HOUSE BILL NO. 63 1 INTRODUCED BY BARDANOUVE 2 3 A BYLL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY BEVISE AND 4 CLARIFY THE LAWS RELATING TO POLICE RETIRESENT AND DEATH AND 5 DISABILITY BENEFITS: AMENDING SECTIONS 11-1823, 11-1825, 6 11-1828, 11-1829, 11-1830, 11-1836, 11-1838, 11-1839, 7 11-1840, 11-1842, 11-1843, 11-1844, 11-1845, 11-1850, 8 9 82A-222, AND 82A-223, R.C.N. 1947; REPEALING SECTIONS 11-1821.1 AND 11-1824, B.C.E. 1947." 10 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 12 Section 1. Section 11-1823, R.C.M. 1947, is amended to 13 14 read as follows: "11-1823. Pund-for-parment-of-officers-on--reserve 15 16 lists tax levy City's contribution to fund. (1) For the purpose of paying the salaries of policemen who have been 17 18 placed upon the reserve list of cities under this act, the governing body of the city or town council, or 19 20 commissioners, shall deposit in the fund monthly an amount 21 equal to eleven-persent (11%) of the total salaries for the 22 preceding month paid to active police officers of that city, 23 exclusive of overtime and payments in lieu of sick leave and 24 annual leave. Gitios having such funds, not cities of the 25 first-or-second class-as-of-the-offeetive date-of-this-actr

1 and-set having elected-to-come-sithin-the-provisions-of this 2 acty chall-likewine deposit in the fand of that dity monthly an amount ocual -- to -- eleven -- persont -- (11%) -- ef -- the -- total 3 salaries, erolusive of evertine and paymonts in lieu of sick 4 5 leave-and-annual-leave-for-the-proceding-menthy-paid-to 6 active police officers of that city. Payments made by cities covered by this act shall be made by the treasurer of that 7 8 city to the department of administration. In case If the 9 demand against the a city for its deposits in such the fund 10 shall-be is such that it cannot be set within the general 11 taxing authority of that the city, then and is such case an 12 additional levy of not to exceed throw (3) mills may be made until the general taxing authority be is sufficient to meet 13 14 the demand.

15 (2) As of July 1, 1975, each city, other than one of 16 the first or second class, which has a police reserve fund 17 and which has not elected to participate in the statewide fund shall deposit in its fund monthly an amount equal to 18 19 11% of the total salaries for the preceding month paid to 20 active police officers of such city, exclusive of overtime 21 and payments in lieu of sick leave and annual leave, for the 22 purpose of paying the salaries of police officers on the 23 reserve list. If the demand against a city for deposits in 24 its fund is such that it cannot be met within the general 25 taxing authority of the city, an additional levy not to

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1 exceed 3 mills may be made until the general taxing
2 authority is sufficient to meet the demand."

3 Section 2. Section 11-1825, R.C.M. 1947, is amended to
4 read as follows:

5 "11-1825. Salary-deduction for-payment of recorve 6 officer's contribution deducted from salary. The 7 treasurer of any an incorporated city which has as of the 8 effective date of this ast July 1, 1975, created or which 9 hereafter thereafter may create a police reserve fundy shall retain from the sonthly salary of all each police officers 10 11 upon officer on the active list, a sum equal to six- persent 12 -(6%) of the his wonthly compensation paid each officer for his services as such a police officer, exclusive of overtime 13 14 and payments made in lieu of sick leave and annual leavers 15 the-said The monthly deduction from the salaries of sech 16 police officers, shall be paid into the police-reserve-fund 17 in the department of administrationy statewide fund or to 18 into the city's police reserve fund, as the case may be, for 19 the purpose of paying the salaries of police officers upon 20 on the reserve list."

Section 3. Section 11-1828, B.C.N. 1947, is amended to
read as follows:

23 "11-1828. Trustees Local boards of trustees of
24 fund-appointment-terms. A board of trustees of said fund
25 shall be groated in each sity of town, having such fund, (1)

Bach_city_or_town_which has a police reserve fund must have
 a_hoard_of_trustees_of_such_fund,_except_as_provided_in
 B2A-222.
 (2) A_board_of_trustees_existing_under_subsection (1)
 must to consist of the mayor, clerk, and attorney of said
 the city_or_town, and two (2) members of the police

7 department from the active list of the police officers of 8 said the city or towny.

9 (3) The two trustees who are also police officers 10 shall serve terms of 2 years. They who shall be selected by 11 a majority wote of the members of the police department on 12 13 solested--after-the-passage-of-this-act-shall-be-se-selected that one-shall-be-selected-for-a-ters-of-two-(2) ---vears--and 14 15 the other for a torn of one (1) reary That said first 16 solection-shall-be-gade-between-the-first-and-tonth- day-of 17 Hayy--of--the-year-1929, and annually thereafter between the 18 first and tenth-day-of-Hay, one-set ber-shall be selected-for 19 the tors of two (2) years, One shall be selected each year 20 between May 1 and May 10, so that their terms are staggered. 21 Immediately after the selection has been made, a A 22 certificate of the election of the members or approximation of the 23 police-department-selected-for-said-board-of-trustees shall 24 be immediately-upon sych-selection-boing-made, certified to 25 the city clerk of the city or toway by the chairman and

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secretary of the meeting at which the selection was made."
 Section 4. Section 11-1829, R.C.M. 1947, is amended to
 read as follows:

4 "11-1829. Actuarial valuation and investment of police 5 reserve funds. (1) (a) The city treasurer shall submit to 6 the department of community affairs before October 1 is of 7 each odd-aumbered year all information requested by the 8 department of--computity affairs necessary to complete an 9 actuarial valuation of the city's police reserve funds fund. 10 The valuation shall consider the actuarial soundness of the 11 police reserve fund for the 2 preceding fiscal years.

12 (b) This The valuation is to be prepared by a 13 qualified actuary selected by the department, of -- community 14 15 sound need of the -- police -- reserve -- funds -- for -- the -- two--- (2) 16 preseding-fiscal-years. A qualified actuary is a member of 17 the American Academy academy of Actuaries actuaries or of 18 any organization deemed considered by the department of 19 commanity affairs to have similar standards.

20 <u>(c)</u> In each fiscal year in which an actuarial 21 valuation is prepared, the department of community affairs 22 shall submit to the state auditor a request for payment of 23 the expense incurred in securing the actuarial valuation. 24 The expense may not exceed six thousand dollars (\$6,000) in 25 any fiscal year, and the The state auditor shall make

payment to the actuary designated in the request. 1 2 (2) Whenever the sonies noneys in the police reserve fund exceed the greater of the following amounts, the city 3 treasurer shall remit the excess to the state treasurer, who ш shall invest the remittances under the direction of the 5 board of investments as provided in 79-311; б 7 (a) one and one-half (1-1/2) 1 1/2 times the monthly R benefit paid in the preceding month, or 9 10 greatery---then---the---city---treasurer-shall-remit-such-excess 11 amounts-to-the-state-treasurery--The-state--treasurer--shall 12 invest--such--remittances--under--the-direction-of-the-state 13 beard-of-investments-as-previded-by-section-79-311. 14 (3) After January 1, 1975, all investments of the 15 police reserve fund shall be transferred as directed by the 16 state board of investments. The state board of investments may defer any such a transfer to a date later than January 17 1, 1975, but not later than the maturity date of the 18 19 investment. The board of investment investments may make 20 rules to implement this section."

Section 5. Section 11-1830, R.C.M. 1947, is amended to
read as follows:

23 "11-1830. Limit of on use of fund. Said A police
24 reserve fund shall may not be used for any purpose
25 whatsoevery other than the payment to make payments

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authorized by this chapter to members of the police
 department on the reserve list of the amounts to which they
 are entitled under the provisions of this act and to make
 authorized investments."

5 Section 6. Section 11-1836, R.C.M. 1947, is amended to 6 read as follows:

7 "11-1836. Credit of payments to police recorve fund ---8 annual report of board. Cities participating in the 9 statewide fund shall deposit the payment provided for in 10 11-1834 with the department of administration. Brown Each 11 city or town, having which has a police reserve fund 12 establiched-ender-the-provicions-of-the-Metropolitan--Police 13 Law, and which has not elected to participate in the 14 statewide_fund shall deposit said the payment with the 15 department of administration or to the credit of the its 16 police reserve fund of-such sity or town, as the case as 17 be. The board of trustees of each police efficients reserve 18 fund shall on or before the first day of April 1 of each 19 year report to the state auditor as to the financial 20 condition of their its fund. Payments provided for in this 21 section--and--the--preceding--two---(2)--sections 11-1829 and 22 -{11-1834--11-1835} are in addition to those provided for in 23 section 11-1823."

