

SENATE BILL NO. 216

INTRODUCED BY COCCHIARELLA, BERGREN, ELLIOTT, FACEY, GALVIN-HALCRO, GLASER, KEANE, KEENAN, KITZENBERG, LAIBLE, MAHLUM, MATTHEWS, MCNUTT, SHEA, TASH, F. THOMAS, WANZENRIED

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT A FORMER MEMBER OF THE SELF-INSURERS GUARANTY FUND IS LIABLE FOR ASSESSMENTS MADE BY THE FUND IN ANY YEAR FOLLOWING THE DATE THAT THE MEMBER'S STATUS AS A PRIVATE SELF-INSURER IS TERMINATED; REQUIRING A FORMER MEMBER'S ASSESSMENT TO BE BASED ON BENEFITS PAID DURING THE LAST CALENDAR YEAR IMMEDIATELY PRECEDING THE ANNUAL ASSESSMENT; AMENDING SECTION 39-71-2615, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 39-71-2615, MCA, is amended to read:

"39-71-2615. Initial fee -- assessment. (1) A private self-insurer shall pay to the fund an initial fee of \$1,000 upon becoming a member. Thereafter, a member's financial obligation to the fund must be established by assessment as provided in subsection (2).

(2) (a) The fund may assess each of its members a pro rata share of the amount necessary to carry out the purposes of this part. However, the total annual assessments in any calendar year may not exceed 5% of the following benefits paid by each member during the preceding calendar year:

(i) compensation benefits; and

(ii) except for medical benefits in excess of \$200,000 for each occurrence that are exempt from assessment, the total medical benefits paid for medical treatment rendered to an injured worker, including hospital treatment and prescription drugs.

(b) Funds obtained by assessment pursuant to this subsection may be used only for the purposes of this part.

(3) A former member is liable for assessments made by the fund ~~for 3 years~~ in any year following the date the member's status as a private self-insurer is terminated, whether the termination is by action of the private self-insurer or the department. A former member's assessment must be based on the benefits paid during the last calendar year immediately preceding the ~~termination of the member's status as a private self-insurer~~ annual

assessment.

(4) The board shall certify to the department the collection and receipt of assessments, noting any delinquencies. The board shall take appropriate action to collect a delinquent assessment."

NEW SECTION. **Section 2. Effective date.** [This act] is effective on passage and approval.

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