

BUSINESS REPORT

**MONTANA SENATE
61st LEGISLATURE - REGULAR SESSION**

SENATE BUSINESS, LABOR, AND ECONOMIC AFFAIRS COMMITTEE

Date: Monday, February 16, 2009
Place: Capitol

Time: 10 am
Room: 422

BILLS and RESOLUTIONS HEARD:

Prefix (HB, HR, HJR, SB, SR, or SJR) and number. Add Postponed (PP) when appropriate:

EXECUTIVE ACTION TAKEN:

Prefix (HB, HR, HJR, SB, SR, or SJR) and number. Enter P(pass) F(failed) DPAA (do pass as amended) BC(be concurred in) BCAA (be concurred in as amended):

SB 234 DPAA

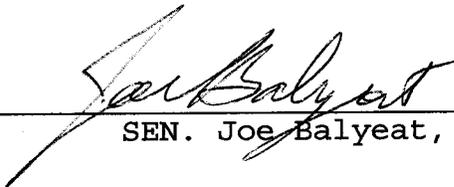
SB 192 DPAA

SB 151 DPAA

SB 363 DPAA

COMMENTS:

Executive Action only.



SEN. Joe Balyeat, Chairman

MONTANA STATE SENATE
Roll Call
BUSINESS, LABOR & ECONOMIC AFFAIRS COMMITTEE

DATE: 2-16-09 Mon.

<u>NAME</u>	<u>PRESENT</u>	<u>ABSENT/ EXCUSED</u>
SENATOR JOE BALYEAT, CHAIRMAN	✓	
SENATOR VERDELL JACKSON, VICE CHAIR	✓	
SENATOR GREGORY BARKUS	✓	
SENATOR ROY BROWN	✓	
SENATOR JIM KEANE	✓	
SENATOR JIM PETERSON		✓
SENATOR CAROLYN SQUIRES	✓	
SENATOR DONALD STEINBEISSER	✓	
SENATOR SHARON STEWART-PEREGOY	✓	
SENATOR JOSEPH TROPILA	✓	
SENATOR JONATHAN WINDY BOY		✓



SENATE STANDING COMMITTEE REPORT

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Mr. President:

We, your committee on **Business, Labor, and Economic Affairs** recommend that **Senate Bill 151** (first reading copy -- white) **do pass as amended.**

Signed: _____

Joe Balyeat
Senator Joe Balyeat, Chair

And, that such amendments read:

1. Title, page 1, line 8 through line 9.
Strike: "EXPANDING" on line 8 through "CONTRACTS;" on line 9
2. Title, page 1, line 10 through line 11.
Strike: "REVISING DISCLOSURE" on line 10 through "BROKERS;" on line 11
3. Title, page 1, line 13 through line 15.
Strike: "REVISING PRACTICES" on line 13 through "BROKERS;" on line 15
4. Title, page 1, line 16.
Strike: "33-19-104,"
Strike: "33-20-1311,"
5. Title, page 1, line 17.
Strike: "33-20-1313,"
6. Page 1, line 22.
Strike: "contract"
7. Page 1, line 25.
Strike: "contract"

Committee Vote:

Yes 11, No 0

Fiscal Note Required

SB0151001SC.sdr

OK

8. Page 1, line 27.

Strike: "contract"

9. Page 1, line 30.

Following: ";"

Insert: "and"

10. Page 2, line 1 through line 6.

Strike: subsection (b) in its entirety

ReNUMBER: subsequent subsection

11. Page 2, line 11.

Strike: "contract"

12. Page 2, line 12.

Strike: "contract"

13. Page 2, line 18.

Strike: "contract"

14. Page 2.

Following: line 18

Insert: "(2) A person commits the act of insurance fraud or viatical settlement fraud by engaging in any transaction, act, practice, course of business, or course of dealing that involves a violation of insurable interest laws."

