

Big “I” Capitol Report

April 9, 2015

As the end of the 64th session approaches, the outcomes of many bills remain in question. Of course the legislature is focused on the “big” money bills including the budget, Medicaid expansion and the various infrastructure bills, but these remaining bills may have an influence on some insurance related bills still in the process.

SB 398 requires the Montana State Fund to make dividend distribution payments of **at least** \$50 million when the State Fund reaches a certain level of surplus. It is our position that the decision regarding dividends should be left up to the Board of Directors, which is appointed by the Governor, and not imposed by the legislature. The bill was heard in the House Business and Labor on 4/8/15 and even though it was a good hearing, the outcome is unpredictable. There was strong opposing testimony, of which the Big I was a part, however, politics has a way of trumping common sense at this stage of the session. We will continue to report on the progress of this bill.

In addition to SB 398, House Bills 94, 118, 240, 375 and Senate Bill 123 are of particular interest to our agents and industry.

Below is a list of bills we are following. The bill number in the left column is an active link to the actual bill language. The second column contains a short description of the Bill and also the status of the bill. The bills that are most significant are in “**bold**” and the current status is in “**red**”.

House Bills

HB 53	Permits discounts to military or veterans by P&C carriers Signed by Governor
HB 57	Strengthen security protections against financial abuse Signed by Governor
HB 74	Requires data breach notice to attorney general and insurance commissioner Signed by Governor

HB 78	<p>Clarifies vehicle owner’s privacy rights for event data recorders</p> <p>Amendments offered in Senate were not concurred, awaiting executive action on bill</p>
HB 90	<p>Revise worker’s compensation law regarding claims examiners and fee schedules</p> <p>Signed by Governor</p>
HB 94	<p>Allows for combined coverage policies in surplus lines</p> <p>Signed by Governor</p>
HB 95	<p>Revises public adjuster laws</p> <p>Signed by Governor</p>
HB 103	<p>Revise duties of state auditor office related to insurance and security laws; Housekeeping bill</p> <p>Signed by Governor</p>
HB 118	<p>Allows for electronic delivery of policies</p> <p>Amendments not accepted, conference committee appointed</p>
HB 119	<p>Update insurance laws to meet NAIC accreditation</p> <p>Scheduled for 3rd reading in Senate</p>
HB 204	<p>Revising laws relating to liability waivers and releases</p> <p>Scheduled for 3rd reading, will move forward, however, amendments have watered down the purpose of the bill</p>
HB 207	<p>Prohibiting disclosure of media from electronic communications services</p> <p>Passed out of Senate</p>
HB 240	<p>Allows for policy fees in surplus lines</p> <p>Passed House and Senate; bill headed to Governor’s office</p>
HB 297	<p>Prohibits Texting and cell phone use while driving</p> <p>Failed Senate; indefinitely postponed</p>
HB 375	<p>Increases minimum limits of liability for property damage to \$20,000</p> <p>Transmitted to Governor’s office</p>

HB 453	Revises State Hail Program allowing board to borrow money from Board of Investments Tabled in committee; major victory for agents
HB 503	Clarify loss run insurance laws Returned to House with amendments; should be passed
HB 522	Allows farm mutual insurance companies to merge and bulk agreements Signed by Governor
HB 537	Revise laws to allow LLCs to transact captive insurance Transmitted to Governor
HB 538	Provide extraterritoriality option for workers' compensation Amended in Senate, scheduled for 2nd reading

End of House Bills

Senate Bills

SB 4	Authorize temporary appointment in vacancy of worker's compensation judge Signed by Governor
SB 52	Revise captive insurance laws Referred to House Appropriations
SB 83	Adopt health insurance appeals/external review laws of NAIC Tabled in committee
SB 84	Revise claims considerations in insurance policies In second house, tabled in committee; probably dead
SB 99	Revise Insure Montana small business health insurance laws Re-referred to House Appropriations; 4/13 hearing scheduled
SB 123	Revises regulatory authority over the Montana State Fund Passed House Business committee; headed to floor debate

SB 184	Allow for display of electronic proof of motor vehicle insurance Signed by Governor
SB 209	Regulate vehicle event data Amended by House and headed back to Senate for 2nd reading
SB 234	Revise tax and fees for professional liability insurance To House floor
SB 254	Revise workers compensation laws relating to Montana State Fund Probably Dead
SB 259	Revises workers compensation and occupational health and safety assessments In first house – passed out of committee; fiscal note requested
SB 288	Allows for medical recovery related to worker’s compensation Passed out of House committee, headed to House floor
SB 292	Creates drug formulary for workers compensation Tabled in House Business and Labor committee
SB 347	Revising worker compensation coverage options for emergency medical units Bill concurred in House committee; headed to the floor
SB 396	Generally revise regulation of transportation for hire laws (also known as the UBER bill) Re-referred to Federal Relations, Energy and Telecommunications; 4/13 hearing schedule
SB 398	Revise workers' compensation dividend payment laws Heard in House Business & Labor on 4/8/15; awaiting executive action
SB 405	Establish the Montana Health and Economic Livelihood Partnership Act (Medicaid expansion bill) Not concurred as amended; may not be done yet

End of Senate Bills