

HOUSE BILL NO. 769

INTRODUCED BY COCCHIARELLA
BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD

IN THE HOUSE

FEBRUARY 12, 1991 INTRODUCED AND REFERRED TO COMMITTEE
ON STATE ADMINISTRATION.

FIRST READING.

FEBRUARY 19, 1991 COMMITTEE RECOMMEND BILL
DO PASS AS AMENDED. REPORT ADOPTED.

POSTED ON CONSENT CALENDAR.

FEBRUARY 20, 1991 CONSENT CALENDAR, QUESTIONS AND ANSWERS.

ENGROSSING REPORT.

FEBRUARY 23, 1991 THIRD READING, PASSED.
AYES, 94; NOES, 5.

TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 25, 1991 INTRODUCED AND REFERRED TO COMMITTEE
ON STATE ADMINISTRATION.

FIRST READING.

MARCH 8, 1991 COMMITTEE RECOMMEND BILL BE
CONCURRED IN. REPORT ADOPTED.

MARCH 13, 1991 SECOND READING, CONCURRED IN.

MARCH 14, 1991 THIRD READING, CONCURRED IN.
AYES, 48; NOES, 0.

RETURNED TO HOUSE.

IN THE HOUSE

MARCH 15, 1991 RECEIVED FROM SENATE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 House BILL NO. 769
2 INTRODUCED BY Cantimilla

3 BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING CONTINUED
6 MEMBERSHIP RIGHTS FOR EMPLOYEES IN THE PUBLIC EMPLOYEES'
7 RETIREMENT SYSTEM WHO TERMINATE COVERED EMPLOYMENT; AMENDING
8 SECTION 19-3-401, MCA; AND PROVIDING AN EFFECTIVE DATE."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 **Section 1.** Section 19-3-401, MCA, is amended to read:

12 "19-3-401. **Membership.** (1) All employees shall become
13 members on the first day of employment. Each employee shall
14 file with the board such information affecting his status as
15 a member of the retirement system as the board may require.

16 (2) (a) A member with at least 5 years of creditable
17 service who terminates covered employment and does not take
18 a refund of his contributions retains the right to purchase
19 service subject to the provisions of part 5 of this chapter.

20 (b) Upon reaching retirement age, a member becomes
21 eligible to receive a retirement allowance under the
22 provisions of 19-3-901 or 19-3-902.

23 (3) A member with less than 5 years of creditable
24 service who terminates covered employment and leaves his
25 accumulated contributions on deposit is not eligible for any

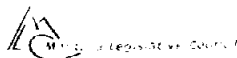
1 benefits other than a refund of his accumulated
2 contributions.

3 ~~(2)~~(4) Every employee who reenters service shall become
4 a member unless he has had an original election of exemption
5 from membership and his service was not interrupted by a
6 break of more than 1 month. A seasonal employee who has had
7 an original election of exemption from membership will not
8 be subject to the requirement regarding the break in service
9 while continuing in his original employment and employed on
10 a seasonal basis, but upon termination of employment to
11 accept new employment or absence of more than 1 month in
12 returning to original employment in any ensuing season, such
13 a seasonal employee shall become a member of the retirement
14 system upon reentry.

15 ~~(3)~~(5) Time during which an employee of a school
16 district is absent from service during official vacation
17 shall be counted as service in determining eligibility for
18 membership under this chapter."

19 NEW SECTION. Section 2. Effective date. [This act] is
20 effective July 1, 1991.

-End-



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5 A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING CONTINUED
6 MEMBERSHIP RIGHTS FOR EMPLOYEES IN THE PUBLIC EMPLOYEES'
7 RETIREMENT SYSTEM WHO TERMINATE COVERED EMPLOYMENT;
8 CLARIFYING RETIREMENT ELIGIBILITY; AMENDING SECTION SECTIONS
9 19-3-401 AND 19-3-901, MCA; AND PROVIDING AN EFFECTIVE
10 DATE."

11
12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:13 **Section 1.** Section 19-3-401, MCA, is amended to read:

14 "19-3-401. **Membership.** (1) All employees shall become
15 members on the first day of employment. Each employee shall
16 file with the board such information affecting his status as
17 a member of the retirement system as the board may require.

