

Unofficial Draft Copy

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LCLch2

**** Bill No. ****

Introduced By *****

By Request of the *****

A Bill for an Act entitled: "An Act revising the composition of the board of directors of the state compensation insurance fund; amending section 2-15-1019, MCA; and providing an immediate effective date and an applicability date."

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 2-15-1019, MCA, is amended to read:

"2-15-1019. Board of directors of state compensation insurance fund -- legislative liaisons. (1) There is a board of directors of the state compensation insurance fund.

(2) The board is allocated to the department for administrative purposes only as prescribed in 2-15-121. However, the board may employ its own staff.

(3) The board may provide for its own office space and the office space of the state fund.

(4) The board consists of seven members appointed by the governor. The executive director of the state fund is an ex officio nonvoting member.

(5) (a) At least four of the seven members shall represent state fund policyholders and may be employees of state fund policyholders. At least four members of the board shall represent private, ~~for-profit~~ enterprises. One of the seven members may

must be a licensed insurance producer person with executive management experience in an insurance company or executive level experience in insurance financial accounting. A

(b) Except as provided in subsection (c) a member of the board may not:

~~(a) except for the licensed insurance producer member,~~

(i) represent or be an employee of an insurance company that is licensed to transact workers' compensation insurance under compensation plan No. 2; or

~~(b)(ii)~~ be an employee of a self-insured employer under compensation plan No. 1.

(c) A member appointed as a licensed insurance producer prior to [the effective date of this act] may represent or be an employee of an insurance company that is licensed to transact workers' compensation under plan No. 2 until that member resigns or that member's term expires.

(6) A member is appointed for a term of 4 years. The terms of board members must be staggered. A member of the board may serve no more than two 4-year terms. A member shall hold office until a successor is appointed and qualified.

(7) The members must be appointed and compensated in the same manner as members of a quasi-judicial board as provided in 2-15-124, except that the requirement that at least one member be an attorney does not apply.

(8) There must be two legislative liaisons to the board consisting of members of the economic affairs interim committee provided for in 5-5-223. Subject to 5-5-234, the presiding

officer of the economic affairs interim committee shall appoint the liaisons from the majority party and the minority party at the first interim committee meeting.

(9) Legislative liaisons shall serve from appointment through each even-numbered calendar year.

(10) A legislative liaison may:

(a) attend board meetings; and

(b) receive board meeting agendas and information relating to agenda items from the staff of the state fund.

(11) Legislative liaisons appointed pursuant to subsection (8) are entitled to compensation and expenses, as provided in 5-2-302, to be paid by the economic affairs interim committee."

{Internal References to 2-15-1019:
39-71-2312x}

NEW SECTION. Section 2. {standard} Effective date -- applicability. [This act] is effective on passage and approval and applies to appointments made by the governor to the state compensation insurance fund subsequent to the effective date.

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{Name : Pat Murdo
Title : Legislative Research Analyst
Agency : Legislative Services Division
Phone : 444-3594
E-Mail : pmurdo@mt.gov}