Section 7. Section 11-1838, R.C.H. 1947, is amended to
read as follows:

1 "11-1838. Pund-for-police-reserve-officers-of-cities of the first and second glass Purpose. It is the purpose of 2 3 this act to provide for a state-wide statewide fund for police reserve officers of cities of the first and second class in Montana, for the investment of such fund, for the 5 6 payment of benefits to police reserve officers, and to 7 provide for uniformity of programs and procedures for such 8 police reserve officers. The act further proposes to permit 9 cities in Hontana other than those is of the first and 10 second class to gose-within-the-provisions-of--this--ast--as hereinafter-provided elect to participate in the statewide 11 12 fund." 13 Section 8. Section 11-1839, R.C.H. 1947, is amended to 14 read as follows: 15 *11-1839. Definitions. Unless the context requires a different seaning, reference in this act hereafter to the 16 17 following definitions apply in this chapter: 18 (1) "Boards of trustees" means the boards of trustees 19 which exist on July 1, 1975, or at the time of an election 20 to participate in the statewide fund or which would have 21 existed but for 82A-222 by virtue of the creation of a 22 police reserve fund. 23 [2] "cities"-shall include "Cities" means all cities 24 of the first and second class, and all cities other than 25 those of the first and second class electing-to- come--under

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1	this act or horeafter greating which elect to participate in
2	the statewide fund or which create a police reserve fundy
3	after July 1, 1975, all references to "beards of trustoes"
4	shallinclude-the-boards-of-trustees-new-existing,-existing
5	at-the-time-of-election-to-dome within-this-act,orwhich
6	would-haveoristedbatforthisaetbyvirtue-of-the
7	ereation ofsuchpolicereserve -fund,insuch oitics;
8	rofororco-to
9	the-polico-recorve-funds-of-all-such-sities.
10	(3) "Police officers" includes "policemen", "active
11	police", "patrolmen", and other similar terms denoting law
12	enforcement officers.
13	(4) "Police reserve fund" or "fund" includes the
14	police reserve funds of all cities defined in subsection
15	12).
16	(5) "Statewide fund" means the funds deposited with
17	and managed by the department of administration in
18	accordance with section 5. Chapter 335. Laws of 1974, and
19	<u>11-1841.</u> "
20	Section 9. Section 11-1840, R.C.H. 1947, is amended to
21	read as follows:
22	#11-1840. Transfer of police reserve fund. (1) As soon
23	as practical after the effoctive date of this act, cities
24	July 1, 1975, each city of the first and or second class or
25	the boards <u>board</u> of trustees thereof shall cause the

treasurer of such the city to transmit to the department of administration all moneys in that the city's fund and shall cause to be transferred to the department of administration title and physical possession of all bonds, warrants, certificates of deposit, or securities which are part of such its fund.

7 (2) Gities Each city, other than these one of the first and or second class, having which has a police reserve 8 9 fund as of the offostive date of this act July 1, 1975, and 10 who elect which elects to participate in the statewide fund 11 come within-the-provisions-of-this-act, shall as soon as practical after the effective date of such the election 12 13 transmit to the department of administration all moneys in 14 that the city's fund and shall cause to be transferred to 15 the department of administration title and physical 16 possession of all bonds, warrants, certificates of deposit. 17 or securities which are part of such its fund."

18 Section 10. Section 11-1842, R.C.H. 1947, is amended 19 to read as follows:

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administration-shall may require. When a police officer is 1 to be placed upon the reserve list, the department of 2 administration shall so place him and shall notify the city 7 involved of that action. An officer having an option to be a 5 placed upon the reserve list shall notify the department of administration of his exercise of that the option, if he so 6 7 exercises it, and the department of administration shall place him upon on the reserve list if he is eligible. In 8 cases of disability under section-14-[11-1844]-of -this-act 9 10 11-1843(1)(d), the determination shall be made by the city involved as prescribed in that section prescribed, and, if 11 the police officer is determined to be eligible for 12 13 inclusion on the reserve list, the city involved shall so notify the department." 14

15 Section 11. Section 11-1843, R.C.M. 1947, is amended
16 to read as follows:

17 "11-1843. Qualifications Eligibility for police
18 reserves. (1) The following persons are eligible for the
19 police reserves of a city and shall become police reserves
20 as herein-stated provided in this section:

21 (1) (a) Am. to --police --officers, which term throughout
22 includes "policement," mattive police, "- "patrolman," or other
23 cimilar terms denoting law emforcement --officers --under --the
24 Metropolitan --Police --Law, <u>A __person</u> who are, --as -of the
25 offective date of this act, is employed by any city as a

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police officer, on July 1, 1975, is eligible for the police 1 reserves when such officer he has completed twenty (20) 2 years or more in the aggregate, oither as a probationary 3 officer, a regular officer of ouch police-dopartment, or an 4 a special police officer of said the police department, in 5 any capacity of or rank, whatever, provided-that such A 6 7 police officer serving in the United States military service 8 in time of war or national emergency shall be given credit upon in his police record for such service in the same 9 manner as though he were on active police duty for-such 10 11 tine.

12 {2}(b) As-to-police officers h person who shall is 13 first be employed by a city as a police officer after the 14 offective date of this act July 1, 1975, is eligible for the 15 police reserves when such officer he has reached the age of 16 50 and has completed twenty-(20) years or more in the 17 aggregate, either as a probationary officer, a regular officer of -- such police department, or as a special officer 18 19 thereof of the police department, in any capacity or rank. 20 and the same provise as to He shall receive credit for military service set-forth as prescribed in subsection (4) 21 (a) hereof-applies-to-such police officers, and has reached 22 23 the-age-of-fifty-(50). 24 (3) (c) As-to-police Police officers, whether now first

25 employed or hereafter first employed, before or after July

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1 1s. 1975s who shall reach the age of sixty five (65) years
 while in active servicey-such officers shall pass from the
 active list to the reserve list.

4 44+ (d) When a police officer shall reseives 5 injuries or disabilities while on duty, or in the active 6 discharge of the his duties of as a police officer, and in 7 the line of duty, which injuries or disabilities shall are. in the opinion of the board of police commissioners or city 8 9 council of the city or town, be of such character as to 10 impair his ability as a active pelice efficer, or 11 incapacitate his for the further to discharge of his duties 12 as such an active police officer, he shall become a member 13 of the police reserves of such the city or town.

14 (5) (2) A police officer who is eligible for the 15 reserve list by ... reases ... of ... sabsections ... (1) er. (2) ander subsection (1) (a) or (1) (b) of this section, shall have the 16 17 option-to may transfer, as of the time he becomes eligible, 18 to the reserve list, or he may elect to serve an additional 19 one---{1} to ten---{10} years as an active police officer, provided however, except that he may not elect to serve past 20 21 his sizes fifth 65th birthday."

Section 12. Section 11-1844, R.C.H. 1947, is amended
to read as follows:

 24
 "11-1844.
 Payment-of-police-resorves
 Benefits. (1)

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 #herever any policean or <u>When a police</u> officer shall become

<u>is</u> transferred from the active list of-police-officers-of
 any-city to the reserve list of that a city, he shall
 thereafter be--paid--in receive monthly payments from the
 funds-in-this-act-provided-for statewide fund or the city's
 police reserve fund, whichever is applicable, as follows:

(a) For--a A police officer who is eligible for-the 6 7 reserve-list--after--twenty--(20), -years, of--service under subsection--{+}--of--section-+3-f11-1843(1)(a) or (1)(b)+-of d 9 this-act, and who does not elect to serve any additional years as an active police officerf-or-for-a-police-officer 10 eligible-for-the-reserve-list-after--twenty--- 1201--years--of 11 12 service-under-subsection-f21-of-section-13-f11-18431-of-this acty--who--has--reached--his-fiftieth-yeary-and-who-does-not 13 elect-to-serve-any-additional--years--as--an--active--police 14 officeri--or-a-police-officer-who-becomes-eligible-by-reason 15 of-injury-or-disability-under-subsection-(4)-of--section--13 16 17 fil-18437--of-this-acty-before-reaching-twenty-f287-years-of service; or for-monotice-officer who is placed upon on the 13 reserve list by-reason-of-reaching-his-sixty-fifth-birthday 19 20 under_11-1843(1)(c) prior to reaching twenty-(20) years of 21 service* shall receive a sum equal to one-half ft/2; thy 2. base selery, excluding overtime and payments in lieu of sick 23 leave and annual leave, he was receiving as an active officer computed on the highest salary received in any one 24 month ouring the his last year of active service. 25

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1 (b) For-a A police officer who is eligible for-the reserve-list after twenty--- (20) years of service and who 2 elects to serve additional years, shall receive the payment 3 4 provided for in subsection (1) (a) of-subsection (4) of this section, to which shall be added plus an additional one 5 6 persent (1%) of such such payment per year of additional 7 service, up to a maximum of sixty persont (60%) of the base salary, excluding overtime and payment in lieu of sick leave 8 9 and annual leave, he was receiving as an active officer 10 computed on the highest salary received in any one (1) month during the his last year of active service. For the 11 12 perposes of this act, a police officer whose eligibility 13 depends upon-subsection-(2)-of-section-13 [on 11-1843(1)(b)-] 14 of this act, and who completes twenty (20) years of service 15 before reaching the age of fifty (50) years, shall be deeped 16 is considered to have elected to serve an additional gears 17 year for each year between the completion of his twentieth 18 20th year of service and his fiftieth 50th birthday, and he shall be paid the additional one-percent (1%) for each such 19 20 year.

