

HOUSE BILL NO. 543

INTRODUCED BY CONNELLY, HARP, MOORE, BROOKE, DAVIS,
KOEHNKE, J. BROWN, REAM, MCDONOUGH, SQUIRES, O'CONNELL,
WYATT, MCCORMICK, BACHINI, COCCHIARELLA, LYNCH, PAVLOVICH,
DAILY, KILPATRICK, STICKNEY, RUSSELL, ADDY, KIMBERLEY,
WHALEN, GERVAIS, STRIZICH, DEMARS, JOHNSON, BRADLEY,
GLASER, SMITH, R. NELSON, O'KEEFE, RANEY, OWENS, VINCENT,
NISBET, CLARK, ZOOK, PHILLIPS, VAN VALKENBURG, PETERSON,
B. BROWN, MCLANE, MANNING, VAUGHN, WALKER, JERGESON,
YELLOWTAIL, ANDERSON, DRISCOLL, HARRINGTON, DARKO

IN THE HOUSE

FEBRUARY 2, 1989

INTRODUCED AND REFERRED TO COMMITTEE
ON STATE ADMINISTRATION.

FIRST READING.

FEBRUARY 10, 1989

ON MOTION BY CHIEF SPONSOR,
REPRESENTATIVES MOORE, BROOKE, DAVIS,
KOEHNKE, J. BROWN, REAM, MCDONOUGH,
SQUIRES, O'CONNELL, WYATT, MCCORMICK,
BACHINI, COCCHIARELLA, PAVLOVICH, DAILY,
KILPATRICK, STICKNEY, RUSSELL, ADDY,
KIMBERLEY, WHALEN, GERVAIS, STRIZICH,
DEMARS, JOHNSON, BRADLEY, GLASER,
SMITH, O'KEEFE, RANEY, OWENS, VINCENT,
NISBET, CLARK, ZOOK, PHILLIPS, DRISCOLL,
PETERSON, NISBET, DARKO, AND SENATORS
LYNCH, VAN VALKENBURG, HARP, MCCLANE
MANNING, VAUGHN, WALKER, JERGESON,
YELLOWTAIL, ANDERSON, AND HARRINGTON,
ADDED AS SPONSORS.

FEBRUARY 15, 1989

COMMITTEE RECOMMEND BILL
DO PASS AS AMENDED. REPORT ADOPTED.

FEBRUARY 16, 1989

PRINTING REPORT.

FEBRUARY 18, 1989

SECOND READING, DO PASS.

FEBRUARY 20, 1989

ENGROSSING REPORT.

ON MOTION, REREFERRED TO COMMITTEE
ON APPROPRIATIONS.

MARCH 22, 1989

COMMITTEE RECOMMEND BILL
DO PASS AS AMENDED. REPORT ADOPTED.

MARCH 23, 1989

ON MOTION, RULES SUSPENDED AND BILL
PLACED ON SECOND READING BY END OF
67TH DAY.

SECOND READING, DO PASS.

ON MOTION, RULES SUSPENDED TO ALLOW
TO PLACE ON 3RD READING 67TH DAY

THIRD READING, PASSED.
AYES, 71; NOES, 21.

MARCH 24, 1989

ENGROSSING REPORT.

TRANSMITTED TO SENATE.

IN THE SENATE

MARCH 27, 1989

INTRODUCED AND REFERRED TO COMMITTEE
ON STATE ADMINISTRATION.

FIRST READING.

APRIL 6, 1989

COMMITTEE RECOMMEND BILL BE
CONCURRED IN AS AMENDED. REPORT
ADOPTED.

APRIL 8, 1989

SECOND READING, CONCURRED IN.

APRIL 10, 1989

THIRD READING, CONCURRED IN.
AYES, 49; NOES, 0.

RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

APRIL 11, 1989

RECEIVED FROM SENATE.

SECOND READING, AMENDMENTS
CONCURRED IN.

APRIL 12, 1989

THIRD READING, AMENDMENTS
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 House BILL NO. 543
2 INTRODUCED BY Connelly HART
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT PERMITTING CERTAIN
5 RETIRED MONTANA HIGHWAY PATROL OFFICERS OR THEIR SURVIVING
6 SPOUSES OR DEPENDENTS TO BECOME MEMBERS OF THE STATE OF
7 MONTANA EMPLOYEE GROUP BENEFITS PLAN; REQUIRING A PERCENTAGE
8 OF A RETIRED OFFICER'S OR HIS SURVIVING SPOUSE'S OR
9 DEPENDENT'S PREMIUM FOR COVERAGE UNDER THE PLAN TO BE PAID
10 WITH REVENUE COLLECTED FROM MOTOR VEHICLE REGISTRATION FEES;
11 INCREASING THESE FEES; AMENDING SECTIONS 2-18-704 AND
12 61-3-321, MCA; AND PROVIDING EFFECTIVE DATES."

13
14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

15 NEW SECTION. Section 1. Election of membership in
16 state employee group benefits plan authorized for certain
17 retirees. Retired Montana highway patrol officers or their
18 surviving spouses or dependents who are receiving a
19 retirement allowance under Title 19, chapter 6, and who are
20 not members of the state of Montana employee group benefits
21 plan on September 1, 1989, may elect to become members of
22 the plan by submitting a written application to the
23 department of administration on or before September 1, 1990.

24 NEW SECTION. Section 2. Partial payment of premium
25 for retired highway patrol officers, spouses, and

1 dependents. (1) The department of administration shall pay
2 50% of the premium for coverage under the state of Montana
3 employee group benefits plan, including coverage for a
4 spouse and dependents, from revenue deposited in the state
5 special revenue fund as provided in 61-3-321(5) for the
6 following persons:

7 (a) a Montana highway patrol officer retiring on or
8 after September 1, 1989, who elects to remain a member of
9 the employee group benefits plan;

10 (b) a Montana highway patrol officer who retired
11 before September 1, 1989, or his surviving spouse or
12 dependents who are members of the employee group benefits
13 plan; and

14 (c) a retired Montana highway patrol officer or his
15 surviving spouse or dependents who elect to become members
16 of the employee group benefits plan under [section 1].

17 (2) The remainder of the premium must be paid by the
18 retired patrol officer or his surviving spouse or dependents
19 and may be withheld from his or his beneficiary's monthly
20 allowance as provided in 19-6-706.

21 **Section 3.** Section 2-18-704, MCA, is amended to read:

22 "2-18-704. **Mandatory provisions.** (1) An insurance
23 contract or plan issued after June 30, 1977, under this part
24 must contain provisions that permit:

25 (a) the member of a group who retires from active

1 service under the appropriate retirement provisions provided
 2 by law to remain a member of the group until he becomes
 3 eligible for medicare under the federal Health Insurance for
 4 the Aged Act, 42 U.S.C. 1395, as amended, unless he is a
 5 participant in another group plan with substantially the
 6 same or greater benefits at an equivalent cost or unless he
 7 is employed and, by virtue of that employment, is eligible
 8 to participate in another group plan with substantially the
 9 same or greater benefits at an equivalent cost;

10 (b) the surviving spouse of a member to remain a
 11 member of the group as long as the spouse is eligible for
 12 retirement benefits accrued by the deceased member as
 13 provided by law unless the spouse is eligible for medicare
 14 under the federal Health Insurance for the Aged Act or
 15 unless the spouse has or is eligible for equivalent
 16 insurance coverage as provided in subsection (1)(a);

17 (c) the surviving children of a member to remain
 18 members of the group as long as they are eligible for
 19 retirement benefits accrued by the deceased member as
 20 provided by law unless they have equivalent coverage as
 21 provided in subsection (1)(a) or are eligible for insurance
 22 coverage by virtue of the employment of a surviving parent
 23 or legal guardian.