18 (2) (a) A member with at least 5 years of creditable
19 service who terminates covered employment and does not take
20 a refund of his contributions retains the right to purchase
21 service subject to the provisions of part 5 of this chapter.

22 (b) Upon reaching retirement age, a member becomes
23 eligible to receive a retirement allowance under the
24 provisions of 19-3-901 or 19-3-902.

25 (3) A member with less than 5 years of creditable

1 service who terminates covered employment and leaves his
2 accumulated contributions on deposit is not eligible for any
3 benefits other than a refund of his accumulated
4 contributions.

5 ~~†2†~~(4) Every employee who reenters service shall become
6 a member unless he has had an original election of exemption
7 from membership and his service was not interrupted by a
8 break of more than 1 month. A seasonal employee who has had
9 an original election of exemption from membership will not
10 be subject to the requirement regarding the break in service
11 while continuing in his original employment and employed on
12 a seasonal basis, but upon termination of employment to
13 accept new employment or absence of more than 1 month in
14 returning to original employment in any ensuing season, such
15 a seasonal employee shall become a member of the retirement
16 system upon reentry.

17 ~~†3†~~(5) Time during which an employee of a school
18 district is absent from service during official vacation
19 shall be counted as service in determining eligibility for
20 membership under this chapter."

21 **SECTION 2.** SECTION 19-3-901, MCA, IS AMENDED TO READ:

22 "19-3-901. **Eligibility for service retirement.** A member
23 who has attained the age of 60 and completed 5 years of
24 qualified service is eligible for service retirement. A
25 member who has attained age 65 while employed in a position

THIRD READING

HB 769

CONSENT CALENDAR

HB 0769/02

1 covered by a public employee retirement system is eligible
2 for service retirement regardless of his years of creditable
3 service. A member who has completed 30 years or more of
4 state creditable service is eligible for service retirement
5 regardless of his age."

6 NEW SECTION. Section 3. Effective date. [This act] is
7 effective July 1, 1991.

-End-

HOUSE BILL NO. 769

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BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD

A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING CONTINUED MEMBERSHIP RIGHTS FOR EMPLOYEES IN THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM WHO TERMINATE COVERED EMPLOYMENT; CLARIFYING RETIREMENT ELIGIBILITY; AMENDING SECTION SECTIONS 19-3-401 AND 19-3-901, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1. Section 19-3-401, MCA, is amended to read:

"19-3-401. Membership. (1) All employees shall become members on the first day of employment. Each employee shall file with the board such information affecting his status as a member of the retirement system as the board may require.

(2) (a) A member with at least 5 years of creditable service who terminates covered employment and does not take a refund of his contributions retains the right to purchase service subject to the provisions of part 5 of this chapter.

(b) Upon reaching retirement age, a member becomes eligible to receive a retirement allowance under the provisions of 19-3-901 or 19-3-902.

(3) A member with less than 5 years of creditable

service who terminates covered employment and leaves his accumulated contributions on deposit is not eligible for any benefits other than a refund of his accumulated contributions.

(2)(4) Every employee who reenters service shall become a member unless he has had an original election of exemption from membership and his service was not interrupted by a break of more than 1 month. A seasonal employee who has had an original election of exemption from membership will not be subject to the requirement regarding the break in service while continuing in his original employment and employed on a seasonal basis, but upon termination of employment to accept new employment or absence of more than 1 month in returning to original employment in any ensuing season, such a seasonal employee shall become a member of the retirement system upon reentry.

(3)(5) Time during which an employee of a school district is absent from service during official vacation shall be counted as service in determining eligibility for membership under this chapter."

SECTION 2. SECTION 19-3-901, MCA, IS AMENDED TO READ:

"19-3-901. Eligibility for service retirement. A member who has attained the age of 60 and completed 5 years of qualified service is eligible for service retirement. A member who has attained age 65 while employed in a position

REFERENCE BILL
HB 769



1 covered by a public employee retirement system is eligible
2 for service retirement regardless of his years of creditable
3 service. A member who has completed 30 years or more of
4 state creditable service is eligible for service retirement
5 regardless of his age."

6 NEW SECTION. **Section 3.** Effective date. [This act] is
7 effective July 1, 1991.

-End-