(c) A policeman police officer who is placed upon on
the reserve list by reason of reaching his sixty-fifth
birthday, but under 11-1843(1)(c) and who was theretofore
eligible at his option to be placed upon such on the reserve
list under subsections (1) or (2) of section 13

F11-1843(1) (a) or (1) (b)] of this act, but elected to serve 1 additional years after such oarlier eligibility shall be 2 paid for such the additional years over his original 3 eligibility at the same rate as-is-provided prescribed in 4 5 subsection (1) (a) of-subsection-(1)-of-this-section. (d) A police officer who is eligible under 6 7 11-1843(1)(d) before completing 20 years of service shall 8 receive a sum equal to one-half the base salary, excluding 9 overtime and payments in lieu of sick leave and annual 10 leave, he was receiving as an active officer computed on the 11 highest salary received in any one month during his last 12 year of active service. 13 (d) (e) A police officer who is placed on the reserve 14 list by reason of injury or disability under subsection 4-of 15 section-13-(11-1843(1)(d) - of this act, and who, at the time 16 of such his injury or disability, was eligible at his option 17 to be placed on the reserve list under subsections-(1)-or 18 (2)-of-section 13 f 11-1843(1) (a) or (1) (b) - of-this-act, but 19 had elected to serve additional years, and was then serving 20 such additional years shall be paid for such the additional 21 years over his original eligibility at the same rate as--is 22 provided prescribed in subsection (1) (a) of subsection (4) 23 of-this-section.

24 (2) Upon the death of $\frac{1}{2}$ a police officer on the 25 active list or reserve list of $\frac{1}{2}$ active, his surviving

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1 spouse, if there be one, shall, as long as such spouse 2 remains the surviving spouse, be paid from the statewide 3 fund or the city's police reserve fund, whichever is 4 applicable, a sum equal to one-half $\frac{1}{2}$ the base salary, 5 excluding overtime and payments in lieu of sick leave or 6 annual leave, he was receiving as an active officer computed 7 on the highest salary received in any one 44+ month during 8 the his last year of active service prior to the date of his 9 demise-or-prior-to-the-date-he-pased-to-the--reserve--list. 10 If the officer leaves one or more dependent minor child or 11 children, then, upon his death if he leaves no surviving 12 spouse, or upon the death or remarriage of the surviving 13 spouse, then his surviving dependent minor shild -- or 14 children, collectively if there be is more than one 41 15 dependent-minor-shild surviving, shall be paid receive the 16 same monthly payments as are hopein-provided to be paid to the a surviving spouse would receive, until the minor -- child 17 18 or--shildren they reach the age of sightsen-(18) years or 19 shall have are married. Payments to be made to such hiner 20 child-or-children The payments shall be paid made to the their duly appointed, qualified, and acting quardian of -- the 21 22 child--or--children for the their use. of-such-sinor-or 23 minors, until such minor shall have reached the age of 24 eighteen--(18) -- years- or--shall-have married and in-case If 25 there is more than one (1) minor such child, upon each child

reaching the age of eighteen (18) years or marrying, the pro 1 2 rata payments to that child shall cease and shall be made to 3 the remaining minor-shild-or children, until the --- roungest 4 shild -- reaches all the children have either reached the age 5 of eighteen (18)-years or is are married." 6 Section 13. Section 11-1845, R.C.M. 1947, is amended 7 to read as follows: 8 #11-1845. Protection of benefits from legal process. 9 The benefits provided for in section 14--- [11-1844]--- of --- this 10 act and in pection 11-1814, R.G.H. 1947, are not subject to 11 execution, garnishment, attachment, or the operation of 12 bankruptcy, or insolvency, or other process of lawy and are 13 unassignable.* 14 Section 14. Section 11-1850, R.C.H. 1947, is amended 15 to read as follows: 16 "11-1850. Blection of other cities to participate. Cities other than those of the first and second class may 17 18 elect to come within the provisions of this act participate 19 20 passing an ordinance stating the election and the consent of the city to be bound by the provisions-hereofy-and-upon law 21 22 relating to the fund. Upon the enactment of such an 23 ordinance, the provisions bereef shall-attach to that sity a 24 city will be bound by that law." 25 Section 15. Section 821-222, R.C.M. 1947, is amended

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1 to read as follows:

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"821-222. Board of trustees abolished -- functions 2 3 transferred. The boards of trustees of police reserve funds in cities of the first and second class, created under ti. 5 section --- 11- 1828, -- R.C. M. -- 1947, -- and -other-sections-of chapter 18, Title 11, R.C.H. 1947, section 12, Chapter 120, Laws of 6 7 1929, are hereby abolished, and their functions, except the 8 quasi-judicial functions transforred-to-the-board-of 9 retirement--by--section--3 [-provided_for_in 821-223]-of-this 10 act, are transferred to the department of administration. 11 Those -- boards A board of trustees created under section 8. 12 Chapter 100, Laws of 1927, and existing as of the offective 13 date of this act within cities July 1, 1975, in a city other 14 than these of one in the first and or second class under the 15 provisions of soction 11-1824, R.C.R. 1947, are is abolished as of such time as such the city shall elect elects to some 16 17 within-the-provisions of the within ast join the statewide 18 fund_defined_in_11-1839, and, at such time, the functions of 19 such the board of---the---electing--city, except the 20 quasi-judicial functions transferred-to-the--board--of retirement--by---section--3 [provided_for in 821-223]-of-this 21 act, are transferred to the department of administration. 22 23 Notwithstanding the provisions of section 11-1824, R.C.M. 24 $1947_{\rm F}$ 31-1850, any city other than one in the first and or second class electing after the effective date of this act 25

July 1, 1975, to create a police reserve fund, shall aust 1 2 comply with the provisions of this act, and shall may not 3 create a local board of trustees, and the department of administration shall have perform all functions with regard 21 5 to such the fund as otherwise that a local board of trustees 6 would have perform, other than except the quasi-judicial 7 functions provided for in 821-223, which shall be exercised 8 by-the-board-of-retirement." 9 Section 16. Section 82A-223, R.C.M. 1947, is amended 10 to read as follows: "82A-223. Quasi-judicial functions transferred. The 11 12 quasi-judicial functions of the following are transferred or 13 shall originally exist, as the case may be, to or in the 14 board provided_for in 821-210: 15 (1) boards of trustees of police reserve funds of 16 cities of the first and second class; 17 (2) boards of trustees of police reserve funds of 18 created under section 8. Chapter 100. Laws of 1927, in 19 cities other than those of the first and second class, 20 presently-having-boards-of-trustees-of-polico-rocorve-funds 21 22 come -- within the provisions of this act which elect to join 23 the statewide fund defined in 11-1839; and 24 (3) boards of trustees which would, but for this act, 25 have been created hereafter by cities other than those of

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1	the first and second class under the provisions of section
2	11-1824yR.G.M1947yarc-transforred-or-shall-originally
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4	orcatedby-cootion-828-215, B.C.M. 1947, as amended section
5	8, Chapter 100, Laws of 1927.*
6	Section 17. Repealer. Sections 11-1821.1 and 11-1824,
7	R.C.M. 1947, are repealed.

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HOUSE MEMBERS

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LC 0033

1977 Legislature Code Commissioner Bill - Summary

House Bill No. 63

TO GENERALLY REVISE AND CLARIFY THE LAWS RELATING TO POLICE RETIREMENT AND DEATH AND DISABILITY BENEFITS.

(This summary does not include discussion of routine form or grammatical changes.)

Section 1. <u>11-1823</u>. City's contribution to fund. Divided into two subsections with some repetition and minor rewording to clarify which provisions apply to the statewide fund and which apply to local funds. The division will aid in recodification which will allocate the Sections to separate Chapters. Changed language regarding election to come under the act to language regarding election to join the statewide fund (definition being enacted) to <u>clarify</u>. Deleted "of" in last sentence - apparent error.

Section 2. <u>11-1825</u>. Officer's contribution deducted from salary. Added "created" to correct <u>apparent error</u>. Changed "police reserve fund in the department of administration " to "statewide fund" to clarify.

Section 3. <u>11-1828</u>. Local boards of trustees. Extensively rewritten to <u>update</u> and <u>clarify</u>. Reference to creation of board deleted and "except as provided in 82A-222" inserted to correct inconsistency with new law.

Section 4. <u>11-1829</u>. Actuarial valuation and investment of police reserve funds. Reworded subsection (2) so provisions at end come at the beginning -- to <u>clarify their ap-</u> <u>plication</u> to both subsections (2) (a) and (2) (b). Changed "police reserve funds" to "city's police reserve fund" for <u>consistency</u> with "The city treasurer" and to <u>clarify</u> that the section applies only to local funds.



Section 5. <u>11-1830</u>. Limit on use of fund. Reference to investments added to <u>avoid the incorrect implication</u> that investments cannot be made.

