

HB 847 INTRODUCED BY RAPP-SVRCEK
WORKERS' COMPENSATION DIVISION MAY CANCEL EMPLOYER'S
COVERAGE UNDER PLAN NO. 3 FOR UNSAFE WORKPLACE

2/21 INTRODUCED
2/21 REFERRED TO BUSINESS & LABOR
2/21 FISCAL NOTE REQUESTED
2/23 FISCAL NOTE RECEIVED
2/24 HEARING
3/09 TABLED IN COMMITTEE

1 ^{House} BILL NO. 847
 2 INTRODUCED BY Raymond
 3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW THE WORKERS'
 5 COMPENSATION DIVISION TO CANCEL AN EMPLOYER'S COVERAGE UNDER
 6 PLAN NO. 3 WHILE THE WORKPLACE IS UNDULY DANGEROUS; TO
 7 REQUIRE THE DIVISION TO REPORT AN UNDULY DANGEROUS WORKPLACE
 8 TO THE OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION; AND
 9 AMENDING SECTION 39-71-2305, MCA."
 10
 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 12 Section 1. Section 39-71-2305, MCA, is amended to
 13 read:
 14 "39-71-2305. Advanced-rate Coverage cancellation for
 15 dangerous places of employment -- penalty -- division to
 16 report unduly dangerous conditions. (1) If, by reason of
 17 poor or careless management or otherwise, any place of
 18 employment is unduly dangerous in comparison with other like
 19 places of employment and the employer operating the same has
 20 not complied with the safety provisions of the Montana
 21 Safety Act and the employer is under compensation plan No.
 22 3, the division, in addition to any other penalty provided,
 23 ~~shall advance the rate upon such place of employment 50%.~~
 24 ~~The advanced rate shall continue and be in force until the~~
 25 ~~place of employment has ceased to be unduly dangerous in~~

1 ~~comparison with other like places of employment and the~~
 2 ~~employer has obtained a certificate of the division shall~~
 3 ~~cancel the employer's coverage under compensation plan No.~~
 4 ~~3.~~
 5 (2) The division shall notify the employer of its
 6 intent to cancel the employer's coverage at least 5 days
 7 before the cancellation becomes effective.
 8 (3) After the cancellation date, the employer has the
 9 status of an employer who is not enrolled under the Workers'
 10 Compensation Act.
 11 (4) The employer may reapply for coverage under
 12 compensation plan No. 3 when:
 13 (a) the place of employment has ceased to be unduly
 14 dangerous in comparison with other like places of
 15 employment; and
 16 (b) the employer has obtained a certification to that
 17 effect from the division.
 18 (5) For each day until the employer obtains the
 19 certification provided for in subsection (4), the division
 20 may assess against the employer a penalty of 2% of the total
 21 premium paid by the employer in the calendar year preceding
 22 the one in which the employer's coverage is canceled.
 23 (6) If the division, after an inspection, finds that a
 24 place of employment is unduly dangerous, the division shall
 25 report its findings to the occupational safety and health

1 administration.

2 NEW SECTION. Section 2. Extension of authority. Any
3 existing authority of the division of workers' compensation
4 to make rules on the subject of the provisions of this act
5 is extended to the provisions of this act.

6 NEW SECTION. Section 3. Coordination instruction. If
7 Senate Bill No. 242 is not passed and approved, section 1(6)
8 of this act, amending 39-71-2305, is void.

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