24 (2) An insurance contract or plan issued after June
 25 30, 1983, under this part must contain the provisions of

1 subsection (1) for remaining a member of the group and also
 2 must permit:

3 (a) the spouse of a retired member the same rights as
 4 a surviving spouse under subsection (1)(b);

5 (b) the spouse of a retiring member to convert a group
 6 policy as provided in 33-22-508; and

7 (c) continued membership in the group by anyone
 8 eligible under the provisions of this section
 9 notwithstanding the person's eligibility for medicare under
 10 the federal Health Insurance for the Aged Act.

11 (3) A Except as provided in [section 2], a person
 12 electing to remain a member of the group under subsections
 13 (1) and (2) must pay the full premium for his coverage and
 14 for that of his covered dependents."

15 **Section 4.** Section 61-3-321, MCA, is amended to read:

16 "61-3-321. Registration fees of vehicles --
 17 public-owned vehicles exempt from license or registration
 18 fees -- disposition of fees. (1) Registration or license
 19 fees ~~shall~~ must be paid upon registration or reregistration
 20 of motor vehicles, trailers, house trailers, and
 21 semitrailers, in accordance with this chapter, as follows:

22 (a) motor vehicles weighing 2,850 pounds or under
 23 (other than motortrucks), \$5;

24 (b) motor vehicles weighing over 2,850 pounds (other
 25 than motortrucks), \$10;

- 1 (c) electrically driven passenger vehicles, \$10;
 2 (d) all motorcycles and quadricycles, \$2;
 3 (e) tractors and/or trucks, \$10;
 4 (f) buses ~~shall-be~~ are classed as motortrucks and
 5 licensed accordingly;
 6 (g) trailers and semitrailers less than 2,500 pounds
 7 maximum gross loaded weight and housetrailers of all
 8 weights, \$2;
 9 (h) trailers and semitrailers over 2,500 up to 6,000
 10 pounds maximum gross loaded weight (except housetrailers),
 11 \$5;
 12 (i) trailers and semitrailers over 6,000 pounds
 13 maximum gross loaded weight, \$10;
 14 (j) trailers used exclusively in the transportation of
 15 logs in the forest or in the transportation of oil and gas
 16 well machinery, road machinery, or bridge materials, new and
 17 secondhand, ~~shall~~ must pay a fee of \$15 annually, regardless
 18 of size or capacity.
 19 (2) All rates ~~shall--be~~ are 25% higher for motor
 20 vehicles, trailers, and semitrailers not equipped with
 21 pneumatic tires.
 22 (3) "Tractor", as specified in this section, means any
 23 motor vehicle except passenger cars used for towing a
 24 trailer or semitrailer.
 25 (4) If any motor vehicle, housetrailer, trailer, or

1 semitrailer is originally registered 6 months after the time
 2 of registration as set by law, the registration or license
 3 fee for the remainder of the year ~~shall-be~~ is one-half of
 4 the regular fee.

5 (5) An additional fee of \$3 ~~\$4~~ per year for each
 6 registration of a vehicle ~~shall~~ must be collected as a
 7 registration fee. Revenue from this fee ~~shall~~ must be
 8 forwarded by the respective county treasurers to the state
 9 treasurer for deposit in the motor vehicle recording account
 10 of the state special revenue fund. The state treasurer shall
 11 distribute 25% of the revenue from this fee to the
 12 department of administration for partial payment of premiums
 13 as provided in [section 2].

14 (6) The provisions of this part with respect to the
 15 payment of registration fees ~~shall~~ do not apply to or-be and
 16 are not binding upon motor vehicles, trailers or
 17 semitrailers, or tractors owned or controlled by the United
 18 States of America or any state, county, or city.

19 (7) The provisions of this section relating to the
 20 payment of registration fees do not apply when number plates
 21 are transferred to a replacement vehicle under 61-3-317,
 22 61-3-332(7), or 61-3-335."

23 NEW SECTION. Section 5. Extension of authority. Any
 24 existing authority to make rules on the subject of the
 25 provisions of [this act] is extended to the provisions of

EC 1330/01

1 [this act].

2 NEW SECTION. **Section 6.** Effective dates. (1)
3 [Sections 4, 5, and this section] are effective July 1,
4 1989.

5 (2) [Sections 1 through 3] are effective September 1,
6 1989.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB543, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:


An act permitting certain retired Montana highway patrol officers or their surviving spouses or dependents to become members of the State of Montana Employee Group Benefits Plan; requiring a percentage of a retired officer's or his surviving spouse's or dependent's premium for coverage under the plan to be paid with revenue collected from motor vehicle registration fees; increasing these fees; amending Sections 2-18-704 and 61-3-321, MCA; and providing effective dates.

ASSUMPTIONS:

1. The registration fees under 61-3-321(5) will be \$3,340,000 in each year of the biennium.
2. 25% of the registration fees collected will be deposited in the State Employee Benefit Insurance fund.
3. Section 2(b) of HB543 does not apply to the 17 highway patrol officers who retired before September 1, 1989 and are members of the Employee Group Benefits Plan by virtue of returning to active state employment.
4. All 124 of the current retired Montana highway patrol officers who are receiving a retirement allowance and are not members of the State Employment Group Benefit Plan will elect to become members.
5. All ten of the new retirees each year will elect to continue Group Health Insurance coverage.
6. The number of dependents covered and dependent costs per highway patrol retiree are the same as for other retirees.

FISCAL IMPACT:

	Current	FY90 Proposed		Current	FY91 Proposed	
	Law	Law	Difference	Law	Law	Difference
<u>Expenditures:</u>						
Operating Expenses	\$ -0-	\$332,555	\$ 332,555	\$ -0-	\$382,600	\$ 382,600
<u>Revenues:</u>						
Vehicle						
Registration	\$2,505,000	\$3,340,000	\$ 835,000	\$2,505,000	\$3,340,000	\$ 835,000
Premium-Self						
Payment	-0-	143,000	143,330	-0-	144,106	144,106
TOTAL	\$2,505,000	\$3,483,330	\$ 978,330	\$2,505,000	\$3,484,106	\$ 979,106
<u>Net Effect:</u>			\$ 645,775			\$ 596,506


 RAY SHACKLEFORD, BUDGET DIRECTOR
 OFFICE OF BUDGET AND PROGRAM PLANNING

2/8/89
 DATE


 MARY ELLEN CONNELLY, PRIMARY SPONSOR
 DATE

2/09/89

Fiscal Note for HB543, as introduced

HB 543

STATE OF MONTANA - FISCAL NOTE

Form BD-15


In compliance with a written request, there is hereby submitted a Fiscal Note for HB543, on second reading.

DESCRIPTION OF PROPOSED LEGISLATION:

An act permitting certain retired Montana highway patrol officers or their surviving spouses or dependents to become members of the State of Montana Employee Group Benefits Plan; requiring a percentage of a retired officer's or his surviving spouse's or dependent's premium for coverage under the plan to be paid with revenue collected from motor vehicle registration fees; increasing these fees; amending Sections 2-18-704 and 61-3-321, MCA; and providing effective dates.