Section 6. <u>11-1836</u>. Credit of payments to fund -- annual report of board. Made first sentence two sentences to <u>aid recodification</u>. Added references to "statewide fund" to <u>clarify and update terminology</u>. Deleted reference to "Metropolitan Police Law" -- <u>obsolete terminology</u>. Added "provided for in 11-1834" to <u>clarify</u>. Deleted "officer's" to <u>correct</u> <u>terminology</u>. Changed internal reference to "this section" and <u>11-1834</u> and <u>11-1835</u> to reference to 11-1829 and 11-1834 as <u>simpler and more accurate</u> -- "this section" and <u>11-1835</u> do not provide for payments but 11-1835 does refer to 11-1829.

Section 7. <u>11-1838</u>. Purpose. Insert reference to statewide fund in last sentence to clarify.

Section 8. <u>11-1839</u>. Definitions. Added definition of "statewide fund" as subsection (5) -- needed in other sections for clarification. <u>Incorporated as subsection (3) definition</u> of "police officers" found in 11-1843(1) and deleted reference to "Metropolitan Police Law" to <u>update terminology</u>. (Note, in subsection (5), referred to session law rather than 11-1840 since part of 11-1840 is temporary and will not be recodified.)

In subsections (1) and (2), "include" changed to "means" to <u>implement apparent intent</u> and election to come within act changed to election to join statewide fund for clarification.

In subsection (1), "this act" changed to "82A-222" as more exact and "in such cities" deleted as superfluous.

Section 9. <u>11-1840</u>. Transfer of police reserve fund. Changed "come within the provisions of this act" to "participate in the statewide fund" to clarify.

Section 10. <u>11-1842</u>. Changes in status of officers -notice required. Changed "11-1844" to "11-1843(4)" (now 11-1843(1)(d)) to correct apparent error.

Section 11. <u>11-1843</u>. Eligibility for police reserves. In subsection (1) (now subsection (1)(a)), definition of "police officers" deleted -- moved to 11-1839 to <u>aid recodifi-</u> <u>cation</u>, "police" in "special police officer" deleted for <u>con-</u> <u>sistency</u>, and "of" changed to "or" to correct <u>apparent error</u>.

In subsection (2) (now subsection (1)(b)), moved last clause to beginning for clarity.

In subsection (4) (now subsection (1)(d)), deleted "while on duty" and "in the line of duty" as <u>redundant</u> -- "in the active discharge of his duties as a police officer" covers "while on duty . . . and in the line of duty". Also deleted "or incapacitate him" as <u>redundant</u> -- covered by "impair his ability". Section 12. <u>11-1844</u>. Benefits. In subsection (1), changed "funds in this act provided for" to "statewide fund or the city's police reserve fund, whichever is applicable" to <u>clarify and incorporate new terminology</u>. (Definition of "statewide fund" being added to 11-1839.)

In subsection (1)(a), deleted "for the reserve list after 20 years of service" and "who has reached his 50th year" -- redundant with 11-1843. Consolidated references to 11-1843(1) and 11-1843(2) (now 11-1843(1)(a) and (b)). Moved clause referring to 11-1843(4) (now 11-1843(1)(d)) to new subsection to <u>aid recodification</u>. Changed "by reason of reaching his 65th birthday" to "under 11-1843(3)" (now 11-1843(1)(c)) for <u>simplicity and consistency</u>. In the last clause changed "the" to "his" to clarify.

In subsection (1)(b), deleted "for the reserve list" as <u>superfluous</u>. Added "service and" after "20 years" to <u>clari-</u> <u>fy</u>. Changed "sum" to "payment" and "the" to "his" for <u>clarity</u>. Deleted "for the purposes of this act" as <u>super-</u> <u>fluous</u> -- the eligibility and election have relevance only in relation to retirement. Changed "additional years" to "an additional year" for <u>consistency</u> with "each year" and clarity.

In subsection (1)(c), changed "policeman" to "police officer" for <u>consistency</u> -- see definition in 11-1839. Changed "by reason . . birthday" -- <u>same reason as under</u> <u>subsection (1)(a)</u>. Deleted "after such earlier eligibility" -- <u>redundant</u> with phrase following.

New subsection (1)(d) was originally part of subsection (1)(a). Deleted "by reason . . . disability" -- redundant with 11-1843(4) (now 11-1843(1)(d)).

In subsection (1)(e) (formerly subsection (1)(d)), made same deletion as in new subsection (1)(d).

In subsection (2), changed "police reserve fund" to "statewide fund or the city's police reserve fund, whichever is applicable" to clarify and incorporate new terminology. (See amendment of 11-1839, Definitions) Changed "the" to "his" for clarity. Deleted "prior . . list" as <u>super-</u> <u>fluous</u> -- his last year of service necessarily was prior to one of those events. <u>Simplified</u> the language of the second sentence. In the third sentence, <u>simplified</u> the language, deleted "until . . . married" as <u>redundant</u> with second sentence, and changed "the youngest child reaches" to "all the children have reached" to correct <u>apparent error</u> -- the youngest might marry before one of the others is 18. Section 13. <u>11-1845</u>. Protection of benefits from legal process. Deleted reference to 11-1814 to correct <u>apparent error</u> -- 11-1814 was amended in 1974 and no longer provides for any benefits.

Section 14. <u>11-1850</u>. Election of other cities to participate. Changed "come . . . act" to "participate in the statewide fund" to clarify and incorporate new terminology (amendment of 11-1839 adds a definition of "statewide fund"). Changed "the due and proper passage of" to "passing" for <u>simplicity</u>. Changed "provisions hereof" to "law relating to the fund" to <u>clarify</u>. Changed last clause to "a city . . . law" for <u>consistency</u> with the last mentioned change and to <u>clarify</u>. Added "an" for <u>consistency</u> with amended last clause.

Section 15. 82A-222. Board of trustees abolished -functions transferred. Changed internal reference to 11-1828 to appropriate session law because 11-1828 is being amended so that a board can no longer be created under it. Deleted reference to other sections of chapter 18, Title 11 to correct apparent error-no such sections exist that are relevant. Deleted references to "board of retirement" -- the name is incorrect; it should be the board of administration; but this bill is not simply correcting it because the department of administration is planning to propose a further change in the name and the two bills would create a new error. Changed references to 11-1824 to appropriate session law and 11-1850 -- 11-1824 is being repealed and 11-1850 replaces it for some purposes. Changed "come within the provisions of [the within] this act" to "join the statewide fund defined in 11-(See explanation under 11-1850.) 1839".

Section 16. <u>82A-223</u>. Quasi-judicial functions transferred. Changed references to 11-1824 to appropriate session law -- <u>same reason as under 82A-222</u>. Reference to coming within the provisions of the act changed to reference to "statewide fund" -- <u>see explanation under 11-1850</u>. Deleted "presently . . funds" -- <u>superfluous</u>. Changed "board of retirement" to "board" -- <u>see explanation under 82A-222</u>. Changed "82A-215" to "82A-210" to correct apparent error.

Section 17. <u>11-1821.1</u> and <u>11-1824</u> repealed. Section <u>11-1821.1</u>. Exemption from legal process. Has been replaced by <u>11-1845</u>. It no longer has any meaning -- it refers to benefits provided under <u>11-1821</u>, which has been repealed, and <u>11-1814</u>, which is no longer relevant.

Section <u>11-1824</u>. Election of cities to come under act. Has been replaced by <u>11-1850</u>. It is <u>obsolete</u> -- the tax levy it refers to no longer exists (was in <u>11-1823</u>) and parts of the new law are not optional so a city cannot elect to come under the old law referred to in <u>11-1824</u>.

Approved by Committee on State Administration

1	HOUSE BILL NO. 63
2	INTRODUCED BY BARDANOUVE
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY REVISE AND
5	CLARIFY THE LAWS RELATING TO POLICE RETIREMENT AND DEATH AND
6	DISABILITY BENEFITS; AMENDING SECTIONS 11-1823, 11-1825,
7	11-1828, 11-1829, 11-1830, 11-1836, 11-1838, 11-1839,
8	11-1840, 11-1842, 11-1843, 11-1844, 11-1845, 11-1850,
9	92A-222, AND 82A-223, R.C.M. 1947; REPEALING SECTIONS
10	11-1821.1 AND 11-1824, B.C.M. 1947."
11	
12	BE IT ENACTED BI THE LEGISLATURE OF THE STATE OF HONTABA:
13	Section 1. Section 11-1823, R.C.H. 1947, is amended to
14	read as follows:
15	■11-1823. Fund for payment of officers on reserve
16	lists tax lory City's contribution to fund. [1] For the
17	purpose of paying the salaries of policemen who have been
18	placed upon the reserve list of cities under this act, the
19	<u>qoverning body of the</u> city or town council, or
20	commissioners, shall deposit in the fund monthly an amount
21	equal to eleven percent (11 %) of the total salaries for the
22	preceding month paid to active police officers of that city,
23	exclusive of overtime and payments in lieu of sick leave and
24	annual leave. Cition havi ng such funds, not sition of the
25	first-or-second-slass,-as-of-the-effestive-date of this-act,
There a	re no changes in <u>HB 63</u> , & will not be re-run.
Please	refer to white copy for complete text. SECOND READING