ReNUMBER: subsequent subsections

15. Page 2, line 23.

Strike: "contract"

16. Page 2, line 27.

Strike: "contract"

17. Page 2, line 28.

Strike: "insurance fraud"

Insert: "a violation of this part"

18. Page 2, line 29.

Strike: the first "insurer," through "producer"

Insert: "person"

19. Page 4, line 6 through line 11.

Strike: subsections (2) and (3) in their entirety
Renumber: subsequent subsections

20. Page 4, line 12 through line 13.

Strike: ":" on line 12

Strike: "(a)" on line 13

Following: "settlements;" on line 13

Strike: "or"

21. Page 4, line 14 through line 15.

Strike: subsection (b) in its entirety

22. Page 5, line 10.

Strike: "contract"

23. Page 5, line 17.

Strike: "contract"

24. Page 5, line 19 through page 10, line 6.

Strike: section 5 in its entirety

Renumber: subsequent sections

25. Page 11, line 12 through page 15, line 20.

Strike: sections 7 and 8 in their entirety

Renumber: subsequent sections

26. Page 16, line 8 through page 17, line 25.

Strike: section 10 in its entirety

Renumber: subsequent sections

27. Page 18, line 20.

Strike: "[Sections 10 and 11] are"

Insert: "[Section 7] is"

28. Page 18, line 21.

Strike: "[sections 10 and 11]"

Insert: "[section 7]"

29. Page 18, line 29.

Strike: "[Sections 6 through 11] are"

Insert: "[Section 5] is"

- END -



SENATE STANDING COMMITTEE REPORT

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Mr. President:

We, your committee on **Business, Labor, and Economic Affairs** recommend that **Senate Bill 234** (first reading copy -- white) **do pass as amended.**

Signed: _____

Joe Balyeat
Senator Joe Balyeat, Chair

And, that such amendments read:

1. Title, page 1, line 5.

Following: "SECTIONS"

Insert: "33-1-102,"

2. Page 1, line 13.

Strike: "dependent"

Following: "child"

Insert: "18 years of age or younger"

3. Page 1, line 14.

Strike: "an individual"

Insert: "a child"

4. Page 1, line 23.

Following: "that are"

Insert: "medically"

Following: "develop"

Strike: ", maintain,"

5. Page 1, line 24.

Strike: "dependent"

6. Page 1, line 27.

Strike: "by a dietitian registered in this state or"

7. Page 1, line 28.

Committee Vote:

Yes 6, No 5

Fiscal Note Required

SB0234001SC.sdr

DR

Strike: "nutritionist,"

8. Page 1, line 29 through page 2, line 3.

Strike: "applied behavior" on page 1, line 29 through "behavior" on page 2, line 3

Insert: "medically necessary interactive therapies derived from evidence-based research, including applied behavior analysis, which is also known as Lovaas therapy, discrete trial training, pivotal response training, intensive intervention programs, and early intensive behavioral intervention"

9. Page 2, line 4.

Following: "who" on line 4

Strike: "has been"

Insert: "is licensed by the behavior analyst certification board or is"

10. Page 2, line 5 through line 6.

Strike: "qualified" on line 5 through "analysis" on line 6

Insert: "family support specialist with an autism endorsement"

11. Page 2, line 7.

Following: "(4)"

Insert: "(a)"

12. Page 2, line 8.

Following: "benefit of"

Insert: ":

(i)"

Following: "\$50,000 a year"

Strike: "."

Insert: "for a child 8 years of age or younger; and

(ii) \$20,000 a year for a child 9 years of age through 18 years of age.

(b)"

13. Page 2, line 9.

Strike: "dependent"

14. Page 2, line 15 through line 18.

Following: "(6)"

Strike: "Upon request" on line 15 through "status." on line 18

Following: "may request"

Insert: "that the treating physician provide"

15. Page 2, line 20.

Strike: "frequency" through "updated."

Insert: "reasons the treatment is medically necessary. The treatment plan must be based on evidence-based screening criteria. The insurer may ask that the treatment plan be updated every 6 months."

16. Page 2.

Following: line 20

Insert: "(7) As used in this section, "medically necessary" means any care, treatment, intervention, service, or item that is prescribed, provided, or ordered by a physician or psychologist licensed in this state and that will or is reasonably expected to:

(a) prevent the onset of an illness, condition, injury, or disability;

(b) reduce or improve the physical, mental, or developmental effects of an illness, condition, injury, or disability; or

(c) assist in achieving maximum functional capacity in performing daily activities, taking into account both the functional capacity of the recipient and the functional capacities that are appropriate for a child of the same age."

Renumber: subsequent subsections

17. Page 2.

Following: line 26

Insert: "Section 2. Section 33-1-102, MCA, is amended to read:

"33-1-102. Compliance required -- exceptions -- health service corporations -- health maintenance organizations -- governmental insurance programs -- service contracts. (1) A person may not transact a business of insurance in Montana or a business relative to a subject resident, located, or to be performed in Montana without complying with the applicable provisions of this code.