ASSUMPTIONS:

1. The registration fees under 61-3-321(5) will be \$2,922,500 in each year of the biennium.
2. All 124 of the current retired Montana Highway Patrol Officers who are receiving a retirement allowance and are not members of the State Employee Group Benefit Plan will elect to become members. None of these individuals will be eligible for Medicare because Highway Patrol Officers did not begin paying into Medicare until 1986.
3. Six additional new Highway Patrol Retirees will elect to continue their State Employee Group Benefits per year. Currently three of the ten new retirees per year elect to continue state group coverage. None of the new retirees will be Medicare eligible because the average retirement age is 50.
4. The full \$.50 from each motor vehicle fee collected will be deposited in the proprietary State Employee Group Benefits insurance fund and can be used to pay claims and administration costs NOT just that portion needed to cover 50% of the retiree's premium. The latter would result in plan losses because premiums do not cover claims costs for retirees who are not eligible for medicare benefits. Premiums are the same as for active employees per 2-18-701 MCA but claims costs are more than double those of active employees.
5. Section 2(b) of HB543 does not apply to the 17 Highway Patrol officers who retired before September 1, 1989 and are members of the Employee Group Benefit Plan by virtue of returning to active state employment. It is assumed that the 50% payment of premium for retired Highway Patrol officers will be suspended in favor of the normal state contribution for active employees during any period they become actively employed and eligible for state employee benefits.
6. The number of dependents covered and dependent costs per highway patrol retiree are the same as for other retirees.

 2/22/89
RAY SHACKLEFORD, BUDGET DIRECTOR DATE
OFFICE OF BUDGET AND PROGRAM PLANNING

 3/01/89
MARY ELLEN CONNELLY, PRIMARY SPONSOR DATE

Fiscal Note for HB543, on second reading

HB 543
SECOND PRINTING

Fiscal Note Request, HB543 on second reading

Form BD-15

Page 2

FISCAL IMPACT:

	<u>FY90</u>			<u>FY91</u>		
	<u>Current</u>	<u>Proposed</u>	<u>Difference</u>	<u>Current</u>	<u>Proposed</u>	<u>Difference</u>
<u>Expenditures:</u>	<u>Law</u>	<u>Law</u>		<u>Law</u>	<u>Law</u>	
Operating Expenses	\$ -0-	\$455,520	\$ 455,520	\$ -0-	\$543,456	\$ 543,456
<u>Revenues:</u>						
Vehicle						
Registration	\$2,505,000	\$2,922,500	\$ 417,500	\$2,505,000	\$2,922,500	\$ 417,500
Premium-Self						
Payment	-0-	104,136	104,136	-0-	122,220	144,106
TOTAL	\$2,505,000	\$3,026,636	\$ 521,636	\$2,505,000	\$3,044,720	\$ 539,720
<u>Net Effect:</u>			\$ 66,116			(\$3,736)

HB 543

APPROVED BY COMMITTEE
ON STATE ADMINISTRATION

HOUSE BILL NO. 543

INTRODUCED BY CONNELLY, HARP, MOORE, BROOKE, DAVIS,
KOEHNKE, J. BROWN, REAM, MCDONOUGH, SQUIRES, O'CONNELL,
WYATT, MCCORMICK, BACHINI, COCCHIARELLA, LYNCH, PAVLOVICH,
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B. BROWN, MCLANE, MANNING, VAUGHN, WALKER, JERGESON,
YELLOWTAIL, ANDERSON, DRISCOLL, HARRINGTON, DARKO

A BILL FOR AN ACT ENTITLED: "AN ACT PERMITTING CERTAIN
RETIRED MONTANA HIGHWAY PATROL OFFICERS OR THEIR SURVIVING
SPOUSES OR DEPENDENTS TO BECOME MEMBERS OF THE STATE OF
MONTANA EMPLOYEE GROUP BENEFITS PLAN; REQUIRING A PERCENTAGE
OF A RETIRED OFFICER'S OR HIS SURVIVING SPOUSE'S OR
DEPENDENT'S PREMIUM FOR COVERAGE UNDER THE PLAN TO BE PAID
WITH REVENUE COLLECTED FROM MOTOR VEHICLE REGISTRATION FEES;
INCREASING THESE FEES; AMENDING SECTIONS 2-18-704 AND
61-3-321, MCA; AND PROVIDING EFFECTIVE DATES."

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

NEW SECTION. **Section 1.** Election of membership in
state employee group benefits plan authorized for certain
retirees. Retired Montana highway patrol officers or their

surviving spouses or dependents who are receiving a
retirement allowance under Title 19, chapter 6, and who are
not members of the state of Montana employee group benefits
plan on September 1, 1989, may elect to become members of
the plan by submitting a written application to the
department of administration on or before September 1, 1990.

NEW SECTION. **Section 2.** Partial payment of premium
for retired highway patrol officers, spouses, and
dependents. (1) The department of administration shall pay
50% of the premium for coverage under the state of Montana
employee group benefits plan, including coverage for a
spouse and dependents, from revenue deposited in the state
special revenue fund as provided in 61-3-321(5) for the
following persons:

(a) a Montana highway patrol officer retiring on or
after September 1, 1989, who elects to remain a member of
the employee group benefits plan;

(b) a Montana highway patrol officer who retired
before September 1, 1989, or his surviving spouse or
dependents who are members of the employee group benefits
plan; and

(c) a retired Montana highway patrol officer or his
surviving spouse or dependents who elect to become members
of the employee group benefits plan under [section 1].

(2) The remainder of the premium must be paid by the

1 retired patrol officer or his surviving spouse or dependents
2 and may be withheld from his or his beneficiary's monthly
3 allowance as provided in 19-6-706.

4 **Section 3.** Section 2-18-704, MCA, is amended to read:

5 "2-18-704. **Mandatory provisions.** (1) An insurance
6 contract or plan issued after June 30, 1977, under this part
7 must contain provisions that permit:

8 (a) the member of a group who retires from active
9 service under the appropriate retirement provisions provided
10 by law to remain a member of the group until he becomes
11 eligible for medicare under the federal Health Insurance for
12 the Aged Act, 42 U.S.C. 1395, as amended, unless he is a
13 participant in another group plan with substantially the
14 same or greater benefits at an equivalent cost or unless he
15 is employed and, by virtue of that employment, is eligible
16 to participate in another group plan with substantially the
17 same or greater benefits at an equivalent cost;

18 (b) the surviving spouse of a member to remain a
19 member of the group as long as the spouse is eligible for
20 retirement benefits accrued by the deceased member as
21 provided by law unless the spouse is eligible for medicare
22 under the federal Health Insurance for the Aged Act or
23 unless the spouse has or is eligible for equivalent
24 insurance coverage as provided in subsection (1)(a);

25 (c) the surviving children of a member to remain

1 members of the group as long as they are eligible for
2 retirement benefits accrued by the deceased member as
3 provided by law unless they have equivalent coverage as
4 provided in subsection (1)(a) or are eligible for insurance
5 coverage by virtue of the employment of a surviving parent
6 or legal guardian.

7 (2) An insurance contract or plan issued after June
8 30, 1983, under this part must contain the provisions of
9 subsection (1) for remaining a member of the group and also
10 must permit:

11 (a) the spouse of a retired member the same rights as
12 a surviving spouse under subsection (1)(b);

13 (b) the spouse of a retiring member to convert a group
14 policy as provided in 33-22-508; and

15 (c) continued membership in the group by anyone
16 eligible under the provisions of this section
17 notwithstanding the person's eligibility for medicare under
18 the federal Health Insurance for the Aged Act.

19 (3) A Except as provided in [section 2], a person
20 electing to remain a member of the group under subsections
21 (1) and (2) must pay the full premium for his coverage and
22 for that of his covered dependents."