1 and-not having closted to conc within the provisions of this 2 acty-shall-likowice-deposit-is-the-fund-of-that-sity-monthly 3 an anount oggal to oleven percent (115) of the total salaries, exclusive of overtime and paymonts in lieu of sich 4 5 leave -- and -- apaual -- leavey -- for the - proceeding - senthy paid to 6 active-pelice-officers-of that city. Payments made by cities 7 covered by this act shall be made by the treasurer of that 8 city to the department of administration. In-case If the 9 demand against the a city for its deposits in each the fund 10 shall-be is such that it cannot be not within the general 11 taxing authority of that the city, then and is such sace an 12 additional levy of not to exceed three-(3) mills may be made 13 until the general taxing authority be is sufficient to meet 14 the demand. 15 (2) As of July 1, 1975, each city, other than one of

16 the first or second class, which has a police reserve fund 17 and which has not elected to participate in the statewide fund shall deposit in its fund monthly an amount equal to 18 11% of the total salaries for the preceding sonth paid to 19 20 active police officers of such city, exclusive of overtime 21 and payments in lieu of sick leave and annual leave, for the 22 purpose of paying the salaries of police officers on the 23 reserve list. If the demand against a city for deposits in 24 its fund is such that it cannot be met within the general taxing authority of the city, an additional levy not to 25

-2-

exceed 3 mills may be made until the general taxing
 authority is sufficient to meet the demand."
 Section 2. Section 11-1825. R.C.M. 1987. is amended to

3 Section 2. Section 11-1825, R.C.H. 1947, is amended to
4 read as follows:

5 "11-1825. Salary deduction for payment of recorve 6 officer's contribution_deducted_from_salary. The 7 treasurer of any an incorporated city which has as of the offective date of this ast July 1, 1975, created or which 8 9 hereafter thereafter may create a police reserve fundy shall 10 retain from the monthly salary of all each police officers 11 upon officer on the active list, a sum equal to six-percent 12 (6%) of the his monthly compensation paid each officer for 13 his services as such a police officer, exclusive of overtime 14 and payments made in lieu of sick leave and annual leaver. 15 the solid The sonthly deduction from the salaries of such police officers, shall be paid into the police reserve fund 16 17 in-the-department-of-administrationy statewide fund or to 18 isto the city's police reserve fund, as the case may be, for 19 the purpose of paying the salaries of police officers upon 20 on the reserve list."

Section 3. Section 11-1828, R.C.H. 1947, is amended to
read as follows:

23 "11-1828. Trustees Local boards of trustees of
24 fund-appointment-terms. h-board of trustees of said fund
25 shall be greated in each sity of terms having such fund, (1)

1 Each city or town which has a police reserve fund must have

2 a board of trustees of such fund, except as provided in

3 <u>821-222</u>,

4 <u>(2) A board of trustees existing under subsection (1)</u> 5 <u>must</u> to consist of the mayor, clerk, and attorney of said 6 <u>the</u> city or town, and two (2) members of the police 7 department from the active list of the police officers of 8 said the city or town,

9 (3) The two trustees who are also police officers 10 shall serve terms of 2 years, They who shall be selected by 11 a majority wote of the members of the police department on 12 the active list of said the city or town., the two first 13 sologted- after the passage of this act shall be co-pologted 14 that-one-shall-be-selegted-for-a-tors-of-two-(2)---vearg--and 15 the other -- for -- a -- tors -- of -- ose -- - 11 -- tear -- that - caid first 16 soloction-shall-bo-made-between-the-first-and-toath-day-of 17 Hay, -- of -- the year-1939, - and - annually - thereafter - between the 18 first-and-tenth-day-of-Hay, one-seeber-shall be-selected-for 19 the tore of two (2) years. One shall be selected each year 20 between May 1 and May 10, so that their terms are staggered. 21 Isnediately after the selection has been made, a + 22 certificate of the election of the methods of the 23 police -- department-selected-for-said-beard-of-trustees shall 24 be immediately-upon-such-selection-boing-made, certified to 25 the city clerk of the city or towny by the chairman and

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-4-

HOUSE BILL BO. 63 1 INTRODUCED BY _____ BARDANOUVE 2 3 A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY REVISE AND 4 CLARIFY THE LAWS RELATING TO POLICE RETIREMENT AND DEATH AND 5 DISABILITY BENEFITS; AMENDING SECTIONS 11-1823, 11-1825, 6 11-1828, 11-1829, 11-1830, 11-1836, 11-1838, 11-1839, 7 11-1840, 11-1842, 11-1843, 11-1844, 11-1845, 11-1850, 8 82A-222, AND 82A-223, B.C.M. 1947; REPEALING SECTIONS 9 11-1821.7 AND 11-1824, R.C.8. 1947." 10 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HOWTAWA: 12 Section 1. Section 11-1823, R.C.M. 1947, is amended to 13 14 read as follows: "11-1823. Fand-for-pargent of officers-on--reserve 15 lists tar low City's contribution to fund. (1) For the 16 purpose of paying the salaries of policemen who have been 17 placed upon the reserve list of cities under this act, the 18 geverning body of the city or town council, or 19 semiscioners, shall deposit in the fund monthly an amount 20 equal to eleven-percent (11%) of the total salaries for the 21 preceding month paid to active police officers of that city, 22 exclusive of overtime and payments in lieu of sick leave and 23 annual leave. Gities having such funds, not sities of the 28 first-or-second-classy-as-of-the-offeetive-date-of-this-asty 25 There are no changes in $\underline{HRL3}$, & will not be re-run. Please refer to white copy for complete text. THIRD READING

and not whating alogted to come within the provisions of this 1 agt__ghall-likewigo-depecit-in-the-fund-of-that-dit-wenthly 2 an arount -- of the -- to -- oloron -- porcent -- (11%) -- of -- the -- to tal 3 salarios- esclerive of evertine and persons - in lieu-of dick 5 active-police-officers-of-that-city- Payments made by cities 6 7 covered by this act shall be made by the treasurer of that city to the department of administration. In-case If the 8 demand against the a city for its deposits in such the fund 9 10 shall be is such that it cannot be set within the general taxing authority of that the city, then and in such case an 11 12 additional levy of not to exceed three-(3) mills may be made until the general taxing authority be is sufficient to meet 13 the demand. 14 15 (2) As of July 1, 1975, each city, other than one of the first or second class, which has a police reserve fund 16 17 and which has not_elected to participate in _the statewide fund shall deposit in its fund monthly an amount equal to 18 19 11% of the total salaries for the preceding month paid to active police officers of such city, exclusive of overtime 20 21 and payments in lieu of sick leave and annual leave, for the purpose of paying the salaries of police officers on the 22 reserve list, If the demand against a city for deposits in 23 its fund is such that it cannot be met within the general 24 25 taxing authority of the city, an additional levy not to HR 63 -2-

1 exceed 3 mills may be made until the general taxing

2 <u>authority is sufficient to meet the demand.</u>"

3 Section 2. Section 11-1825, R.C.H. 1947, is amended to
4 read as follows:

5 #11-1825. Salary--deduction--for--paymont--of--pocoryo 6 officer's contribution deducted from salary. The 7 treasurer of any an incorporated city which has as of the 8 effective date of this act July 1, 1975, created or which 9 hereafter thereafter may create a police reserve fundy shall 10 retain from the monthly salary of all each police officers 11 upon officer on the active list, a sum equal to six-percent 12 -(6%) of the his monthly compensation paid each officer for 13 his services as such a police officer, exclusive of overtime 14 and payments made in lieu of sick leave and annual leaver. 15 the solution from the salaries of such 16 police officersy shall be paid into the police-reserve --fund 17 in the department of administration, statewide fund or to into the city's police reserve fund, as the case may be, for 18 19 the purpose of paying the salaries of police officers upon 20 on the reserve list."

