

SENATE BILL NO. 351

INTRODUCED BY J. ELLSWORTH

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A BILL FOR AN ACT ENTITLED: "AN ACT REVISING STATE COMPENSATION INSURANCE FUND BOARD OF DIRECTORS TERM REQUIREMENTS; REQUIRING THE STATE FUND TO PAY AN ANNUAL FEE FOR LEGISLATIVE LIAISONS; AND AMENDING SECTION 2-15-1019, MCA."

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 enterprises. One of the seven members may be a licensed insurance producer. One of the seven members must be a person with executive management experience in an insurance company or executive level experience in insurance financial accounting.

(b) A member of the board may not:

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

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

(6) A member is appointed for a term of 4 years. A term begins February APRIL 1 of odd-numbered years and ends January MARCH 31. THE GOVERNOR SHALL APPOINT BOARD MEMBERS ON OR BEFORE FEBRUARY 1 OF THE ODD-NUMBERED YEARS THAT COINCIDE WITH THE EXPIRATION OF THE BOARD MEMBERS' TERMS. 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



1 hold office until ~~a successor is appointed and qualified~~ the end of the term. ~~Members must be confirmed by the~~
2 ~~senate prior to serving a term and the provisions of 2-16-213 do not apply to appointments made under this~~
3 ~~section.~~

4 (7) The members must be appointed and compensated in the same manner as members of a
5 quasi-judicial board as provided in 2-15-124, except AS OTHERWISE PROVIDED IN THIS SECTION AND EXCEPT that the
6 requirement that at least one member be an attorney does not apply.

7 (8) There must be two legislative liaisons to the board consisting of members of the economic affairs
8 interim committee provided for in 5-5-223. Subject to 5-5-234, the presiding officer of the economic affairs interim
9 committee shall appoint the liaisons from the majority party and the minority party at the first interim committee
10 meeting.

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

12 (10) A legislative liaison may:

13 (a) attend board meetings; and

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

16 (11) Legislative liaisons appointed pursuant to subsection (8) are entitled to compensation and expenses,
17 as provided in 5-2-302, to be paid by the economic affairs interim committee and the state fund from a \$100
18 annual fee paid by the state fund into the general fund."

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