

1 *House* BILL NO. *266*
 2 INTRODUCED BY *Frank R. Barth, J. Moore*

3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND THE STATUTE
 5 PERTAINING TO THE COST OF LIVING INCREASES FOR THE HIGHWAY
 6 PATROLMEN'S RETIREMENT SYSTEM, TO PROVIDE A MINIMUM FOR
 7 RETIRED PATROLMEN AND FOR THOSE COMPELLED TO RETIRE BECAUSE
 8 OF THE COMPULSORY RETIREMENT AGE; AMENDING SECTION 31-231,
 9 R.C.M. 1947."

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

12 Section 1. Section 31-231, R.C.M. 1947, is amended to
 13 read as follows:

14 "31-231. Cost of living. (1) "Index" for the purposes
 15 of this section means, for any calendar year, that year's
 16 annual average consumer price index for urban wage earners
 17 and clerical workers, all items (1957-1959=100) compiled by
 18 the bureau of labor statistics, United States department of
 19 labor or successor agency.

20 (2) Effective July 1, 1974, every disability and
 21 survivorship retirement allowance then payable to a retired
 22 member or his beneficiary shall be increased by a percentage
 23 equal to one-half (1/2) of the percentage increase in the
 24 index for 1973 from the index for the calendar year
 25 preceding the effective date of the retirement of the member

1 or the date preceding the date of the deceased member
 2 whichever is more.

3 (3) Effective July 1, 1974, every service retirement
 4 allowance granted after twenty (20) years of service to the
 5 patrol and payable on July 1, 1974, shall be increased by a
 6 percentage equal to one-half (1/2) of the percentage
 7 increase in the index for 1973 from the index for the
 8 calendar year preceding the effective date of retirement of
 9 the member.

10 (4) Retroactive to July 1, 1974, every survivorship
 11 retirement allowance then payable to the beneficiary of a
 12 contributor, not heretofore covered in (2), shall be
 13 increased by a percentage equal to one-half (1/2) of the
 14 percentage increase in the index for 1973 from the index for
 15 the calendar year preceding the effective date of the
 16 retirement of the member or the date preceding the date of
 17 the deceased member whichever provides the greater benefit.

18 (5) Retroactive to July 1, 1974, every service
 19 retirement allowance granted to a patrolman, who was
 20 compelled to retire because of "compulsory retirement age"
 21 (31-201 (6)) and did not qualify under (3) of this section,
 22 and payable on July 1, 1974, shall be increased by a
 23 percentage equal to one-half (1/2) of the percentage
 24 increase in the index for 1973 from the index for the
 25 calendar year preceding the effective date of retirement of

1 the member.

2 ~~(4)~~ (6) For the purposes of this section the minimum
3 increase granted in subsections (2) ~~and~~, (3), (4), and (5)
4 above shall be the amount when added to the allowance
5 payable on July 1, 1974, that shall total two hundred
6 dollars (\$200) per month.

7 (7) Effective July 1, 1975 and on July 1 every year
8 thereafter, every service retirement granted after twenty
9 (20) years service or to patrolmen compelled to retire
10 before then because of compulsory retirement, and every
11 disability and survivorship retirement allowance shall be
12 increased by a percentage equal to the percentage increase
13 in the index for preceding calendar year."

-End-

STATE OF MONTANA

REQUEST NO. 260-75

FISCAL NOTE

Form BD-15

In compliance with a written request received March 17, 19 75, there is hereby submitted a Fiscal Note for House Bill 266 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to amend the statute pertaining to the cost of living increases for the Highway Patrolmen's Retirement System, to provide a minimum of \$300 per month for retired patrolmen and for those compelled to retire because of the compulsory retirement age.

ASSUMPTIONS:

1. Estimated salaries for uniformed patrolmen will be \$2.8 million in FY 76 and \$3.0 million in FY 77.
2. The actuarial cost developed by a consulting actuary for the increase in minimum monthly benefit is 1.2% of gross salaries.
3. There will be no additional actuarial cost resulting from the retroactive catch-up provision in Section four and five.

FISCAL IMPACT:

	FY 76	FY 77
Increased actuarial cost under proposed law	<u>\$ 33,600</u>	<u>\$ 36,000</u>

CONCLUSION:

Enactment of House Bill 266 would result in increased actuarial costs to the retirement system of \$69,600 during the 1975-77 biennium. Funding for the Highway Patrolmen's Retirement System is provided in Section 31-210, R.C.M. 1947.

Michael J. Bellings
By Kevin Wilson
 BUDGET DIRECTOR

Office of Budget and Program Planning

Date: March 18, 1975

Approved by Committee
on State Administration

HOUSE BILL NO. 266

INTRODUCED BY FINLEY, R. BAETH, JAMES MOORE

A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND THE STATUTE PERTAINING TO THE COST OF LIVING INCREASES FOR THE HIGHWAY PATROLMEN'S RETIREMENT SYSTEM, TO PROVIDE A MINIMUM FOR RETIRED PATROLMEN AND FOR THOSE COMPELLED TO RETIRE BECAUSE OF THE COMPULSORY RETIREMENT AGE; AMENDING SECTION 31-231, R.C.M. 1947."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: Section 1. Section 31-231, R.C.M. 1947, is amended to read as follows:

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(2) Effective July 1, 1974, every disability and survivorship retirement allowance then payable to a retired member or his beneficiary shall be increased by a percentage equal to one-half (1/2) of the percentage increase in the index for 1973 from the index for the calendar year preceding the effective date of the retirement of the member

or the date preceding the date of the deceased member whichever is more.

(3) Effective July 1, 1974, every service retirement allowance granted after twenty (20) years of service to the patrol and payable on July 1, 1974, shall be increased by a percentage equal to one-half (1/2) of the percentage increase in the index for 1973 from the index for the calendar year preceding the effective date of retirement of the member.

(4) Retroactive to July 1, 1974, every survivorship retirement allowance then payable to the beneficiary of a contributor, not heretofore covered in (2), shall be increased by a percentage equal to one-half (1/2) of the percentage increase in the index for 1973 from the index for the calendar year preceding the effective date of the retirement of the member or the date preceding the date of the deceased member whichever provides the greater benefit.

(5) Retroactive to July 1, 1974, every service retirement allowance granted to a patrolman, who was compelled to retire because of "compulsory retirement age" (31-201 (6)) and did not qualify under (3) of this section, and payable on July 1, 1974, shall be increased by a percentage equal to one-half (1/2) of the percentage increase in the index for 1973 from the index for the calendar year preceding the effective date of retirement of

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4 above shall be the amount when added to the allowance
5 payable on July 1, ~~1974~~ 1975, that shall total ~~two~~ THREE
6 hundred dollars ~~(6200)~~ (\$300) per month.

7 ~~(7) -- Effective July 1, 1975 and on July 1 every year~~
8 ~~thereafter, every service retirement granted after twenty~~
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REFERENCE BILL

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8 ~~thereafter,--every--service--retirement--granted--after--twenty~~
9 ~~(20)--years--service--or--to--patroimen--compelled--to--retire~~
10 ~~before--then--because--of--compulsory--retirement,--and--every~~
11 ~~disability--and--survivorship--retirement--allowance--shall--be~~
12 ~~increased--by--a--percentage--equal--to--the--percentage--increase~~
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-End-