Section 3. Section 11-1828, R.C.H. 1947, is amended to
read as follows:

23 "11-1828. Trustees Local boards of trustees of
24 fund--appointment--terms. A heard of trustees of shall be greated in each sity or town, having-such fund; (1)

Each city or town which has a police reserve fund sust have 1 a board of trustees of such fund, except as provided in 2 3 821-222. (2) A board of trustees existing under subsection (1) 4 5 must to consist of the mayor, clerk, and attorney of said the city or town, and two (2) members of the police 6 department from the active list of the police officers of 7 8 said the city or towny. 9 (3) The two trustees who are also police officers 10 shall serve terms of 2 years. They who shall be selected by 11 a majority wote of the members of the police department on the active list of said the city or town ... the two first 12 selected-after-the passage of this act shall be so-selected 13 14 that-oss-shall-be-selected-for-a-tern-of-two-(1)---rears---and 15 16 salesticz-shall-be rade between the first-and-tenth- day-of 17 May, of the year-1939, and annually thereafter between the first and teath day of lay, one seeber shall be selected for 18 19 the torm of two (2) years. One shall be selected each year 20 between May 1 and May 10, so that their terms are staggered. Insediately after the selection has been made, a 21 22 cartificate of the election of the response of the 23 polico----dopartmont-colocted-for-said-board-of-trustees shall be insediately-upon-such-selection-being-made, certified to 24

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the city clerk of the city or towny by the chairman and

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HOUSE BILL NO. 63 1 2 INTRODUCED BY BARDANOUVE а A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY REVISE AND 4 CLARIFY THE LAWS RELATING TO POLICE RETIREMENT AND DEATH AND 5 DISABILITY BENEFITS; AMENDING SECTIONS 11-1823, 11-1825, 6 7 11-1828. 11-1829. 11-1830. 11-1836. 11-1838. 11-1839. 11-1640, 11-1842, 11-1843, 11-1844, 11-1845, 11-1850, ъ AND 82A-223, R.C.H. 1947; REPEALING SECTIONS 824-222. 9 10 11-1821.1 AND 11-1824, R.C.M. 1947." 11 12 AF IT FNACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 13 Section 1. Section 11-1823, R.C.M. 1947, is amended to 14 read as follows: 15 "11-1823. Fund-for--peyment--of--officers--on--reserve 15 lists-tax-levy City's contribution to fund- (1) For the 17 purpose of paying the salaries of policemen who have been 18 placed upon the reserve list of cities under this act, the 19 governing body of the city or town councily---- or commissionersy shall deposit in the fund monthly an amount 20 21 equal to eleven-percent-(11%) of the total salaries for the preceding month paid to active police officers of that city, 22 23 exclusive of overtime and payments in lieu of sick leave and 24 annua) leave. Eities-having-such-fundsy-not-cities-of-the

25 first-or-second-classy-as-of-the-effective-date-of-this-acty

REFERENCE BILL

1 ond-not-having-elected-to-come-within-the-provisions-of-this acty-shall-likewise-deposit-in-the-fund-of-that-city-gonthly 2 3 an-amount--equal--to--eleven--percent--tlik--of--the--total salariesy-exclusive-of-overtime-and-payments-in-lieu-of-sick 4 5 leave--and--annual--leaver--for-the-preceding-monthy-paid-to 6 active-police-officers-of-that-city Payments made by cities 7 covered by this act shall be made by the treasurer of that R city to the department of administration. In-case If the 9 demand against the a city for its deposits in such the fund 10 shall--be is such that it cannot be met within the general taxing authority of that the city, then and in such case an 11 12 additional levy of not to exceed three 131 mills may be made 13 until the general taxing authority be is sufficient to meet 14 the demand. 15 (2) As of July 1. 1975. each city. other than one of 16 the_first_or_second_class_which has a police_reserve fund 17 and which has not elected to participate in the statewide 18 fund shall deposit in its fund monthly an amount equal to

19 11% of the total salaries for the preceding month paid to

19 <u>11% of the total salaries for the preceding month, paid to</u> 20 active police officers of such city, exclusive of overtime.

0 active police officers of such city, exclusive of overtime

21 and payments in lieu of sick leave and annual leaves for the

22 purpose of paying the salaries of police officers on the

23 reserve list. If the demand against a city for deposits in

24 its fund is such that it cannot be met within the general

25 taxing authority of the city: an additional levy not to

-2-

1

1 exceed 3 mills may be made until the general taxing 2 authority is sufficient to meet the demand." 3 Section 2. Section 11-1825. R.C.M. 1947. is amended to 4 read as follows: 5 *11-1825. Salary--deduction--for--payment--of--reserve 6 officers Officer's contribution deducted from salary. The 7 treasurer of any an incorporated city which has as of the effective-date-of-this-act July 1, 1975, created or which 8 9 hereafter thereafter may create a police reserve fundy shall 10 retain from the monthly salary of all each police officers 11 upon officer on the active listy a sum equal to six--percent 12 (63) of the his monthly compensation paid-each-officer for 13 his services as such a police officer, exclusive of overtime 14 and payments made in lieu of sick leave and annual leavey. 15 the--said The monthly deduction from the salaries of such 16 police officersy shall be paid into the police-reserve-fund 17 in--the--deportment--of-administrationy statewide fund or to 18 into the city's police reserve fund, as the case may be, for 19 the purpose of paying the salaries of police officers upon 20 on the reserve list." 21 Section 3. Section 11-1828, R.C.M. 1947, is amended to 22 read as follows:

23 "11-1828. Frustees Local__boards_of_trustees of
 24 fund--appointment-terms. A-board-of-trustees-of--said-fund
 25 shall-be-created-in-each-city-or-towny-having-such-fundy (1)

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2 a board of trustees of such fund, except as provided in 82A-222. 3 (2) A board of trustees existing under subsection (1) 4 must to consist of the mayor, clerk, and attorney of said 5 the city or town+ and two (2) members of--the-police 6 7 department from the active list of the police officers of said the city or townys 8 9 (3) The two trustees who are also police officers 10 shall serve terms of 2 years. They who shall be selected by 11 a majority yote of the members of the police department on 12 the active list of said the city or town.y--the--two--first 13 selected--after-the-passage-of-this-act-shall-be-so-selected 14 that-one-shall-be-selected-for-s-ters-of-two-t21--years--and 15 the--other--for--a--term--of--one--{1}-yearv-That-said-first 16 selection-shall-be-made-between-the-first-and-tenth--day-of Hayy--of--the-year-1929y-and-annually-thereafter-between-the 17 18 first-and-tenth-day-of-Hayy-one-member-shall-be-selected-for 19 the-term-of-two-(2)-years* One shall be selected each year

Each city or town which has a police reserve fund must have

20 between May 1 and May 10: so that their terms are staggered.
21 Immediately____after___the___selection__has__been___made:___a A
22 certificate of the election of the members or member of the
23 police-_department-selected_for_smid_board-of trustees shall
24 be immediately-upon-such-selection-being-madev certifies to
25 the city clerk of--the--city-or-towny by the chairman and

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secretary of the meeting at which the selection was made." 1 Section 4. Section 11-1829, R.C.M. 1947, is amended to 2 read as follows: З "11-1829. Actuarial valuation and investment of police 4 5 reserve funds. (1) (a) The city treasurer shall submit to the department of community affairs before October 1 in of 6 each odd-numbered year all information requested by the 7 а department of--community--affairs necessary to complete an actuarial valuation of the city's police reserve funds 9 The valuation shall consider the actuarial soundness of the 10 11 police reserve fund for the 2 preceding fiscal years. (b) This like valuation is to be prepared by a 12 qualified actuary selected by the department. of--community 13

14 affairs---This---valuation--shall--consider--the--actuarial 15 soundness-of-the--police--reserve--funds--for--the--two--(2) 16 preceding--fiscal--years- A qualified actuary is a member of 17 the American Academy academy of Actuaries actuaries or of 18 any organization deemed considered by the department of 19 community-offairs to have similar standards.

20 <u>(c)</u> In each fiscal year in which an actuarial valuation is prepared, the department of-community-affairs snall submit to the state auditor a request for payment of the expense incurred in securing the actuarial valuation. The expense may not exceed six-thousand-dollars-(\$6,000) in any fiscal years and-the <u>The</u> state auditor shall make

1 payment to the actuary designated in the request. z (2) Whenever the monies moneys in the police reserve 3 fund exceed the creater of the following amounts, the city treasurer shall remit the excess to the state treasurer, who 4 5 shall invest the remittances under the direction of the 6 board of investments as provided in 79-311: 7 (a) one--and--one-half-(1-1/2) 1 1/2 times the monthly 8 benefit paid in the preceding monthy; or 9 (b) five--thousand---dollars---{\$5,000}y--whichever---is 10 greatery--then--the--city--treasurer-shall-remit-such-excess 11 amounts-to-the-state-treasurer--The-state--treasurer--shall 12 13 board-of-investments-as-provided-by-section-79-311. 14 (3) After January 1, 1975, all investments of the 15 police reserve fund shall be transferred as directed by the 16 state board of investments. The state board of investments 17 may defer any-such a transfer to a date later than January 18 1, 1975, but not later than the maturity date of the 19 investment. The board of investment investments may make 20 rules to implement this section." 21 Section 5. Section 11-1830, R.C.M. 1947, is amended to 22 read as follows: "11-1830. Limit of on use of fund. Said A police

23 "11-1830. Limit of <u>on</u> use of fund. Said <u>A. police</u>
24 <u>reserve</u> fund shall <u>may</u> not be used for any purpose
25 whatsoevery other than the--payment to <u>make payments</u>

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2

1 <u>authorized</u> <u>by</u> <u>this</u> <u>chapter</u> to members of the police 2 department on the reserve list of-the-amounts-to-which-they 3 are-entitled--under-the-provisions-of-this-act <u>and to make</u> 4 <u>authorized investments-"</u>

5 Section 6. Section 11-1836, R.C.M. 1947, is amended to 6 read as follows:

7 "11-1836. Credit of payments to police-reserve fund ---8 annual report of board. <u>Cities participating in the</u> 9 statewide_fund_shall_deposit_the_payment provided for in 10 11-1834 with the department of administration. Every Each 11 city or towny--having which has a police reserve fund 12 established-under-the-provisions-of-the-Metropolitan--Police 13 towy and which has not elected to participate in the 14 statewide fund shall deposit said the payment with -- the 15 department--of--administration--or to the credit of the its 16 police reserve fund of-such-city-or-towny-os--the--case--may 17 be. The board of trustees of each police officer's reserve fund shall on or before the first day of April 1 of each 18 19 year report to the state auditor as to the financial 20 condition of their its fund. Payments provided for in this 21 section-and-the-preceding-two-(2)-sections 11-1829 and 22 fll-1834y-11-1835; are in addition to those provided for in 23 section 11-1823."