23 **Section 4.** Section 61-3-321, MCA, is amended to read:

24 "61-3-321. **Registration fees of vehicles --**
25 **public-owned vehicles exempt from license or registration**

1 fees -- disposition of fees. (1) Registration or license
2 fees ~~shall~~ must be paid upon registration or reregistration
3 of motor vehicles, trailers, housetrailers, and
4 semitrailers, in accordance with this chapter, as follows:

5 (a) motor vehicles weighing 2,850 pounds or under
6 (other than motortrucks), \$5;

7 (b) motor vehicles weighing over 2,850 pounds (other
8 than motortrucks), \$10;

9 (c) electrically driven passenger vehicles, \$10;

10 (d) all motorcycles and quadricycles, \$2;

11 (e) tractors and/or trucks, \$10;

12 (f) buses ~~shall-be~~ are classed as motortrucks and
13 licensed accordingly;

14 (g) trailers and semitrailers less than 2,500 pounds
15 maximum gross loaded weight and housetrailers of all
16 weights, \$2;

17 (h) trailers and semitrailers over 2,500 up to 6,000
18 pounds maximum gross loaded weight (except housetrailers),
19 \$5;

20 (i) trailers and semitrailers over 6,000 pounds
21 maximum gross loaded weight, \$10;

22 (j) trailers used exclusively in the transportation of
23 logs in the forest or in the transportation of oil and gas
24 well machinery, road machinery, or bridge materials, new and
25 secondhand, ~~shall~~ must pay a fee of \$15 annually, regardless

1 of size or capacity.

2 (2) All rates ~~shall--be~~ are 25% higher for motor
3 vehicles, trailers, and semitrailers not equipped with
4 pneumatic tires.

5 (3) "Tractor", as specified in this section, means any
6 motor vehicle except passenger cars used for towing a
7 trailer or semitrailer.

8 (4) If any motor vehicle, housetrailer, trailer, or
9 semitrailer is originally registered 6 months after the time
10 of registration as set by law, the registration or license
11 fee for the remainder of the year ~~shall-be~~ is one-half of
12 the regular fee.

13 (5) An additional fee of \$3 ~~\$4~~ \$3.50 per year for each
14 registration of a vehicle ~~shall~~ must be collected as a
15 registration fee. Revenue from this fee ~~shall~~ must be
16 forwarded by the respective county treasurers to the state
17 treasurer for deposit in the motor vehicle recording account
18 of the state special revenue fund. The state treasurer shall
19 distribute 25% of the revenue 50 CENTS from this EACH fee
20 COLLECTED to the department of administration for partial
21 payment of premiums as provided in [section 2].

22 (6) The provisions of this part with respect to the
23 payment of registration fees ~~shall~~ do not apply to ~~or-be~~ and
24 are not binding upon motor vehicles, trailers or
25 semitrailers, or tractors owned or controlled by the United

1 States of America or any state, county, or city.

2 (7) The provisions of this section relating to the
3 payment of registration fees do not apply when number plates
4 are transferred to a replacement vehicle under 61-3-317,
5 61-3-332(7), or 61-3-335."

6 NEW SECTION. **Section 5.** Extension of authority. Any
7 existing authority to make rules on the subject of the
8 provisions of [this act] is extended to the provisions of
9 [this act].

10 NEW SECTION. **Section 6.** Effective dates. (1)
11 [Sections 4, 5, and this section] are effective July 1,
12 1989.

13 (2) [Sections 1 through 3] are effective September 1,
14 1989.

-End-

HOUSE BILL NO. 543

INTRODUCED BY CONNELLY, HARP, MOORE, BROOKE, DAVIS,
KOEHNKE, J. BROWN, REAM, MCDONOUGH, SQUIRES, O'CONNELL,
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A BILL FOR AN ACT ENTITLED: "AN ACT PERMITTING CERTAIN
RETIRED MONTANA HIGHWAY PATROL OFFICERS OR THEIR SURVIVING
SPOUSES OR DEPENDENTS TO BECOME MEMBERS OF THE STATE OF
MONTANA EMPLOYEE GROUP BENEFITS PLAN; REQUIRING A PERCENTAGE
OF A RETIRED OFFICER'S OR HIS SURVIVING SPOUSE'S OR
DEPENDENT'S PREMIUM FOR COVERAGE UNDER THE PLAN TO BE PAID
WITH REVENUE COLLECTED FROM MOTOR VEHICLE REGISTRATION FEES;
INCREASING THESE FEES; AMENDING SECTIONS 2-18-704 AND
61-3-321, MCA; AND PROVIDING EFFECTIVE DATES."

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state employee group benefits plan authorized for certain
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NEW SECTION. **Section 2. Partial payment of premium**
for retired highway patrol officers, spouses, and
dependents. (1) The department of administration shall pay
50% of the premium for coverage under the state of Montana
employee group benefits plan, including coverage for a
spouse and dependents, from revenue deposited in the state
special revenue fund as provided in 61-3-321(5) for the
following persons:

(a) a Montana highway patrol officer retiring on or
after September 1, 1989, who elects to remain a member of
the employee group benefits plan;

(b) a Montana highway patrol officer who retired
before September 1, 1989, or his surviving spouse or
dependents who are members of the employee group benefits
plan; and

(c) a retired Montana highway patrol officer or his
surviving spouse or dependents who elect to become members
of the employee group benefits plan under [section 1].

(2) The remainder of the premium must be paid by the

retired patrol officer or his surviving spouse or dependents and may be withheld from his or his beneficiary's monthly allowance as provided in 19-6-706.

Section 3. Section 2-18-704, MCA, is amended to read:

"2-18-704. Mandatory provisions. (1) An insurance contract or plan issued after June 30, 1977, under this part must contain provisions that permit:

(a) the member of a group who retires from active service under the appropriate retirement provisions provided by law to remain a member of the group until he becomes eligible for medicare under the federal Health Insurance for the Aged Act, 42 U.S.C. 1395, as amended, unless he is a participant in another group plan with substantially the same or greater benefits at an equivalent cost or unless he is employed and, by virtue of that employment, is eligible to participate in another group plan with substantially the same or greater benefits at an equivalent cost;

(b) the surviving spouse of a member to remain a member of the group as long as the spouse is eligible for retirement benefits accrued by the deceased member as provided by law unless the spouse is eligible for medicare under the federal Health Insurance for the Aged Act or unless the spouse has or is eligible for equivalent insurance coverage as provided in subsection (1)(a);

(c) the surviving children of a member to remain

members of the group as long as they are eligible for retirement benefits accrued by the deceased member as provided by law unless they have equivalent coverage as provided in subsection (1)(a) or are eligible for insurance coverage by virtue of the employment of a surviving parent or legal guardian.

(2) An insurance contract or plan issued after June 30, 1983, under this part must contain the provisions of subsection (1) for remaining a member of the group and also must permit:

(a) the spouse of a retired member the same rights as a surviving spouse under subsection (1)(b);

(b) the spouse of a retiring member to convert a group policy as provided in 33-22-508; and

(c) continued membership in the group by anyone eligible under the provisions of this section notwithstanding the person's eligibility for medicare under the federal Health Insurance for the Aged Act.

(3) A Except as provided in [section 2], a person electing to remain a member of the group under subsections (1) and (2) must pay the full premium for his coverage and for that of his covered dependents."

