

HOUSE BILL NO. 551  
INTRODUCED BY B. RYAN

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT ELIGIBLE VOLUNTEER EMERGENCY MEDICAL TECHNICIANS MAY BECOME MEMBERS OF PENSION AND DISABILITY PLANS ESTABLISHED UNDER THE VOLUNTARY FIREFIGHTERS' COMPENSATION ACT; PROVIDING RULEMAKING AUTHORITY TO THE PUBLIC EMPLOYEES' RETIREMENT BOARD; ESTABLISHING A SPECIAL REVENUE ACCOUNT; PROVIDING THAT THE STATE CONTRIBUTION FROM CERTAIN INSURANCE PREMIUM TAXES BE PAID DIRECTLY FROM THE SPECIAL REVENUE ACCOUNT RATHER THAN FROM THE GENERAL FUND; PROVIDING A STATUTORY APPROPRIATION FROM THE SPECIAL REVENUE ACCOUNT; AMENDING SECTIONS 19-17-102, 19-17-301, 19-17-401, 19-17-406, 19-17-501, 19-17-502, 19-17-504, 33-2-708, AND 33-22-136, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

**NEW SECTION. Section 1. Contracting entities -- membership of volunteer emergency medical technicians -- rulemaking.** (1) A nonprofit organization meeting the criteria adopted by the board pursuant to this section may contract with the board to cover eligible volunteer emergency medical technicians as members of the Volunteer Firefighters' Compensation Act.

(2) The board shall adopt rules to implement the provisions of this section. The rules must include but are not limited to the following:

(a) the minimum certification, continuing education, and service criteria to be met in order for a volunteer emergency medical technician to receive service credit under this chapter; and

(b) what constitutes duty for the purposes of determining eligibility for the benefits provided pursuant to 19-17-502 for illness or injury incurred in the line of duty.

**Section 2.** Section 19-17-102, MCA, is amended to read:

**"19-17-102. Definitions.** Unless the context requires otherwise, the following definitions apply in this chapter:

(1) "Active member" means a volunteer firefighter or volunteer emergency medical technician credited with service under this chapter during the most recently reportable fiscal year.

(2) "Benefit" means the pension, disability, or survivorship benefit provided under this chapter.

(3) "Board" means the public employees' retirement board provided for in 2-15-1009.

(4) "Claim" means a request from a member, surviving spouse, or dependent child for payment of medical or funeral expenses.

~~(5)~~ (6) "Contracting entity" means an organization that contracts with the board pursuant to [section 1].

~~(5)~~~~(6)~~ "Department" means the department of administration.

~~(6)~~~~(7)~~ "Dependent child" means a child who is unmarried, who is under 18 years of age, and who is the child of a deceased member.

~~(7)~~~~(8)~~ "Disability" or "permanent total disability" means permanent total disability as defined in 39-71-116.

~~(8)~~~~(9)~~ "Fire company" means a fire company organized in an unincorporated area, town, or village in accordance with 7-33-2311.

~~(9)~~~~(10)~~ "Fiscal year" means the 12-month period that begins on July 1 and ends on June 30 of the following year.

~~(10)~~~~(11)~~ "Member" means a volunteer firefighter or a volunteer emergency medical technician who has service credited under this chapter.

~~(11)~~~~(12)~~ "Pension trust fund" means the volunteer firefighters' pension trust fund established to pay claims and benefits under this chapter.

~~(12)~~~~(13)~~ "Retiree" or "retired member" means a member who is receiving full or partial participation benefits or disability benefits from the pension trust fund.

~~(13)~~~~(14)~~ "Service" means cumulative periods of active membership that are credited only in full fiscal year increments.

~~(14)~~~~(15)~~ "Supplemental insurance" means insurance that is carried by a fire company for the purposes of providing disability or death benefits and that is in addition to any insurance required by law, including workers' compensation insurance.

~~(15)~~~~(16)~~ "Surviving spouse" means the spouse married to a member when the member dies.

~~(16)~~~~(17)~~ "Survivorship benefit" means the monthly benefit paid to the surviving spouse or dependent child of a deceased member.

~~(17)~~ (18) "Volunteer emergency medical technician" means an emergency medical technician, as defined in 50-6-202, who is a member of a contracting entity, who is not paid for services performed, and who meets the plan membership criteria adopted pursuant to [section 1].

~~(17)~~~~(19)~~ "Volunteer firefighter" means a person who is an active member of an eligible fire company and

is not compensated for services as a firefighter."

**Section 3.** Section 19-17-301, MCA, is amended to read:

**"19-17-301. ~~Fire insurance~~ Insurance premium tax to be paid into pension trust fund -- special revenue account -- statutory appropriation.** (1) The state auditor shall annually pay from the ~~general fund~~ special revenue account established in subsection (2) to the pension trust fund ~~a the sum equivalent to 5% of the premium taxes collected from insurers authorized to effect insurance against risks enumerated in 50-3-109. The sum must be computed before the amounts provided for by 19-13-604, and 19-18-512 are deducted. specified in subsection (2).~~ The money must be used for the payment of claims, benefits, and administrative costs as provided in this chapter.