(2) The provisions of this code do not apply with respect to:

(a) domestic farm mutual insurers as identified in chapter 4, except as stated in chapter 4;

(b) domestic benevolent associations as identified in chapter 6, except as stated in chapter 6; and

(c) fraternal benefit societies, except as stated in chapter 7.

(3) This code applies to health service corporations as prescribed in 33-30-102. The existence of the corporations is governed by Title 35, chapter 2, and related sections of the Montana Code Annotated.

(4) This code does not apply to health maintenance organizations or to managed care community networks, as defined in 53-6-702, to the extent that the existence and operations of those organizations are governed by chapter 31 or to the extent that the existence and operations of those networks are governed by Title 53, chapter 6, part 7. The department of public health

and human services is responsible to protect the interests of consumers by providing complaint, appeal, and grievance procedures relating to managed care community networks and health maintenance organizations under contract to provide services under Title 53, chapter 6.

(5) This code does not apply to workers' compensation insurance programs provided for in Title 39, chapter 71, parts 21 and 23, and related sections.

(6) The department of public health and human services may limit the amount, scope, and duration of services for programs established under Title 53 that are provided under contract by entities subject to this title. The department of public health and human services may establish more restrictive eligibility requirements and fewer services than may be required by this title.

(7) This Except as otherwise provided in Title 33, chapter 22, this code does not apply to the state employee group insurance program established in Title 2, chapter 18, part 8.

(8) This code does not apply to insurance funded through the state self-insurance reserve fund provided for in 2-9-202.

(9) (a) This Except as otherwise provided in Title 33, chapter 22, this code does not apply to any arrangement, plan, or interlocal agreement between political subdivisions of this state in which the political subdivisions undertake to separately or jointly indemnify one another by way of a pooling, joint retention, deductible, or self-insurance plan.

(b) This Except as otherwise provided in Title 33, chapter 22, this code does not apply to any arrangement, plan, or interlocal agreement between political subdivisions of this state or any arrangement, plan, or program of a single political subdivision of this state in which the political subdivision provides to its officers, elected officials, or employees disability insurance or life insurance through a self-funded program.

(10) (a) This code does not apply to the marketing of, sale of, offering for sale of, issuance of, making of, proposal to make, and administration of a service contract.

(b) A "service contract" means a contract or agreement for a separately stated consideration for a specific duration to perform the repair, replacement, or maintenance of property or to indemnify for the repair, replacement, or maintenance of property if an operational or structural failure is due to a defect in materials or manufacturing or to normal wear and tear, with or without an additional provision for incidental payment or indemnity under limited circumstances, including but not limited to towing, rental, and emergency road service. A service contract may provide for the repair, replacement, or maintenance of property for damage resulting from power surges or accidental damage from handling. A service contract does not include motor club service as defined in 61-12-301.

(11) (a) Subject to 33-18-201 and 33-18-242, this code does

not apply to insurance for ambulance services sold by a county, city, or town or to insurance sold by a third party if the county, city, or town is liable for the financial risk under the contract with the third party as provided in 7-34-103.

(b) If the financial risk for ambulance service insurance is with an entity other than the county, city, or town, the entity is subject to the provisions of this code."

Renumber: subsequent sections

18. Page 4, line 9.

Strike: "and"

19. Page 4, line 10.

Following: "and"

Insert: "; and"

20. Page 4, line 11.

Following: "autism"

Insert: "(g) autism"

Following: the first "."

Insert: "(7) Coverage for a child with autism who is 18 years of age or younger must comply with [section 1(3) through (5)] if the child is diagnosed with:

(a) autistic disorder;

(b) Asperger's disorder; or

(c) pervasive developmental disorder not otherwise specified."

21. Page 5, line 22.

Strike: "and"

22. Page 5, line 23.

Following: "and"

Insert: "; and"

23. Page 5, line 24.

Following: "autism"

Insert: "(g) autism"

24. Page 5, line 25.

Insert: "(7) Coverage for a child with autism who is 18 years of age or younger must comply with [section 1(3) through (5)] if the child is diagnosed with:

(a) autistic disorder;

(b) Asperger's disorder; or

(c) pervasive developmental disorder not otherwise specified."

25. Page 8, line 9.

Insert: "NEW SECTION. Section 7. Saving clause. [This act]

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does not affect rights and duties that matured, penalties that were incurred, or proceedings that were begun before [the effective date of this act]."