Section 4. Section 61-3-321, MCA, is amended to read:

"61-3-321. Registration fees of vehicles -- public-owned vehicles exempt from license or registration

1 fees -- disposition of fees. (1) Registration or license
2 fees ~~shall~~ must be paid upon registration or reregistration
3 of motor vehicles, trailers, housetrailers, and
4 semitrailers, in accordance with this chapter, as follows:

5 (a) motor vehicles weighing 2,850 pounds or under
6 (other than motortrucks), \$5;

7 (b) motor vehicles weighing over 2,850 pounds (other
8 than motortrucks), \$10;

9 (c) electrically driven passenger vehicles, \$10;

10 (d) all motorcycles and quadricycles, \$2;

11 (e) tractors and/or trucks, \$10;

12 (f) buses ~~shall-be~~ are classed as motortrucks and
13 licensed accordingly;

14 (g) trailers and semitrailers less than 2,500 pounds
15 maximum gross loaded weight and housetrailers of all
16 weights, \$2;

17 (h) trailers and semitrailers over 2,500 up to 6,000
18 pounds maximum gross loaded weight (except housetrailers),
19 \$5;

20 (i) trailers and semitrailers over 6,000 pounds
21 maximum gross loaded weight, \$10;

22 (j) trailers used exclusively in the transportation of
23 logs in the forest or in the transportation of oil and gas
24 well machinery, road machinery, or bridge materials, new and
25 secondhand, ~~shall~~ must pay a fee of \$15 annually, regardless

1 of size or capacity.

2 (2) All rates ~~shall-be~~ are 25% higher for motor
3 vehicles, trailers, and semitrailers not equipped with
4 pneumatic tires.

5 (3) "Tractor", as specified in this section, means any
6 motor vehicle except passenger cars used for towing a
7 trailer or semitrailer.

8 (4) If any motor vehicle, housetrailer, trailer, or
9 semitrailer is originally registered 6 months after the time
10 of registration as set by law, the registration or license
11 fee for the remainder of the year ~~shall-be~~ is one-half of
12 the regular fee.

13 (5) An additional fee of \$3 ~~\$4~~ \$3.50 per year for each
14 registration of a vehicle ~~shall~~ must be collected as a
15 registration fee. Revenue from this fee ~~shall~~ must be
16 forwarded by the respective county treasurers to the state
17 treasurer for deposit in the motor vehicle recording account
18 of the state special revenue fund. The state treasurer shall
19 distribute 25% of the revenue 50 CENTS from this EACH fee
20 COLLECTED to the department of administration for partial
21 payment of premiums as provided in [section 2].

22 (6) The provisions of this part with respect to the
23 payment of registration fees ~~shall~~ do not apply to ~~or-be~~ and
24 are not binding upon motor vehicles, trailers or
25 semitrailers, or tractors owned or controlled by the United

HB 0543/02

1 States of America or any state, county, or city.

2 (7) The provisions of this section relating to the
3 payment of registration fees do not apply when number plates
4 are transferred to a replacement vehicle under 61-3-317,
5 61-3-332(7), or 61-3-335."

6 NEW SECTION. Section 5. Extension of authority. Any
7 existing authority to make rules on the subject of the
8 provisions of [this act] is extended to the provisions of
9 [this act].

10 NEW SECTION. Section 6. Effective dates. (1)
11 [Sections 4, 5, and this section] are effective July 1,
12 1989.

13 (2) [Sections 1 through 3] are effective September 1,
14 1989.

-End-

HOUSE BILL NO. 543

INTRODUCED BY CONNELLY, HARP, MOORE, BROOKE, DAVIS,
KOEHNKE, J. BROWN, REAM, MCDONOUGH, SQUIRES, O'CONNELL,
WYATT, MCCORMICK, BACHINI, COCCHIARELLA, LYNCH, PAVLOVICH,
DAILY, KILPATRICK, STICKNEY, RUSSELL, ADDY, KIMBERLEY,
WHALEN, GERVAIS, STRIZICH, DEMARS, JOHNSON, BRADLEY,
GLASER, SMITH, R. NELSON, O'KEEFE, RANEY, OWENS, VINCENT,
NISBET, CLARK, ZOOK, PHILLIPS, VAN VALKENBURG, PETERSON,
B. BROWN, MCLANE, MANNING, VAUGHN, WALKER, JERGESON,
YELLOWTAIL, ANDERSON, DRISCOLL, HARRINGTON, DARKO

A BILL FOR AN ACT ENTITLED: "AN ACT PERMITTING CERTAIN
RETIRED MONTANA HIGHWAY PATROL OFFICERS OR-~~THEIR-SURVIVING~~
SPOUSES-OR-DEPENDENTS TO BECOME MEMBERS OF THE STATE OF
MONTANA EMPLOYEE GROUP BENEFITS PLAN; REQUIRING A PERCENTAGE
OF A CERTAIN RETIRED OFFICER'S-OR-HIS-SURVIVING-SPOUSE'S-OR
DEPENDENT'S-PREMIUM OFFICERS' PREMIUMS FOR COVERAGE UNDER
THE PLAN TO BE PAID WITH REVENUE COLLECTED FROM MOTOR
VEHICLE REGISTRATION FEES; INCREASING THESE FEES; AMENDING
SECTIONS 2-18-704 AND 61-3-321, MCA; AND PROVIDING EFFECTIVE
DATES."

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

NEW SECTION. Section 1. Election of membership in
state employee group benefits plan authorized for certain

retirees. Retired Montana highway patrol officers ~~or-their~~
~~surviving-spouses-or-dependents~~ HIRED ON OR BEFORE MARCH 31,
1986, who are receiving a retirement allowance under Title
19, chapter 6, and who are not members of the state of
Montana employee group benefits plan on September 1, 1989,
may elect to become members of the plan by submitting a
written application to the department of administration on
or before September 1, 1990.

NEW SECTION. Section 2. Partial payment of premium
for CERTAIN retired highway patrol officers, ~~spouses,~~ and
dependents. (1) The SUBJECT TO THE RESTRICTIONS IN
SUBSECTION (3), THE department of administration shall pay
50% of the premium for coverage under the state of Montana
employee group benefits plan, including EXCLUDING coverage
for a spouse and dependents, from revenue deposited in the
state special revenue fund as provided in 61-3-321(5) for
the following persons:

(a) a Montana highway patrol officer retiring HIRED ON
OR BEFORE MARCH 31, 1986, WHO RETIRES on or after September
1, 1989, AND who elects to remain a member of the employee
group benefits plan;

(b) a Montana highway patrol officer HIRED ON OR
BEFORE MARCH 31, 1986, who retired before September 1, 1989,
~~or-his-surviving-spouse-or-dependents~~ AND who are members IS
A MEMBER of the employee group benefits plan; and

(c) a retired Montana highway patrol officer or--his surviving--spouse-or-dependents HIRED ON OR BEFORE MARCH 31, 1986, who elect ELECTS to become members A MEMBER of the employee group benefits plan under [section 1].

(2) The remainder of the premium must be paid by the retired patrol officer or--his--surviving-spouse-or-dependents and may be withheld from his or--his--beneficiary's monthly allowance as provided in 19-6-706.

(3) (A) THE PARTIAL PREMIUM PAYMENT MADE UNDER SUBSECTION (1) MAY NOT EXCEED ONE-HALF OF THE PREMIUM IN EFFECT ON JULY 1, 1989, FOR SIMILAR COVERAGE.

(B) A RETIRED OFFICER OTHERWISE QUALIFIED UNDER SUBSECTION (1) WHO IS EMPLOYED IN A POSITION COVERED BY A RETIREMENT SYSTEM UNDER TITLE 19, CHAPTERS 3 THROUGH 13, AND HIS SPOUSE AND DEPENDENTS ARE INELIGIBLE FOR THE PARTIAL PREMIUM PAYMENT PROVIDED FOR IN THIS SECTION UNTIL THE RETIRED OFFICER TERMINATES HIS EMPLOYMENT IN THE COVERED POSITION.

