

1 *House* BILL NO. *301*
 2 INTRODUCED BY *Speaker C. A. Anderson*
 3 *Merrahan Kelly Gilligan Suebeck* *MULAR*

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW CREDITABLE
 5 SERVICE IN THE TEACHERS RETIREMENT SYSTEM FOR TEACHING
 6 COMPLETED AT AN ACCREDITED PRIVATE SCHOOL OR COLLEGE IN
 7 MONTANA; AND AMENDING SECTION 75-6213, R.C.M. 1947."

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

9 Section 1. Section 75-6213, R.C.M. 1947, is amended to
 10 read as follows:

11 "75-6213. Creditable service for out-of-state
 12 employment, employment while on leave, for active service in
 13 the armed forces of the United States and the American red
 14 cross or merchant marine, for service in an accredited
 15 private school or college in Montana, and before September,
 16 1937. Any person applying for membership also may apply for
 17 creditable service in the retirement system for out-of-state
 18 employment service that would have been acceptable under the
 19 provisions of this Title if such service were performed in
 20 the state of Montana. The person shall be awarded creditable
 21 service, conditional upon his completing five (5) years of
 22 active membership in Montana, for the number of years the
 23 retirement board determines to be creditable service but for
 24 not more than five (5) years, if he contributes to the

1 retirement system an amount equal to five per cent (5%) of
 2 his first full year's teaching salary earned in Montana
 3 after his out-of-state service for each year of creditable
 4 service plus interest at the rate the contribution would
 5 have earned had the contribution been in his account upon
 6 the completion of five (5) years of membership service in
 7 Montana. The contributions may be a lump-sum payment or in
 8 installments as agreed between the person and the retirement
 9 board; and

10 (1) Any person applying for membership also may apply
 11 for creditable service in the retirement system for
 12 employment while on leave. The person shall be awarded
 13 creditable service, conditional upon his having been a
 14 member prior to his leave and upon completing five (5) years
 15 of active membership in Montana subsequent to his return,
 16 provided his employment while on leave enhanced his teaching
 17 experience as determined by the board. The person shall be
 18 awarded creditable service as determined by the board but
 19 for not more than two (2) years, if he contributes to the
 20 retirement system an amount equal to ten and three-eighths
 21 percent (10 3/8%) of his first full year's teaching salary
 22 earned in Montana after his return from leave for each year
 23 of creditable service plus interest at the rate the
 24 contribution would have earned had the contribution been in
 25 his account upon the completion of five (5) years of

HB 301

1 membership service in Montana. The contribution may be a
2 lump-sum payment or in installments as agreed between the
3 person and the retirement board; and

4 (2) Any person applying for membership also may apply
5 for creditable service in the retirement system for active
6 service in the armed forces of the United States which
7 includes the army, navy, marine corps, air force and coast
8 guard or in the American red cross or merchant marine. The
9 person shall be awarded creditable service, conditional upon
10 his completing five (5) years of active membership in
11 Montana, for the number of years the retirement board
12 determines to be creditable service but for not more than
13 two (2) years, if he contributes to the retirement system an
14 amount equal to ten and three-eighths percent (10 3/8%) of
15 his first full year's teaching salary earned in Montana
16 following the active service in the armed forces of the
17 United States or in the American red cross or merchant
18 marine plus interest at the rate the contribution would have
19 earned had the contribution been in his account upon
20 completion of five (5) years of membership service in
21 Montana. The contribution may be a lump-sum payment or in
22 installments as agreed between the person and the retirement
23 board; however and

24 (3) Any member of the retirement system may also apply
25 for creditable service for teaching completed in an

1 accredited private school or college in Montana. The member
2 shall be awarded creditable service, conditioned upon
3 completing five (5) years of membership service following
4 the service in an accredited private school or college in
5 Montana, if he contributes to the retirement system an
6 amount equal to the combined employer and employee
7 contributions for his first full year's teaching salary
8 while a member of the retirement system for each year of
9 creditable service plus interest at the rate the
10 contributions would have earned had the contributions been
11 in the member's account upon the completion of five (5)
12 years of membership service. The contribution rate shall be
13 that rate in effect at the time the member is eligible for
14 such creditable service; however

15 ~~(3)~~ (4) In no event will the total creditable service
16 for out-of-state teaching, employment while on leave, or
17 while on active service in the armed forces of the United
18 States or the American red cross or merchant marine or for
19 teaching completed at an accredited private school or
20 college in Montana exceed five (5) years.

21 Whenever a member is retiring with at least five (5)
22 years of creditable service and he has been an active member
23 for at least five (5) consecutive school fiscal years, he
24 may request creditable service for any employment service he
25 rendered prior to the first day of September, nineteen

LC 0191

1 hundrea and thirty-seven (1937) for which he has not
2 received a prior service certificate. In order to receive
3 such creditable service, he shall apply for it and provide
4 certification of such service. The retirement board shall
5 determine the amount of creditable service to be awarded, if
6 any, and issue a prior service certificate."

