 "39-71-403. Plan three exclusive, compulsory, and
12 obligatory for ~~public-corporations~~ state agencies. Where a
13 ~~public-corporation~~ state agency is the employer, the terms,
14 conditions, and provisions of compensation plan No. 3 shall
15 be exclusive, compulsory, and obligatory upon both employer
16 and employee. Any sums necessary to be paid under the
17 provisions of this chapter by any ~~public-corporation~~ state
18 agency shall be considered to be ordinary and necessary
19 expense of ~~such-corporation~~ the agency, and the governing
20 ~~body-of-such-public-corporation~~ state-treasurer AGENCY shall
21 make appropriation of and pay such sums into the accident or
22 administration fund, as the case may be, at the time and in
23 the manner provided for in this chapter, notwithstanding
24 that ~~such-governing-body~~ the state agency may have failed to
25 anticipate such ordinary and necessary expense in any

1 budget, estimate of expenses, appropriations, ordinances, or
2 otherwise."

3 NEW SECTION. Section 2. Election of coverage by
4 public corporations. A public corporation, other than a
5 state agency, may elect coverage under compensation plan No.
6 1, employer; plan No. 2, insurer; or plan No. 3, state
7 insurance fund; separately or jointly with any other public
8 corporation, other than a state agency, ~~or may elect to~~
9 ~~utilize any combination of plan No. 1 or plan No. 2 as~~
10 ~~determined by the governing body.~~ A PUBLIC CORPORATION
11 ELECTING COMPENSATION PLAN NO. 1 MAY PURCHASE REINSURANCE. A
12 PUBLIC CORPORATION ELECTING COMPENSATION PLAN NO. 1 IS
13 SUBJECT TO THE SAME PROVISIONS AS A PRIVATE EMPLOYER
14 ELECTING COMPENSATION PLAN NO. 1.

15 (2) A public corporation, other than a state agency,
16 that elects plan No. 1 ~~in whole or in part~~ may establish a
17 fund sufficient to pay the compensation and benefits
18 provided for in Title 39, chapter ~~CHAPTERS~~ 71 AND 72, and to
19 discharge all liabilities that reasonably incur during the
20 fiscal year for which the election is effective. Proceeds
21 from the fund must be used only to pay claims covered by
22 Title 39, chapter ~~CHAPTERS~~ 71 AND 72, and for actual and
23 necessary expenses required for the efficient administration
24 of the fund.

25 (3) All money in the fund established under this

1 section not needed to meet immediate expenditures must be
2 invested by the governing body of the public corporation,
3 and all proceeds of the investment shall be credited to the
4 fund.

5 ~~NEW SECTION: Section 3e--tax--to-meet-obligations--if~~
6 ~~the--required--contributions--to--the--fund--established--in~~
7 ~~[section--2j--exceed--the--funds--available--to--the--public~~
8 ~~corporation--from--general--revenue--sources;--the--public~~
9 ~~corporation--may--budget,--levy,--and--collect--annually--a--special~~
10 ~~tax--upon--the--assessable--property--within--the--boundaries--of~~
11 ~~the--public--corporation--in--the--amount--required--to--provide~~
12 ~~sufficient--revenue--to--meet--the--obligation--of--the--public~~
13 ~~corporation--to--the--funds--The--rate--of--taxation--may--be--in~~
14 ~~addition--to--the--rate--of--taxation--allowed--by--law--to--be--levied~~
15 ~~by--the--public--corporation.~~

-End-

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2 invested by the governing body of the public corporation,
3 and all proceeds of the investment shall be credited to the
4 fund.

5 ~~NEW SECTION. Section 3. Tax to meet obligations. If~~
6 ~~the required contributions to the fund established in~~
7 ~~[section 2] exceed the funds available to the public~~
8 ~~corporation from general revenue sources, the public~~
9 ~~corporation may budget, levy, and collect annually a special~~
10 ~~tax upon the assessable property within the boundaries of~~
11 ~~the public corporation in the amount required to provide~~
12 ~~sufficient revenue to meet the obligation of the public~~
13 ~~corporation to the fund. The rate of taxation may be in~~
14 ~~addition to the rate of taxation allowed by law to be levied~~
15 ~~by the public corporation.~~

-End-