Section 3. Section 2-18-704, MCA, is amended to read:

"2-18-704. Mandatory provisions. (1) An insurance contract or plan issued after June 30, 1977, under this part must contain provisions that permit:

(a) the member of a group who retires from active service under the appropriate retirement provisions provided by law to remain a member of the group until he becomes

eligible for medicare under the federal Health Insurance for the Aged Act, 42 U.S.C. 1395, as amended, unless he is a participant in another group plan with substantially the same or greater benefits at an equivalent cost or unless he is employed and, by virtue of that employment, is eligible to participate in another group plan with substantially the same or greater benefits at an equivalent cost;

(b) the surviving spouse of a member to remain a member of the group as long as the spouse is eligible for retirement benefits accrued by the deceased member as provided by law unless the spouse is eligible for medicare under the federal Health Insurance for the Aged Act or unless the spouse has or is eligible for equivalent insurance coverage as provided in subsection (1)(a);

(c) the surviving children of a member to remain members of the group as long as they are eligible for retirement benefits accrued by the deceased member as provided by law unless they have equivalent coverage as provided in subsection (1)(a) or are eligible for insurance coverage by virtue of the employment of a surviving parent or legal guardian.

(2) An insurance contract or plan issued after June 30, 1983, under this part must contain the provisions of subsection (1) for remaining a member of the group and also must permit:

1 (a) the spouse of a retired member the same rights as
2 a surviving spouse under subsection (1)(b);

3 (b) the spouse of a retiring member to convert a group
4 policy as provided in 33-22-508; and

5 (c) continued membership in the group by anyone
6 eligible under the provisions of this section
7 notwithstanding the person's eligibility for medicare under
8 the federal Health Insurance for the Aged Act.

9 (3) A Except as provided in [section 2], a person
10 electing to remain a member of the group under subsections
11 (1) and (2) must pay the full premium for his coverage and
12 for that of his covered dependents."

13 **Section 4.** Section 61-3-321, MCA, is amended to read:

14 "61-3-321. Registration fees of vehicles --
15 public-owned vehicles exempt from license or registration
16 fees -- disposition of fees. (1) Registration or license
17 fees shall must be paid upon registration or reregistration
18 of motor vehicles, trailers, housetrailers, and
19 semitrailers, in accordance with this chapter, as follows:

20 (a) motor vehicles weighing 2,850 pounds or under
21 (other than motortrucks), \$5;

22 (b) motor vehicles weighing over 2,850 pounds (other
23 than motortrucks), \$10;

24 (c) electrically driven passenger vehicles, \$10;

25 (d) all motorcycles and quadricycles, \$2;

1 (e) tractors and/or trucks, \$10;

2 (f) buses ~~shall-be~~ are classed as motortrucks and
3 licensed accordingly;

4 (g) trailers and semitrailers less than 2,500 pounds
5 maximum gross loaded weight and housetrailers of all
6 weights, \$2;

7 (h) trailers and semitrailers over 2,500 up to 6,000
8 pounds maximum gross loaded weight (except housetrailers),
9 \$5;

10 (i) trailers and semitrailers over 6,000 pounds
11 maximum gross loaded weight, \$10;

12 (j) trailers used exclusively in the transportation of
13 logs in the forest or in the transportation of oil and gas
14 well machinery, road machinery, or bridge materials, new and
15 secondhand, ~~shall~~ must pay a fee of \$15 annually, regardless
16 of size or capacity.

17 (2) All rates ~~shall--be~~ are 25% higher for motor
18 vehicles, trailers, and semitrailers not equipped with
19 pneumatic tires.

20 (3) "Tractor", as specified in this section, means any
21 motor vehicle except passenger cars used for towing a
22 trailer or semitrailer.

23 (4) If any motor vehicle, housetrailer, trailer, or
24 semitrailer is originally registered 6 months after the time
25 of registration as set by law, the registration or license

1 fee for the remainder of the year ~~shall be~~ is one-half of
2 the regular fee.

3 (5) An additional fee of \$3 ~~\$4~~ \$3.50 per year for each
4 registration of a vehicle ~~shall must~~ be collected as a
5 registration fee. Revenue from this fee ~~shall must~~ be
6 forwarded by the respective county treasurers to the state
7 treasurer for deposit in the motor vehicle recording account
8 of the state special revenue fund. The state--treasurer
9 DEPARTMENT OF JUSTICE shall distribute 25% of the revenue 50
10 CENTS from this EACH fee COLLECTED to the department of
11 administration for partial payment of premiums--as--provided
12 in--{section-2} STATE EMPLOYEE GROUP BENEFITS PLAN'S RESERVE
13 FUND..

14 (6) The provisions of this part with respect to the
15 payment of registration fees ~~shall do not apply to or be and~~
16 are not binding upon motor vehicles, trailers or
17 semitrailers, or tractors owned or controlled by the United
18 States of America or any state, county, or city.

19 (7) The provisions of this section relating to the
20 payment of registration fees do not apply when number plates
21 are transferred to a replacement vehicle under 61-3-317,
22 61-3-332(7), or 61-3-335."

23 **NEW SECTION. Section 5. Extension of authority.** Any
24 existing authority to make rules on the subject of the
25 provisions of [this act] is extended to the provisions of

1 [this act].

2 **NEW SECTION. Section 6. Effective dates.** (1)
3 [Sections 4, 5, and this section] are effective July 1,
4 1989.

5 (2) [Sections 1 through 3] are effective September 1,
6 1989.

-End-

SENATE STANDING COMMITTEE REPORT

page 1 of 2
April 6, 1989

MR. PRESIDENT:

We, your committee on State Administration, having had under consideration HB 543 (third reading copy -- blue), respectfully report that HB 543 be amended and as so amended be concurred in:

Sponsor: Connelly (Harp)

1. Title, line 12.
Following: second "ACT"
Strike: "PERMITTING"
Insert: "PROVIDING A SUPPLEMENTAL RETIREMENT ALLOWANCE TO"

2. Title, line 13.
Following: "OFFICERS"
Insert: "OR THEIR SURVIVING SPOUSES"

3. Title, lines 14 through 16.
Following: "TO" on line 14
Strike: remainder of line 14 through "OF" on line 16
Following: "A" on line 16
Strike: "CERTAIN RETIRED"

4. Title, lines 17 and 18.
Following: "PREMIUM" on line 17
Strike: remainder of line 17 through "PLAN" on line 18

5. Title, lines 20 and 21.
Following: line 19
Strike: "SECTIONS 2-18-704 AND"
Insert: "SECTION"
Following: "PROVIDING"
Insert: "AN"
Following: line 20
Strike: "DATES"
Insert: "DATE"

6. Page 1, line 24 through page 5, line 12.
Strike: sections 1 through 3 in their entirety
Insert: "NEW SECTION. Section 1. Supplemental retirement allowance for certain retirees. (1) Retired Montana highway patrol officers or their surviving spouses who are 65 years of age or older or disabled and who are not entitled through their own or their spouses' contributions to social security or medicare to prepaid medicare hospital insurance coverage are eligible for a supplemental retirement benefit.

(2) Subject to the restrictions in subsection (1) and beginning on the first day of the month after receipt of written application of an eligible retiree, the retirement system shall

SENATE COMMITTEE ON STATE ADMINISTRATION, HB 543
page 2 of 2

pay a supplemental benefit equal to the premium for coverage under medicare hospital insurance, excluding coverage for a spouse and dependents, from revenue deposited in the state special revenue fund, as provided in 61-3-321(5). The written application must be accompanied by proof that the retiree is paying for medicare hospital insurance coverage.