-End-

HB 301

STATE OF MONTANA

REQUEST NO. 96-75

FISCAL NOTE

Form BD-15

In compliance with a written request received January 27, 19 75, there is hereby submitted a Fiscal Note for House Bill 301 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 allow up to five years creditable service in the Teachers Retirement System for teaching completed at an accredited private school or college in Montana.

FISCAL IMPACT:

The Teachers Retirement Division has stated that it is not possible to determine the number of teachers who would be affected by this bill in the time allowed for a fiscal note. Since the affected teachers would be required to contribute to the retirement system an amount equal to the employee and employer contributions plus interest in order to gain the additional years creditable service, it does not appear that House Bill 301 would disrupt the funding requirements of the system.



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: January 30, 1975

Approved by Committee
on Education

House BILL NO. *301*
Senators C. F. Anderson MULAR
Merahaw Kelly Gilligan Suebeck

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

INTRODUCED BY
Merahaw

A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW CREDITABLE SERVICE IN THE TEACHERS RETIREMENT SYSTEM FOR TEACHING COMPLETED AT AN ACCREDITED PRIVATE SCHOOL OR COLLEGE IN MONTANA; AND AMENDING SECTION 75-6213, R.C.M. 1947."

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

Section 1. Section 75-6213, R.C.M. 1947, is amended to read as follows:

"75-6213. Creditable service for out-of-state employment, employment while on leave, for active service in the armed forces of the United States and the American red cross or merchant marine, for service in an accredited private school or college in Montana, and before September, 1937. Any person applying for membership also may apply for creditable service in the retirement system for out-of-state employment service that would have been acceptable under the provisions of this Title if such service were performed in the state of Montana. The person shall be awarded creditable service, conditional upon his completing five (5) years of active membership in Montana, for the number of years the retirement board determines to be creditable service but for not more than five (5) years, if he contributes to the

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

retirement system an amount equal to five per cent (5%) of his first full year's teaching salary earned in Montana after his out-of-state service for each year of creditable service plus interest at the rate the contribution would have earned had the contribution been in his account upon the completion of five (5) years of membership service in Montana. The contributions may be a lump-sum payment or in installments as agreed between the person and the retirement board; and

(1) Any person applying for membership also may apply for creditable service in the retirement system for employment while on leave. The person shall be awarded creditable service, conditional upon his having been a member prior to his leave and upon completing five (5) years of active membership in Montana subsequent to his return, provided his employment while on leave enhanced his teaching experience as determined by the board. The person shall be awarded creditable service as determined by the board but for not more than two (2) years, if he contributes to the retirement system an amount equal to ten and three-eighths percent (10 3/8%) of his first full year's teaching salary earned in Montana after his return from leave for each year of creditable service plus interest at the rate the contribution would have earned had the contribution been in his account upon the completion of five (5) years of

1 membership service in Montana. The contribution may be a
2 lump-sum payment or in installments as agreed between the
3 person and the retirement board; and

4 (2) Any person applying for membership also may apply
5 for creditable service in the retirement system for active
6 service in the armed forces of the United States which
7 includes the army, navy, marine corps, air force and coast
8 guard or in the American red cross or merchant marine. The
9 person shall be awarded creditable service, conditional upon
10 his completing five (5) years of active membership in
11 Montana, for the number of years the retirement board
12 determines to be creditable service but for not more than
13 two (2) years, if he contributes to the retirement system an
14 amount equal to ten and three-eighths percent (10 3/8%) of
15 his first full year's teaching salary earned in Montana
16 following the active service in the armed forces of the
17 United States or in the American red cross or merchant
18 marine plus interest at the rate the contribution would have
19 earned had the contribution been in his account upon
20 completion of five (5) years of membership service in
21 Montana. The contribution may be a lump-sum payment or in
22 installments as agreed between the person and the retirement
23 board; however and

24 (3) Any member of the retirement system may also apply
25 for creditable service for teaching completed in an

1 accredited private school or college in Montana. The member
2 shall be awarded creditable service, conditioned upon
3 completing five (5) years of membership service following
4 the service in an accredited private school or college in
5 Montana, if he contributes to the retirement system an
6 amount equal to the combined employer and employee
7 contributions for his first full year's teaching salary
8 while a member of the retirement system for each year of
9 creditable service plus interest at the rate the
10 contributions would have earned had the contributions been
11 in the member's account upon the completion of five (5)
12 years of membership service. The contribution rate shall be
13 that rate in effect at the time the member is eligible for
14 such creditable service; however

15 ~~(3)~~ (4) In no event will the total creditable service
16 for out-of-state teaching, employment while on leave, or
17 while on active service in the armed forces of the United
18 States or the American red cross or merchant marine or for
19 teaching completed at an accredited private school or
20 college in Montana exceed five (5) years.