Renumber: subsequent section

- END -

SB0234001SC.sdr



SENATE STANDING COMMITTEE REPORT

February 16, 2009

Page 1 of 3

Mr. President:

We, your committee on **Business, Labor, and Economic Affairs** recommend that **Senate Bill 192** (first reading copy -- white) **do pass as amended.**

Signed:


Senator Joe Balyeat, Chair

And, that such amendments read:

1. Title, page 1, line 4.

Strike: "EQUAL"

Insert: "AN"

2. Title, page 1, line 5.

Strike: "UNDER"

Insert: "BY ALLOWING POOLED RISK SAFETY GROUPS IN"

3. Title, page 1, line 6 through line 8.

Strike: "RELIEF" on line 6

Insert: "AN OPPORTUNITY FOR A RETURN ON PREMIUM BASED ON REDUCED LOSSES"

Following: "THAT" on line 6

Strike: "IMPLEMENT" on line 6 through "THAT" on line 8

4. Title, page 1, line 9 through line 10.

Strike: "SECTIONS"

Insert: "SECTION"

Strike: "39-71-2315 " on line 9 through "39-71-2330," on line 10

Strike: "A TERMINATION"

Insert: "AN APPLICABILITY"

5. Page 1, line 20.

Following: "businesses"

Insert: "; and

Committee Vote:

Yes 11, No 0

Fiscal Note Required



WHEREAS, the opportunity to pool risk in a group that has made a commitment to safety yields the potential to benefit small businesses by reducing losses and possibly generating a return on premium"

6. Page 1, line 24 through page 2, line 30.

Strike: section 1 through section 2 in their entirety

Insert: "NEW SECTION. **Section 1. Workplace safety program.**

(1) An employer that is not eligible for the tier with the lowest-rated premium for workers' compensation purposes is eligible to join a state fund pooled risk safety group, as provided in [section 2], if the employer:

(a) adopts and maintains a written, comprehensive workplace safety program that has been in place for more than 1 year and that meets the criteria established by rule implementing Title 39, chapter 71, part 15.

(b) adopts transitional and return-to-work programs;

(c) has at least 3 years of experience without losses;

(d) uses available safety consultation services or programs offered by the department or the state fund. Safety consultation may be provided to individual employers or to groups. The department and the state fund shall notify each employer in a group, as provided in [section 2], regarding the availability of safety and return-to-work resources.

(e) complies with the terms and conditions of the state fund pooled risk safety group as provided in [section 2].

(2) The state fund and the department shall share information on workplace safety programs and transitional and return-to-work programs."

Insert: "NEW SECTION. **Section 2. Pooled risk safety group.**

(1) The state fund may establish one or more groups of individual policies in a pooled risk safety group to promote safety as a way to reduce losses among members of the pooled risk safety group.

(2) Each member of a pooled risk safety group must be eligible as provided in [section 1] and must have an individual workers' compensation plan No. 3 policy. An individual policy may be included in only one group.

(3) The state fund shall annually establish the terms and conditions of the plan that defines the requirements of participation for a pooled risk safety group. The plan must include the criteria to be eligible for an aggregate return of premium and a method for apportioning the return of premium among members of the group.

(4) The aggregate record of the individual members of the pooled risk safety group is the basis for determining if the members of the pooled risk safety group qualify for a return on premiums."

7. Page 3, line 6.

Strike: "[Subject]" through "premium"

Insert: "Premium"

8. Page 3, line 12.

Strike: "of 20" through "rating"

Insert: "that are not eligible for the tier with the lowest-rated premium for workers' compensation purposes"

9. Page 3, line 15 through line 16.

Strike: "and recognizing" on line 15 through "injury" on line 16

10. Page 3, line 17 through line 18.

Strike: "and may" on line 17 through "promotions" on line 18

11. Page 3, line 23 through page 7, line 4.

Strike: section 4 through section 7 in their entirety

Renumber: subsequent sections

12. Page 7, line 10.

Following: "date"

Insert: "-- applicability"

Following: "2009"

Insert: ", and applies to groups formed on or after July 1, 2010"

13. Page 7, line 12 through line 13.

Strike: section 10 in its entirety

- END -



SENATE STANDING COMMITTEE REPORT

February 16, 2009

Page 1 of 1

Mr. President:

We, your committee on **Business, Labor, and Economic Affairs** recommend that **Senate Bill 363** (first reading copy -- white) **do pass as amended.**

Signed: _____

Joe Balyeat
Senator Joe Balyeat, Chair

And, that such amendments read:

1. Page 4, line 6.

Strike: "employment of"

2. Page 4, line 6 through line 7.

Following: "person" on line 6

Strike: "to speak" on line 6 through "workshop" on line 7

Insert: "who performs educational services as a speaker"