(3) The supplemental benefit payment made under subsection (2) may not exceed the medicare hospital insurance premium in effect on July 1, 1989, for similar coverage."
Renumber: subsequent sections

7. Page 7, line 3.
Following: "34"
Strike: "33.50"
Insert: "33.25"

8. Page 7, line 9.
Following: "revenue"
Strike: "50"
Insert: "25"

9. Page 7, line 12.
Following: "section 21"
Strike: remainder of line 12
Insert: "highway patrol retirement"

10. Page 8, line 2.
Insert: "NEW SECTION. Section 4Codification instruction. [Section 1] is intended to be codified as an integral part of Title 19, chapter 6, and the provisions of Title 19, chapter 6, apply to [section 1]."
Renumber: subsequent section

11. Page 8, lines 2 and 3.
Following: "Effective"
Strike: remainder of line 2 through "are" on line 3
Insert: "date. [This act] is"

12. Page 8, lines 5 and 6.
Strike: subsection (2) in its entirety

AND AS AMENDED BE CONCURRED IN

Signed: Farrell
William E. Farrell, Chairman

continued

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SENATE
HB 543

HOUSE BILL NO. 543

INTRODUCED BY CONNELLY, HARP, MOORE, BROOKE, DAVIS,
 KOEHNKE, J. BROWN, REAM, MCDONOUGH, SQUIRES, O'CONNELL,
 WYATT, MCCORMICK, BACHINI, COCCHIARELLA, LYNCH, PAVLOVICH,
 DAILY, KILPATRICK, STICKNEY, RUSSELL, ADDY, KIMBERLEY,
 WHALEN, GERVAIS, STRIZICH, DEMARS, JOHNSON, BRADLEY,
 GLASER, SMITH, R. NELSON, O'KEEFE, RANEY, OWENS, VINCENT,
 NISBET, CLARK, ZOOK, PHILLIPS, VAN VALKENBURG, PETERSON,
 B. BROWN, MCLANE, MANNING, VAUGHN, WALKER, JERGESON,
 YELLOWTAIL, ANDERSON, DRISCOLL, HARRINGTON, DARKO

A BILL FOR AN ACT ENTITLED: "AN ACT PERMITTING PROVIDING A
 SUPPLEMENTAL RETIREMENT ALLOWANCE TO CERTAIN RETIRED MONTANA
 HIGHWAY PATROL OFFICERS OR THEIR SURVIVING SPOUSES OR THEIR
 SURVIVING SPOUSES OR DEPENDENTS TO BECOME MEMBERS OF THE
 STATE OF MONTANA EMPLOYEE GROUP BENEFITS PLAN, REQUIRING A
 PERCENTAGE OF A CERTAIN RETIRED OFFICER'S OR HIS SURVIVING
 SPOUSE'S OR DEPENDENT'S PREMIUM OFFICERS' PREMIUMS FOR
 COVERAGE UNDER THE PLAN TO BE PAID WITH REVENUE COLLECTED
 FROM MOTOR VEHICLE REGISTRATION FEES; INCREASING THESE FEES;
 AMENDING SECTIONS 2-18-704 AND SECTION 61-3-321, MCA; AND
 PROVIDING AN EFFECTIVE DATES DATE."

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

NEW SECTION. Section 1. Election of membership in

state employee group benefits plan authorized for certain
 retirees; Retired Montana highway patrol officers or their
 surviving spouses or dependents HIRED ON OR BEFORE MARCH 31,
1986 who are receiving a retirement allowance under Title
 19, chapter 6, and who are not members of the state of
 Montana employee group benefits plan on September 17, 1989,
 may elect to become members of the plan by submitting a
 written application to the department of administration on
 or before September 17, 1990.

NEW SECTION. Section 2. Partial payment of premium
 for CERTAIN retired highway patrol officers, spouses, and
 dependents; (1) The SUBJECT TO THE RESTRICTIONS IN
SUBSECTION (3), THE department of administration shall pay
 50% of the premium for coverage under the state of Montana
 employee group benefits plan, including EXCLUDING coverage
 for a spouse and dependents, from revenue deposited in the
 state special revenue fund as provided in 61-3-321(5) for
 the following persons:

(a) a Montana highway patrol officer retiring HIRED ON
OR BEFORE MARCH 31, 1986 WHO RETIRES on or after September
 17, 1989, AND who elects to remain a member of the employee
 group benefits plan;

(b) a Montana highway patrol officer HIRED ON OR
BEFORE MARCH 31, 1986 who retired before September 17, 1989,
 or his surviving spouse or dependents AND who are members IS

1 A-MEMBER of the employee-group-benefits-plan; and
 2 (c)--a--retired--Montana--highway-patrol-officer or his
 3 surviving-spouse-or-dependents HIRED-ON-OR-BEFORE-MARCH--31,
 4 1986, who elect ELLETS to-become members A-MEMBER of the
 5 employee-group-benefits-plan-under-(section-1);
 6 (2)--The-remainder-of-the-premium-must-be-paid-by--the
 7 retired-patrol-officer or his-surviving-spouse-or-dependents
 8 and--may--be--withheld-from-his or his-beneficiary's monthly
 9 allowance-as-provided-in-19-6-786;
 10 (3)--(A)--THE--PARTIAL--PREMIUM--PAYMENT--MADE--UNDER
 11 SUBSECTION--(1)--MAY--NOT--EXCEED-ONE-HALF-OF-THE-PREMIUM-IN
 12 EFFECT-ON-JULY-1-1989-FOR-SIMILAR-COVERAGE;
 13 (B)--A--RETIRED--OFFICER--OTHERWISE--QUALIFIED--UNDER
 14 SUBSECTION--(1)--WHO--IS-EMPLOYED-IN-A-POSITION-COVERED-BY-A
 15 RETIREMENT-SYSTEM-UNDER-TITLE-19, CHAPTERS-3-THROUGH-13, AND
 16 HIS-SPOUSE-AND-DEPENDENTS-ARE--INELIGIBLE--FOR--THE--PARTIAL
 17 PREMIUM--PAYMENT--PROVIDED--FOR--IN--THIS--SECTION-UNTIL-THE
 18 RETIRED-OFFICER-TERMINATES-HIS--EMPLOYMENT--IN--THE--COVERED
 19 POSITION;
 20 Section 3.--Section--2-18-704, MCA, is amended to read:
 21 "2-18-704.--Mandatory-provisions:--(1)--An--insurance
 22 contract-or-plan-issued-after-June-30, 1977-under-this-part
 23 must-contain-provisions-that-permit:
 24 (a)--the--member--of--a--group--who-retires-from-active
 25 service-under-the-appropriate-retirement-provisions-provided