21 Whenever a member is retiring with at least five (5)
22 years of creditable service and he has been an active member
23 for at least five (5) consecutive school fiscal years, he
24 may request creditable service for any employment service he
25 rendered prior to the first day of September, nineteen

LC 0191

1 hundred and thirty-seven (1937) for which he has not
2 received a prior service certificate. In order to receive
3 such creditable service, he shall apply for it and provide
4 certification of such service. The retirement board shall
5 determine the amount of creditable service to be awarded, if
6 any, and issue a prior service certificate."

-End-

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

House BILL NO. *301*
Speaker C. F. Anderson
Kelly Gilligan Luebeck **MLUAR**

INTRODUCED BY
Merrahan

A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW CREDITABLE SERVICE IN THE TEACHERS RETIREMENT SYSTEM FOR TEACHING COMPLETED AT AN ACCREDITED PRIVATE SCHOOL OR COLLEGE IN MONTANA; AND AMENDING SECTION 75-6213, R.C.M. 1947."

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

Section 1. Section 75-6213, R.C.M. 1947, is amended to read as follows:

"75-6213. Creditable service for out-of-state employment, employment while on leave, for active service in the armed forces of the United States and the American red cross or merchant marine, for service in an accredited private school or college in Montana, and before September, 1937. Any person applying for membership also may apply for creditable service in the retirement system for out-of-state employment service that would have been acceptable under the provisions of this Title if such service were performed in the state of Montana. The person shall be awarded creditable service, conditional upon his completing five (5) years of active membership in Montana, for the number of years the retirement board determines to be creditable service but for not more than five (5) years, if he contributes to the

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

retirement system an amount equal to five per cent (5%) of his first full year's teaching salary earned in Montana after his out-of-state service for each year of creditable service plus interest at the rate the contribution would have earned had the contribution been in his account upon the completion of five (5) years of membership service in Montana. The contributions may be a lump-sum payment or in installments as agreed between the person and the retirement board; and

(1) Any person applying for membership also may apply for creditable service in the retirement system for employment while on leave. The person shall be awarded creditable service, conditional upon his having been a member prior to his leave and upon completing five (5) years of active membership in Montana subsequent to his return, provided his employment while on leave enhanced his teaching experience as determined by the board. The person shall be awarded creditable service as determined by the board but for not more than two (2) years, if he contributes to the retirement system an amount equal to ten and three-eighths percent (10 3/8%) of his first full year's teaching salary earned in Montana after his return from leave for each year of creditable service plus interest at the rate the contribution would have earned had the contribution been in his account upon the completion of five (5) years of

1 membership service in Montana. The contribution may be a
 2 lump-sum payment or in installments as agreed between the
 3 person and the retirement board; and

4 (2) Any person applying for membership also may apply
 5 for creditable service in the retirement system for active
 6 service in the armed forces of the United States which
 7 includes the army, navy, marine corps, air force and coast
 8 guard or in the American red cross or merchant marine. The
 9 person shall be awarded creditable service, conditional upon
 10 his completing five (5) years of active membership in
 11 Montana, for the number of years the retirement board
 12 determines to be creditable service but for not more than
 13 two (2) years, if he contributes to the retirement system an
 14 amount equal to ten and three-eighths percent (10 3/8%) of
 15 his first full year's teaching salary earned in Montana
 16 following the active service in the armed forces of the
 17 United States or in the American red cross or merchant
 18 marine plus interest at the rate the contribution would have
 19 earned had the contribution been in his account upon
 20 completion of five (5) years of membership service in
 21 Montana. The contribution may be a lump-sum payment or in
 22 installments as agreed between the person and the retirement
 23 board; however and

24 (3) Any member of the retirement system may also apply
 25 for creditable service for teaching completed in an

1 accredited private school or college in Montana. The member
 2 shall be awarded creditable service, conditioned upon
 3 completing five (5) years of membership service following
 4 the service in an accredited private school or college in
 5 Montana, if he contributes to the retirement system an
 6 amount equal to the combined employer and employee
 7 contributions for his first full year's teaching salary
 8 while a member of the retirement system for each year of
 9 creditable service plus interest at the rate the
 10 contributions would have earned had the contributions been
 11 in the member's account upon the completion of five (5)
 12 years of membership service. The contribution rate shall be
 13 that rate in effect at the time the member is eligible for
 14 such creditable service; however

15 ~~(3)~~ (4) In no event will the total creditable service
 16 for out-of-state teaching, employment while on leave, or
 17 while on active service in the armed forces of the United
 18 States or the American red cross or merchant marine or for
 19 teaching completed at an accredited private school or
 20 college in Montana exceed five (5) years.

21 Whenever a member is retiring with at least five (5)
 22 years of creditable service and he has been an active member
 23 for at least five (5) consecutive school fiscal years, he
 24 may request creditable service for any employment service he
 25 rendered prior to the first day of September, nineteen

LC 0191

1 hundred and thirty-seven (1937) for which he has not
2 received a prior service certificate. In order to receive
3 such creditable service, he shall apply for it and provide
4 certification of such service. The retirement board shall
5 determine the amount of creditable service to be awarded, if
6 any, and issue a prior service certificate."

-End-