3. Page 4, line 7.

Following: "institution"

Strike: "┘"

4. Page 4, line 8.

Strike: "individual"

Insert: "person and when the person receives less than \$100 a year from the institution"

- END -

Committee Vote:

Yes 9, No 2

Fiscal Note Required

SB0363001SC.sdr

OK

MONTANA STATE SENATE
Roll Call Vote
BUSINESS, LABOR, AND ECONOMIC AFFAIRS COMMITTEE

DATE 2-16-09 BILL NO _____ MOTION NO. _____
 MOTION: _____

SB 234A

Carried 6-5

NAME	AYE	NO	If Proxy Vote, check here & include signed Proxy Form with minutes
SENATOR GREGORY BARKUS		✓	
SENATOR ROY BROWN	✓		
SENATOR JIM KEANE	✓		
SENATOR JIM PETERSON		✓	<i>pa</i>
SENATOR CAROLYN SQUIRES	✓		
SENATOR DONALD STEINBEISSER		✓	
SENATOR SHARON STEWART-PEREGOY	✓		
SENATOR JOSEPH TROPILA	✓		
SENATOR JONATHAN WINDY BOY	✓		<i>pa</i>
SENATOR VERDELL JACKSON, VICE CHAIR		✓	
SENATOR JOE BALYEAT, CHAIRMAN		✓	

MONTANA STATE SENATE
Roll Call Vote
BUSINESS, LABOR, AND ECONOMIC AFFAIRS COMMITTEE

DATE 2-16-09 BILL NO. _____ MOTION NO. _____
 MOTION: _____

SB 363 AA

Carried 9-2

<u>NAME</u>	AYE	NO	If Proxy Vote, check here & include signed Proxy Form with minutes
SENATOR GREGORY BARKUS	✓		
SENATOR ROY BROWN		✓	
SENATOR JIM KEANE	✓		
SENATOR JIM PETERSON	✓		
SENATOR CAROLYN SQUIRES		✓	<i>pr</i>
SENATOR DONALD STEINBEISSER	✓		
SENATOR SHARON STEWART-PEREGOY	✓		
SENATOR JOSEPH TROPILA	✓		
SENATOR JONATHAN WINDY BOY	✓		
SENATOR VERDELL JACKSON, VICE CHAIR	✓		
SENATOR JOE BALLYEAT, CHAIRMAN	✓		

AUTHORIZED SENATE COMMITTEE PROXY

I request to be excused from BUSINESS & LABOR committee because of other commitments. I desire to leave my proxy vote with:

SEN. JOE TROPILA

Indicate Bill number and your vote Aye or No. If there are amendments, list them by name and number under the bill and indicate a separate vote for each amendment.

BILL/AMENDMENT	AYE	NO	BILL/AMENDMENT	AYE	NO
SB 151 AMEND ^{SB 2PM} 15102	✓				
SB 151 AS AMENDED	✓				
SB 234 AMEND ^{SB 250} 23402	✓				
SB 234 AMEND ^{SB 250} 23401	✓				
SB 234 AMEND ^{SB 2PM} 23401	WITHDRAWN				
SB 234 AS AMENDED	✓				
SB 192 AMEND ^{RECONSIDER} 19201 ^{2PM}	✓				
SB 192 ^{DO} NOT PASS	✓				
SB 192 AMEND 19202 ^{2PM}	✓				
SB 192 AS AMENDED	✓				

sen. 
(Signature)

Date 2/16/09

**AUTHORIZED
SENATE COMMITTEE PROXY**

I request to be excused from Business + Labor Committee because of other commitments. I desire to leave my proxy vote with:

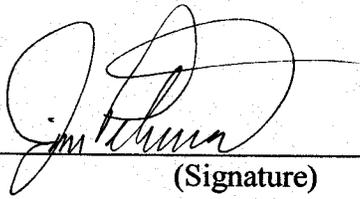
Verdell Jackson

Indicate Bill number and your vote Aye or No. If there are amendments, list them by name and number under the bill and indicate a separate vote for each amendment.

BILL/AMENDMENT	AYE	NO
SB 151	X	
SB 234		X
SB 192	X	
SB 363	X	

BILL/AMENDMENT	AYE	NO
SB 0151 02. a pm	X	
SB 0234 02. a so	X	
SB 0234 01. a so	X	
SB 0192 02. a pm	X	
SB 0192 01. a pm	X	
SB 0363 02. a pm	X	

← off bill

sen. 
(Signature)

Date 2/16/09