24 Section 7. Section 11-1838, R.C.N. 1947, is amended to 25 read as follows:

3 this act to provide for a state-wide statewide fund for police reserve officers of cities of the first and second 4 5 class in Montana, for the investment of such fund, for the payment of benefits to police reserve officers, and to 6 provide for uniformity of programs and procedures for such 7 police reserve officers. The act further proposes to permit я 9 cities in Montana other than those in of the first and 10 second class to come-within-the-provisions-of--this--act--as 11 hereinafter - provided elect to participate in the statewide 12 fund." 13 Section 8. Section 11-1839, R.C.M. 1947, is amended to 14 read as follows: "11-1839. Definitions. Unless the context requires a 15 different meaning, reference-in-this-act-hereafter-to the 16 17 following definitions apply in this chapter:

#11-1838. Fund--for--police-reserve-officers-of-cities

of-the-first-and-second class Purpose. It is the purpose of

18 (1) "Boards of trustees" means the boards of trustees
19 which exist on July 1, 1975, or at the time of an election
20 to participate in the statewide fund or which would have
21 existed but for 82A-222 by virtue of the creation of a
22 police reserve fund.

<u>(2)</u> "cities"-shall-include "Cities" means all cities
 of the first and second classy and all cities other than
 those of the first and second class electing-to--come--under

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ł	this-act-or-hereafter-creating which elect to participate in
2	the statewide fund or which create a police reserve fund;
3	after_July_11_1975. a}?-references-to-"boardsoftrustees"
4	shallinclude-the-boards-of-trustees-now-existingy-existing
5	at-the-time-of-election-to-come-within-thisactyorwhich
6	wouldhoveexistedbutforthisactbyvirtue-of-the
7	c reation-ofsuchpolicereservefundyinsuchcities)
8	referenceto"police-reserve-fund"-or-"fund"-shall-include
9	the-police-reserve-funds-of-all-such-cities.
10	(3) "Police officers" includes "policemen". "active
11	police". "patrolmen". and other similar terms denoting law
12	enforcement officers.
13	(4) "Police reserve fund" or "fund" includes the
14	police reserve funds of all cities defined in subsection
15	<u>(2)</u> .
16	(5) "Statewide fund" means the funds deposited with
17	and managed by the department of administration in
18	accordance with section 5. Chapter 335. Laws of 1974. and
19	11-1841-"
20	Section 9. Section 11-1840, R.C.M. 1947, is amended to
21	read as follows:
22	"11-1840. Transfer of police reserve fund. (1) As soon
23	as practical after the effective date of this acty-cities
24	July 1. 1975. each city of the first and or second class or
25	the boards <u>board</u> of trustees thereof shall cause the

treasurer of such the city to transmit to the department of administration all moneys in that the city's fund and shall cause to be transferred to the department of administration title and physical possession of all bonds, warrants, certificates of deposit, or securities which are part of such its fund.

7 (2) fities Each city, other than those one of the 8 first and or second class, having which has a police reserve fund as of the-effective-date-of-this-act July 1, 1975, and 9 who-elect which elects to participate in the statewide fund 10 11 come-within-the-provisions-of-this-acty shall as soon as practical after the effective date of such the election 12 13 transmit to the department of administration all moneys in that the city's fund and shall cause to be transferred to 14 the department of administration title and physical 15 possession of all bonds, warrants, certificates of deposit, 16 17 or securities which are part of such its fund."

18 Section 10. Section 11-1842, R.C.M. 1947, is amended 19 to read as follows:

20 *11-1842. Police officers-status Changes in status of

21 <u>officers</u> <u>— notice required</u>. Each city shall provide to the 22 department of administrations at times to be specified by 23 the department of administration, such information as to the 24 hiring of any police officer by that city and as to the 25 change of status of such police officer as the department of

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edministration-shall may require. When a police officer is 1 2 to be placed upon the reserve list, the department of 3 edministration shall so place him and shall notify the city involved of that action. An officer having an option to be 4 placed upon the reserve list shall notify the department of 5 6 administration of his exercise of that the option, if he so 7 exercises it, and the department of--odministration shall 8 place him upon on the reserve list if he is eligible. In 9 cases of disability under section-14-f11-1044]-of--this--act 10 11-1843(1)(d), the determination shall be made by the city 11 involved as prescribed in that section prescribed, and, if 12 the police officer is determined to be eligible for 13 inclusion on the reserve list, the city involved shall so 14 notify the department."

15 Section 11. Section 11-1843, R.C.M. 1947, is amended 16 to read as follows:

17 "11-1843. Qualifications Eligibility for police
18 reserves. <u>[1]</u> The following persons are eligible for the
19 police reserves of a city and shall become police reserves
20 as herein-stated provided in this section:

21 (1)(a) As--to--police--officersy-which-term-throughout 22 includes-"policemeny"-"active-policey"-"patrolmany"-or-other 23 similar-terms-denoting-law-enforcement--officers--under--the 24 Metropolitan--Police--Lawy <u>A. person</u> who arev--as--of-the 25 effective-date-of-this-acty is employed by any city as a

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1 police officer, on July 1, 1975, is eligible for the police 2 reserves when such-officer he has completed twenty-- (20) years or more in the aggregatey-either as g probationary 3 officer. a regular officer of-such-police-department, or as 4 a special colice officer of said the police department, in 5 any capacity of or rank, whatevery--provided--that--such A 6 police officer serving in the United States military service 7 in time of war or national emergency shall be given credit 8 upon in his police record for such service in the same 9 manner as though <u>he were</u> on active police duty for such 10 11 time.

12 (2)(b) As-to-police-officers A person who shall is first be employed by a city as a police officer after the 13 effective-date-of-this-act July 1. 1975, is eligible for the 14 police reserves when such-officer he has reached the age of 15 50 and has completed twenty-f207 years or more in the 16 17 aggregate-either as a probationary officer, a regular officer of--such-police-deportment, or as a special officer 18 19 thereof of the police department, in any capacity or ranker 20 and--the--same--proviso--as--to He shall receive credit for 21 military service set-forth as prescribed in subsection (1) 22 (a) hereof-applies-to-such-police-officersy-and-has-resched 23 the-age-of-fifty-(50). 24 (3)(c) As-to-police Police officers, whether now first

25 employed or-hereafter-first-employedy before or after_July

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<u>1.1975</u>, who shall reach the age of sixty-five-(65)-years
 while in active servicey-such-officers shall pass from the
 active list to the reserve list.

f4+(d) When a police officer shall-receive receives 4 5 injuries or disabilities while-on-duty--or in the active discharge of the his duties of as a police officer, and in б the-line-of-duty, which injuries or disabilities shall are, 7 з in the opinion of the board of police commissioners or city council of the city or town, be of such character as to 9 impair his ability as--an--active--police--officery--or 10 incapacitate-his-for-the-further to discharge of his duties 11 12 as such an active police officer, he shall become a member 13 of the police reserves of such the city or town.

14 +5+(2) A police officer who is eligible for the 15 reserve list by--reason-of--subsections--{1}-or-{2} under subsection (1)(a) or (1)(b) of this sectiony-shall-heve-the 16 17 option-to may transfer, as of the time he becomes eligible, 18 to the reserve listy or he may elect to serve an additional 19 20 provided howevery except that he may not elect to serve past his sixty-fifth 65th birthday." 21

22 Section 12. Section 11-1844, R.C.M. 1947, is amended 23 to read as follows:

24"11-1844. Payment--of--police-reservesSenefits. (1)25Whenever-any-policeman-orWhen a policeofficer shall-become

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1 is transferred from the active list of--police--officers--of any--city to the reserve list of that a city, he shall 2 3 thereafter be-paid-in receive monthly payments from the 4 funds--in-this-act-provided-for statewide fund_or the_city!s 5 police reserve fund, whichever is applicable, as follows: 6 (a) For-a A police officer who is eligible for-the 7 reserve--list--after--twenty--(20)--vears--of--service under 8 subsection-fi)-of-section-13-fil-1843(1)(a), or (1)(b)--of 9 this -- octy and who does not elect to serve any additional 10 years as an active police officert-or-for-a--police--officer 11 eligible--for--the--reserve--list-after-twenty-(20)-years-of 12 service-under-subsection-(2)-of-section-13-(1)-1843-)-of-this 13 acty-who-has-reached-his-fiftieth-yeary--and--who--does--not elect--to--serve--any--additional--years-as-on-active-police 14 15 officert-or-a-police-officer-who-becomes-eligible-by--reason 16 of--injury--or-disability-under-subsection-14+-of-section-13 17 fil-10433-of-this-acty-before-reaching-twenty-(20)-years--of 18 service; or for-s-police-afficer who is placed upon on the 19 reserve list by-reason-of-reaching-his-sixty-fifth--birthday under__11-1443(1)(c) prior to reaching twenty-{20} years of 20 service+ shall receive a sum equal to one-half (1/2) the 21 22 base salary, excluding overtime and payments in lieu of sick 23 leave and annual leaves he was receiving as an active officer computed on the highest salary received in any one 24 25 month during the his last year of active service.

