

HOUSE BILL NO. 175

INTRODUCED BY J. COHENOUR

BY REQUEST OF THE STATE COMPENSATION INSURANCE FUND

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING AN INSURER TO WITHHOLD COURT-ORDERED RESTITUTION FROM BENEFITS PAYABLE TO AN INJURED WORKER CONVICTED OF THEFT OF WORKERS' COMPENSATION BENEFITS; AMENDING SECTION 39-71-743, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE."

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

Section 1. Section 39-71-743, MCA, is amended to read:

"39-71-743. Assignment or attachment of payments. (1) Payments under this chapter may not be assignable, subject to attachment or garnishment, or held liable in any way for debts, except:

(a) as provided in 71-3-1118;

(b) a portion of any lump-sum award or periodic payment to pay a monetary obligation for current or past-due child support, subject to the limitations in subsection (2), whenever the support obligation is established by order of a court of competent jurisdiction or by order rendered in an administrative process authorized by state law; ~~or~~

(c) as provided in 53-2-612 or 53-2-613 for medical benefits paid pursuant to chapter 71 or 72 of this title; or

(d) for workers' compensation benefits payable to an injured worker to pay restitution to an insurer whenever the injured worker is subject to court-ordered restitution for theft of workers' compensation benefits. The insurer shall notify the injured worker in writing of the withholding of any court-ordered restitution from the injured worker's benefits.

(2) Payments under this chapter are subject to assignment, attachment, or garnishment for child support as follows:

(a) for any periodic payment, an amount up to the percentage amount established in the guidelines promulgated by the department of public health and human services pursuant to 40-5-209; or

(b) for any lump-sum award, an amount up to that portion of the award that is approved for payment

1 on the basis of a past-due child support obligation.

2 (3) After determination that the claim is covered under the Workers' Compensation Act or Occupational
3 Disease Act of Montana, the liability for payment of the claim is the responsibility of the appropriate workers'
4 compensation insurer. Except as provided in 39-71-704(7), a fee or charge is not payable by the injured worker
5 for treatment of injuries sustained if liability is accepted by the insurer."

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7 NEW SECTION. **Section 2. Effective date -- applicability.** [This act] is effective July 1, 2005, and
8 applies to benefits paid on or after July 1, 2005.

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