(2) There is a special revenue account established in the state special revenue fund to the credit of the state auditor. Five percent of the insurance premium tax collected pursuant to 33-2-705 on the risks enumerated in 50-3-109 must be deposited to the account. The sum must be computed before the amounts provided for by 19-13-604 and 19-18-512 are deducted.

(3) The ~~money~~ contribution is statutorily appropriated as provided in 17-7-502."

**Section 4.** Section 19-17-401, MCA, is amended to read:

**"19-17-401. Eligibility for pension and disability benefits.** (1) To qualify for pension and disability benefits under this chapter, a member shall meet the requirements of subsections (2) or (3) and (4).

(2) (a) For full pension benefits, a member must have completed at least ~~20 years'~~ years of service and must have attained 55 years of age, but need not be an active member ~~of a fire company~~ when 55 years of age is reached.

(b) A member who is prevented from completing at least ~~20 years'~~ years of service may qualify for partial pension benefits if the member has completed at least ~~10 years'~~ years of service and has attained 60 years of age, but need not be an active member ~~of any fire company~~ when 60 years of age is reached.

(3) An active member ~~of a fire company~~ whose duty-related injury results in permanent total disability, as defined in 39-71-116 and determined pursuant to 19-17-410, is eligible, regardless of age or service, to receive a disability benefit.

(4) Except as provided in subsection (5):

(a) to receive a pension or disability benefit, a ~~volunteer firefighter~~ member may not be an active member ~~of any fire company~~; and

(b) a ~~volunteer firefighter member~~ who receives a pension or disability benefit under this chapter may not become an active member of ~~any fire company~~.

(5) In the event of a declared national, state, or local emergency affecting Montana, a retired ~~volunteer firefighter member~~ who is not receiving a disability benefit under this chapter may return to active service ~~with a fire company~~ for the duration of the declared emergency without becoming an active member under the Volunteer Firefighters' Compensation Act and the volunteer firefighters' pension plan and without loss of previously earned benefits. Only the fire chief of the fire company may determine who may return to active service or, with respect to a volunteer emergency medical technician, only the head of the contracting entity may make the determination. The fire chief shall prescribe the duties of any retired volunteer firefighter returning to active service. The head of a contracting entity shall prescribe the duties of any retired volunteer emergency medical technician returning to active service."

**Section 5.** Section 19-17-406, MCA, is amended to read:

**"19-17-406. Termination of pension when no surviving spouse or child.** If a deceased ~~volunteer firefighter retired member~~ leaves neither a surviving spouse nor a child under ~~the age of 18 years of age~~, his the member's pension shall must terminate at the end of the month prior to the month in which his the member's death occurs."

**Section 6.** Section 19-17-501, MCA, is amended to read:

**"19-17-501. Eligibility for medical and funeral expenses.** (1) To qualify for medical expenses under 19-17-504, a ~~volunteer firefighter member~~ must be an active member of ~~a fire company that who~~ is not covered by workers' compensation insurance when the injury or illness occurs.

(2) To qualify for funeral expenses under 19-17-505, a ~~volunteer firefighter member~~ must, at the time of death, be an active member of ~~a fire company~~."

**Section 7.** Section 19-17-502, MCA, is amended to read:

**"19-17-502. Procedure for claiming medical expenses.** (1) A member who claims medical expenses under 19-17-504 shall submit a claim on a form provided by the board. The claim must be verified by the member and by competent medical authority. The claim must be submitted within 1 year from the date of incurring the injury or illness.

(2) The claim must contain:

- (a) the name and address of the member;
- (b) the date, place, and manner of incurring the injury or illness;
- (c) the name and address of the attending physician, surgeon, or nurse, if any;
- (d) the dates of hospitalization, if hospitalized;
- (e) an affidavit from the attending physician, surgeon, or nurse that describes the nature of the injury or illness, the number and dates of visits, and the expenses;
- (f) if hospitalized, an affidavit from competent authority stating the nature of the injury or illness, the dates of hospitalization, and the expenses; and
- (g) (i) with respect to a volunteer firefighter, an affidavit from the chief or secretary of the fire company stating that the fire company was duly organized under the laws of Montana in an unincorporated town or village, that the member was, at the time of the injury or illness, an active member of the company, and that the injury or illness was incurred in the line of duty as described in 19-17-105; or  
(ii) with respect to a volunteer emergency medical technician, an affidavit from the head of the contracting entity stating that the member's injury or illness was incurred in the line of duty as defined in rules adopted pursuant to [section 1]."