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1 (b) For--a A police officer who is eligible for-the 2 reserve-list after twenty-{20} years of service and who 3 elects to serve additional years, shall receive the payment provided for in subsection (1)(a) of-subsection-(1)-of--this 4 5 sectiony--to--which--shall--be--added plus an additional one 6 percent-(1%) of such sum payment per year of additional 7 service, up to a maximum of sixty-percent-(60%) of the base salary, excluding overtime and payment in lieu of sick leave 8 9 and annual leave, he was receiving as an active officer 10 computed on the highest salary received in any one flt month 11 during the his last year of active service. For-the 12 purposes of this acts a police officer whose eligibility 13 depends upon-subsection-(2)-of-section-13-fon 11-1843(1)(b)-14 of-this-act, and who completes twenty-(20) years of service 15 before reaching the age of fifty-{50}-yearsy-shall-be-deemed 16 is considered to have elected to serve an additional years 17 year for each year between the completion of his twentieth 18 20th year of service and his fiftieth 50th birthday, and he 19 shall be paid the additional one-percent-(12) for each such 20 year.

(c) A policeman police officer who is placed upon on
the reserve list by--reason-of--reaching-his-bixty-fifth
birthdayy-but under ll=1843(1)(c) and who was theretofore
eligible at his option to be placed upon-such on the reserve
list under subsections---(1)--or--(2)--of--section--13

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f11-1843(1)(a) or (1)(b)]-of-this-acty but elected to serve 1 additional years after--such -earlier-eligibility shall be 2 paid for such the additional years over his original ્ય eligipility at the same rate as-is-provided prescribed in 4 5 subsection (1)(a) of-subsection-(1)-of-this-section. 6 (d) A police officer who is eligible under 7 11-1843(1)(d) before completing 20 years of service shall 8 receive a sum equal to one-half the base salary, excluding 9 overtime and payments in lieu of sick leave and annual 10 leave, he was receiving as an active officer computed on the 11 highest salary received in any one month during his last 12 year of active service. 13 telle) A police officer who is placed on the reserve 14 list by-reason-of-injury-or-disability under subsection-4-of section-13-[11-1843(1)(d)]-of-this-acty and who, at the time 15 16 of such his injury or disability, was eligible at his option 17 to be placed on the reserve list under subsections--{1}--or 18 {2}-of-section-13-f11-1843(1)(a) or (1)(b)]-of-this-acty but had elected to serve additional years, and was then serving 19 20 such additional years shall be paid for such the additional years over his original eligibility at the seme rate as-is 21 22 provided prescribed in subsection (1)(a) of -- subsection -- (1) 23 of-this-section. 24 (2) Upon the death of any g police officer on the

25 active list or reserve list of only a city, his surviving

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spouse, if there be one, shall, as long as such spouse 1 2 remains the surviving spouse, be paid from the statewide fund or the city's police reserve fund, whichever is 3 applicable, a sum equal to one-half (1/2) the base salary. 4 5 excluding overtime and payments in lieu of sick leave or annual leave, he was receiving as an active officer computed 6 7 on the highest salary received in any one fit month during the his last year of active service prior-to-the-date-of-his 8 9 demise--or--prior-to-the-date-he-passed-to-the-reserve-list. If the officer leaves one or more dependent minor child-or 10 children, then, upon his death if he leaves no surviving 11 12 spousey or upon the death or remarriage of the surviving 13 spouse, then his surviving dependent minor child-or children, collectively if there be is more than one that 14 15 dependent -- minor -- child-surviving, shall be paid receive the 16 same monthly payments as are-herein-provided-to-be--poid--to 17 the a surviving spouse would receive, until the-minor-child 18 19 shall--have are married. Payments-to-be-made-to-such-minor 20 child-or-children The payments shall be paid made to the 21 their duly appointed, qualified, and acting quardian of the 22 child-or-children for the their use. of--such--minor--of 23 minorsy--until--such--minor--shall--have--reached-the-age-of eighteen-1101-veers-or-shell-have-married-and--in--case If Z4 25 there is more than one (1)-minor such child, upon each child

1 reaching the age of eighteen (18) years or marrying, the pro-2 rata payments to that child shall cease and shall be made to 3 the remaining minor--child-or children, until the youngest child-reaches all the children have either reached the age 4 5 of eighteen-(18)-years or is are married." 6 Section 13. Section 11-1845, R.C.N. 1947, is amended to read as follows: 7 8 "11-1845. Protection of benefits from legal process. The benefits provided for in section-14-[11-1844]-of-this 9 10 act-and-in-section-11-1814v-ReEvAv-1947v are not subject to 11 execution, garnishment, attachment, or the operation of 12 bankruptcys or insolvencys or other process of lawy and are 13 unassignable." 14 Section 14. Section 11-1850, R.C.M. 1947; is amended 15 to read as follows: 16 "11-1850. Election of other cities to participate. 17 Cities other than those of the first and second class may 18 elect to come-within-the-provisions-of-this-act participate 19 in the statewide fund by the-due-and-proper-passage-of

- 20 passing an ordinance stating the election and the consent of 21 the city to be bound by the provisions-hereofy-and-upon law 22 relating to the funde Upon the enactment of such an 23 ordinance, the provisions-hereof-shall-attach-to-that-city a
- 24 <u>city will be bound by that law.</u>"
- 25 Section 15. Section 32A-222, R.C.M. 1947, is amended

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to read as follows:

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2 #82A-222. Board of trustees abolished -- functions з transferred. The boards of trustees of police reserve funds 4 in cities of the first and second classy created under 5 section-11-1828y-R+C+M+-1947y-and-other-sections-of--chapter 18y--Title-11y-RyC+Ma-1947y section 12, Chapter 120, Laws of - 6 7 1929, are hereby abolished, and their functions, except the 8 quasi-judicial functions transferred-to-the-board-of 9 retirement-by-section-3-forovided_for_in_82A-223--of--this 10 act, are transferred to the department of administration. 11 Those boards A board of trustees created under section 8. 12 Chapter 100, Laws of 1927, and existing as of the effective date-of-this-act-within-cities July 1: 1975: in a city other 13 14 than those of one in the first and or second class under the 15 provisions-of-section-11-1024y-ReCeMa-1947y-are is abolished as of such time as such the city shall-elect elects to come 16 17 within--the--provisions-of-the-within-act join the_statewide fund defined in 11-1839, and, at such time, the functions of 18 19 such the board of---the---electing---city, except the 20 quasi-judicial functions transferred-to-the--board-of 21 retirement-by-section-3-forovided for in 82A-2237-of--this 22 are transferred to the department of administration. 23 Notwithstanding the provisions of section--11-1824y--RuCuMu 24 1947 11-1850, any city other than one in the first and or sacond class electing after the effective date of -- this -- act 25

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1 July 1: 1975: to create a police reserve fundy-shall must 2 comply with the provisions of this acty and shall may not 3 create a local board of trustees, and the department of administration shall have perform all functions with regard 4 5 to such the fund as otherwise that a local board of trustees would have perform, other--then except the quasi-judicial 6 functions provided for in 82A-223v-which-shall-be--exercised 7 8 by-the-board-of-retirement." 9 Section 16. Section 82A-223, R.C.N. 1947, is amended to read as follows: 10 11 #82A-223. Quasi-judicial functions transferred. The quasi-judicial functions of the following are transferred or 12 13 shall originally exist. as the case may be to or in the 14 board provided for in 82A-210: 15 (1) boards of trustees of police reserve funds of 16 cities of the first and second class; (2) boards of trustees of police reserve funds of 17 18 created under section 8. Chapter 100: Laws of 1927. in 19 cities other than those of the first and second classy 20 presently-having-boards-of-trustees-of-police-reserve-funds 21 pursuant---to--section--11-1824y-R#C#N#-1947y-and-electing-to come-within-the-provisions-of-this-act which elect to join 22 23 the statewide fund defined in 11-1839; and 24 (3) boards of trustees which would, but for this act, 25 have been created hereafter by cities other than those of

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- 1 the first and second class under the provisions of section
- 2 11-1824y-RuCultur 1947y-are-transferred-or-shall-originally
- 3 existy--as-the-case-may-bey-to-or-in-the-board-of-retirement
- 4 created-by-section-82A-215y-R+G+M+-1947y-as-amended section
- 5 8. Chapter 100. Laws of 1927.*
- 6 Section 17. Repealer. Sections 11-1821.1 and 11-1824.
- 7 R.C.M. 1947, are repealed.

-End-