1 by-law-to-remain-a-member-of--the--group--until--he--becomes
 2 eligible-for-medicare-under-the-federal-Health-Insurance-for
 3 the--Aged--Act,--42--U.S.C. 1395, as-amended, unless-he-is-a
 4 participant-in-another-group-plan-with--substantially--the
 5 same--or-greater-benefits-at-an-equivalent-cost-or-unless-he
 6 is-employed-and, by-virtue-of-that-employment,--is--eligible
 7 to--participate-in-another-group-plan-with-substantially-the
 8 same-or-greater-benefits-at-an-equivalent-cost;
 9 (b)--the-surviving-spouse--of--a--member--to--remain--a
 10 member--of--the--group-as-long-as-the-spouse-is-eligible-for
 11 retirement--benefits--accrued--by--the--deceased--member--as
 12 provided--by--law-unless-the-spouse-is-eligible-for-medicare
 13 under-the-federal-Health--Insurance--for--the--Aged--Act--or
 14 unless--the--spouse--has--or--is--eligible--for--equivalent
 15 insurance-coverage-as-provided-in-subsection-(1)(a);
 16 (c)--the-surviving--children--of--a--member--to--remain
 17 members--of--the--group--as--long--as--they-are-eligible-for
 18 retirement--benefits--accrued--by--the--deceased--member--as
 19 provided--by--law--unless--they-have-equivalent-coverage-as
 20 provided-in-subsection-(1)(a)-or-are-eligible-for--insurance
 21 coverage--by--virtue-of-the-employment-of-a-surviving-parent
 22 or-legal-guardian;
 23 (2)--An-insurance-contract-or-plan--issued--after--June
 24 30, 1983,--under--this--part-must-contain-the-provisions-of
 25 subsection-(1) for-remaining-a-member-of-the-group-and--also

1 must-permit:

2 (a)--the--spouse-of-a-retired-member-the-same-rights-as
3 a-surviving-spouse-under-subsection-(1)(b);

4 (b)--the-spouse-of-a-retiring-member-to-convert-a-group
5 policy-as-provided-in-33-22-5007-and

6 (c)--continued-membership-in-the-group-by---anyone
7 eligible----under----the----provisions---of---this---section
8 notwithstanding-the-person's-eligibility-for-medicare--under
9 the-federal-Health-Insurance-for-the-Aged-Act;

10 (3)--A Except--as--provided--in--{section-2}, a person
11 electing-to-remain-a-member-of-the-group--under--subsections
12 {1}--and--{2}--must-pay-the-full-premium-for-his-coverage-and
13 for-that-of-his-covered-dependents."

14 NEW SECTION. SECTION 1. SUPPLEMENTAL RETIREMENT
15 ALLOWANCE FOR CERTAIN RETIREES. (1) RETIRED MONTANA HIGHWAY
16 PATROL OFFICERS OR THEIR SURVIVING SPOUSES WHO ARE 65 YEARS
17 OF AGE OR OLDER OR DISABLED AND WHO ARE NOT ENTITLED THROUGH
18 THEIR OWN OR THEIR SPOUSES' CONTRIBUTIONS TO SOCIAL SECURITY
19 OR MEDICARE TO PREPAID MEDICARE HOSPITAL INSURANCE COVERAGE
20 ARE ELIGIBLE FOR A SUPPLEMENTAL RETIREMENT BENEFIT.

21 (2) SUBJECT TO THE RESTRICTIONS IN SUBSECTION (1) AND
22 BEGINNING ON THE FIRST DAY OF THE MONTH AFTER RECEIPT OF
23 WRITTEN APPLICATION OF AN ELIGIBLE RETIREE, THE RETIREMENT
24 SYSTEM SHALL PAY A SUPPLEMENTAL BENEFIT EQUAL TO THE PREMIUM
25 FOR COVERAGE UNDER MEDICARE HOSPITAL INSURANCE, EXCLUDING

1 COVERAGE FOR A SPOUSE AND DEPENDENTS, FROM REVENUE DEPOSITED
2 IN THE STATE SPECIAL REVENUE FUND, AS PROVIDED IN
3 61-3-321(5). THE WRITTEN APPLICATION MUST BE ACCOMPANIED BY
4 PROOF THAT THE RETIREE IS PAYING FOR MEDICARE HOSPITAL
5 INSURANCE COVERAGE.

6 (3) THE SUPPLEMENTAL BENEFIT PAYMENT MADE UNDER
7 SUBSECTION (2) MAY NOT EXCEED THE MEDICARE HOSPITAL
8 INSURANCE PREMIUM IN EFFECT ON JULY 1, 1989, FOR SIMILAR
9 COVERAGE.

10 Section 2. Section 61-3-321, MCA, is amended to read:

11 "61-3-321. Registration fees of vehicles --
12 public-owned vehicles exempt from license or registration
13 fees -- disposition of fees. (1) Registration or license
14 fees shall must be paid upon registration or reregistration
15 of motor vehicles, trailers, housetrailleurs, and
16 semitrailers, in accordance with this chapter, as follows:

17 (a) motor vehicles weighing 2,850 pounds or under
18 (other than motortrucks), \$5;

19 (b) motor vehicles weighing over 2,850 pounds (other
20 than motortrucks), \$10;

21 (c) electrically driven passenger vehicles, \$10;

22 (d) all motorcycles and quadricycles, \$2;

23 (e) tractors and/or trucks, \$10;

24 (f) buses shall--be are classed as motortrucks and
25 licensed accordingly;

(g) trailers and semitrailers less than 2,500 pounds maximum gross loaded weight and housetrailers of all weights, \$2;

(h) trailers and semitrailers over 2,500 up to 6,000 pounds maximum gross loaded weight (except housetrailers), \$5;

(i) trailers and semitrailers over 6,000 pounds maximum gross loaded weight, \$10;

(j) trailers used exclusively in the transportation of logs in the forest or in the transportation of oil and gas well machinery, road machinery, or bridge materials, new and secondhand, shall must pay a fee of \$15 annually, regardless of size or capacity.

(2) All rates ~~shall be~~ are 25% higher for motor vehicles, trailers, and semitrailers not equipped with pneumatic tires.

(3) "Tractor", as specified in this section, means any motor vehicle except passenger cars used for towing a trailer or semitrailer.

(4) If any motor vehicle, housetrailer, trailer, or semitrailer is originally registered 6 months after the time of registration as set by law, the registration or license fee for the remainder of the year ~~shall be~~ is one-half of the regular fee.

(5) An additional fee of ~~\$3 \$4 \$3.50~~ \$3.25 per year

for each registration of a vehicle ~~shall must~~ be collected as a registration fee. Revenue from this fee ~~shall must~~ be forwarded by the respective county treasurers to the state treasurer for deposit in the motor vehicle recording account of the state special revenue fund. The state--treasurer DEPARTMENT OF JUSTICE shall distribute 25% of the revenue 50 25 CENTS from this EACH fee COLLECTED to the department of administration for partial payment of premiums--as--provided in--{section-2} STATE EMPLOYEE GROUP BENEFITS PLAN+S RESERVE HIGHWAY PATROL RETIREMENT FUND.

(6) The provisions of this part with respect to the payment of registration fees ~~shall do not apply to or be and are not~~ binding upon motor vehicles, trailers or semitrailers, or tractors owned or controlled by the United States of America or any state, county, or city.

(7) The provisions of this section relating to the payment of registration fees do not apply when number plates are transferred to a replacement vehicle under 61-3-317, 61-3-332(7), or 61-3-335."

NEW SECTION. Section 3. Extension of authority. Any existing authority to make rules on the subject of the provisions of [this act] is extended to the provisions of [this act].

NEW SECTION. SECTION 4. CODIFICATION INSTRUCTION.
[SECTION 1] IS INTENDED TO BE CODIFIED AS AN INTEGRAL PART

1 OF TITLE 19, CHAPTER 6, AND THE PROVISIONS OF TITLE 19,
2 CHAPTER 6, APPLY TO [SECTION 1].

3 NEW SECTION. Section 5. Effective dates-----{1}
4 {Sections-4,-5,-and-this-section}-are DATE. [THIS ACT] IS
5 effective July 1, 1989.

6 {2}--{Sections--1-through-3}-are-effective-September-1,
7 1989.

-End-