**Section 8.** Section 19-17-504, MCA, is amended to read:

**"19-17-504. Medical expenses.** (1) The board shall authorize payment of some or all medical expenses resulting from an injury or illness that was incurred in the line of duty, as described in 19-17-105 for a volunteer firefighter or in rules adopted pursuant to [section 1] for a volunteer emergency medical technician, and that required the services of a physician, surgeon, or nurse, whether or not the member was hospitalized. The payments must equal the amount of the member's necessary and reasonable out-of-pocket medical expenses that resulted directly from the injury or illness and that were billed within 36 months following the date of the injury or illness. The total claim for reimbursement may not exceed \$25,000.

(2) If an injury incurred in the line of duty results in the loss by amputation of an arm, hand, leg, or foot, the enucleation of an eye, or the loss of any natural teeth, the board shall authorize either a payment for the cost of a prosthesis or a payment of \$1,500 to help defray the cost of a prosthesis, whichever is less. The prosthesis may be replaced when necessary, but not more often than every 5 years. The board shall authorize payment of not more than \$1,500 of the replacement costs."

**Section 9.** Section 33-2-708, MCA, is amended to read:

**"33-2-708. Fees and licenses.** (1) (a) Except as provided in 33-17-212(2), the commissioner shall collect a fee of \$1,900 from each insurer applying for or annually renewing a certificate of authority to conduct the business of insurance in Montana.

(b) The commissioner shall collect certain additional fees as follows:

(i) nonresident insurance producer's license:

(A) application for original license, including issuance of license, if issued.....100.00

(B) annual renewal of license.....10.00

(ii) surplus lines insurance producer license:

(A) application for original license and for issuance of license, if issued.....50.00

(B) annual renewal of license.....50.00

(iii) 50 cents for each page for copies of documents on file in the commissioner's office.

(2) (a) The commissioner shall charge a fee of \$75 for each course or program submitted for review as required by 33-17-1204 and 33-17-1205, but may not charge more than \$1,500 to a sponsoring organization submitting courses or programs for review in any biennium.

(b) Insurers and associations composed of members of the insurance industry are exempt from the charge in subsection (2)(a).

(3) ~~The~~ Except as provided in 19-17-301, the commissioner shall promptly deposit with the state treasurer to the credit of the general fund all fines and penalties and those amounts received pursuant to 33-2-311, 33-2-705, and 33-28-201. All other fees collected by the commissioner pursuant to Title 33 and the rules adopted under Title 33 must be deposited in the state special revenue fund to the credit of the state auditor's office.

(4) All fees are considered fully earned when received. In the event of overpayment, only those amounts in excess of \$10 will be refunded."

**Section 10.** Section 33-22-136, MCA, is amended to read:

**"33-22-136. Insurance for spouse and dependents of deceased peace officer, game warden, or firefighter.** (1) Any insurer, health service corporation, or health maintenance organization issuing group disability coverage to the spouse or dependents of a peace officer as defined in 45-2-101, a game warden as defined in 19-8-101, a firefighter as defined in 19-13-104, or a volunteer firefighter or volunteer emergency medical technician as defined in 19-17-102 shall renew the coverage of the spouse or dependents if the peace officer, game warden, firefighter, ~~or~~ volunteer firefighter, or volunteer emergency medical technician dies within the

course and scope of employment. This section also applies to a state employee group insurance program, a university system group insurance program, an employee group insurance program of a city, town, county, school district, or other political subdivision of the state, and any self-funded multiple employer welfare arrangement not regulated by the Employee Retirement Income Security Act of 1974 that provides coverage for a peace officer, game warden, firefighter, or volunteer firefighter, or volunteer emergency medical technician. Except as provided in subsection (2), the continuation of the coverage is at the option of the spouse or dependents. Renewals of coverage under this section must provide for the same level of benefits as are available to other members of the group. Premiums charged to a spouse or dependent under this section must be the same as premiums charged to other similarly situated members of the group. Dependent special enrollment must be allowed under the terms of 33-22-523(2) and (3). The provisions of this subsection are applicable to a spouse or dependent who is insured under a COBRA continuation provision.

(2) A disability insurance issuer subject to the provisions of subsection (1) may discontinue or not renew the coverage of a spouse or dependent only if:

(a) the spouse or dependent has failed to pay premiums or contributions in accordance with the terms of the disability insurance coverage or if the disability insurer has not received timely premium payments;

(b) the spouse or dependent has performed an act or practice that constitutes fraud or has made an intentional misrepresentation of a material fact under the terms of the coverage; or

(c) the disability insurance issuer is ceasing to offer coverage in the group disability market in accordance with applicable state law."

NEW SECTION. **Section 11. Codification instruction.** [Section 1] is intended to be codified as an integral part of Title 19, chapter 17, part 2, and the provisions of Title 19, chapter 17, part 2, apply to [section 1].

NEW SECTION. **Section 12. Effective date.** [This act] is effective July 1, 2003.

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