

1 H BILL NO. 519  
 2 INTRODUCED BY *Waldron Hays Halverson*  
 3 *Bertelam Edquistson Holmes Palma*  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO ELIMINATE MANDATORY  
 5 AGE RETIREMENT REQUIREMENTS; AMENDING SECTIONS 11-1843,  
 6 11-1844, 31-201, 68-1401, 68-1411, 68-2610, 75-6103,  
 7 75-6208, AND 93-1107; AND REPEALING SECTIONS 31-216 AND  
 8 93-1121, R.C.M. 1947."

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

11 Section 1. Section 11-1843, R.C.M. 1947, is amended to  
12 read as follows:

13 "11-1843. Qualifications for police reserves. The  
14 following persons are eligible for the police reserves of a  
15 city and shall become police reserves as herein stated:

16 (1) As to police officers, which term throughout  
 17 includes "policemen," "active police," "patrolman," or other  
 18 similar terms denoting law enforcement officers under the  
 19 Metropolitan Police Law, who are, as of the effective date  
 20 of this act, employed by any city as a police officer, when  
 21 such officer has completed twenty (20) years or more in the  
 22 aggregate, either as probationary officer, a regular officer  
 23 of such police department, or as a special police officer of  
 24 said police department, in any capacity of rank whatever,  
 25 provided that such police officer serving in the United

1 States military service in time of war or national emergency  
 2 shall be given credit upon his police record for such  
 3 service in the same manner as though on active police duty  
 4 for such time.

5 (2) As to police officers who shall first be employed  
 6 by a city as a police officer after the effective date of  
 7 this act, when such officer has completed twenty (20) years  
 8 or more in the aggregate, either as probationary officer, a  
 9 regular officer of such police department, or as a special  
 10 officer thereof, in any capacity or rank, and the same  
 11 proviso as to military service set forth in subsection (1)  
 12 hereof applies to such police officers, and has reached the  
 13 age of fifty (50).

14 ~~(3) As to police officers whether now employed or~~  
 15 ~~hereafter first employed, who shall reach the age of~~  
 16 ~~sixty-five (65) years while in active service, such officers~~  
 17 ~~shall pass from the active list to the reserve list.~~

18 (4) (3) When a police officer shall receive injuries or  
 19 disabilities while on duty, or in the active discharge of  
 20 the duties of a police officer, and in the line of duty,  
 21 which injuries or disabilities shall, in the opinion of the  
 22 board of police commissioners or city council of the city or  
 23 town, be of such character to impair his ability as an  
 24 active police officer, or incapacitate him for the further  
 25 discharge of his duties as such, he shall become a member of

1 the police reserves of such city or town.

2 ~~(5) (4)~~ A police officer eligible for the reserve list  
3 by reason of subsections (1) or (2) of this section, shall  
4 have the option to transfer, as of the time he becomes  
5 eligible, to the reserve list, or he may elect to serve an  
6 additional one (1) to ten (10) years as an active police  
7 officer, ~~provided however, that he may not elect to serve~~  
8 ~~past his sixty-fifth birthday."~~

9 Section 2. Section 11-1844, R.C.M. 1947, is amended to  
10 read as follows:

11 \*11-1844. Payment of police reserves. (1) Whenever  
12 any policeman or officer shall become transferred from the  
13 active list of police officers of any city to the reserve  
14 list of that city, he shall thereafter be paid in monthly  
15 payments from the funds in this act provided for, as  
16 follows:

17 (a) For a police officer eligible for the reserve list  
18 after twenty (20) years of service under subsection (1) of  
19 section 13 [11-1843] of this act, and who does not elect to  
20 serve any additional years as an active police officer; or  
21 for a police officer eligible for the reserve list after  
22 twenty (20) years of service under subsection (2) of section  
23 13 [11-1843] of this act, who has reached his fiftieth year,  
24 and who does not elect to serve any additional years as an  
25 active police officer; or a police officer who becomes

1 eligible by reason of injury or disability under subsection  
2 ~~(4) (3)~~ of section 13 [11-1843] of this act, before reaching  
3 twenty (20) years of service, ~~or for a police officer placed~~  
4 ~~upon the reserve list by reason of reaching his sixty-fifth~~  
5 ~~birthday prior to reaching twenty (20) years of service: a~~  
6 sum equal to one-half (1/2) the base salary, excluding  
7 overtime and payments in lieu of sick leave and annual leave  
8 he was receiving as an active officer computed on the  
9 highest salary received in any one month during the last  
10 year of active service.

11 (b) For a police officer eligible for the reserve list  
12 after twenty (20) years who elects to serve additional  
13 years, the payment provided in subsection (a) of subsection  
14 (1) of this section, to which shall be added an additional  
15 one percent (1%) of such sum per year of additional service,  
16 up to a maximum of sixty percent (60%) of the base salary,  
17 excluding overtime and payment in lieu of sick leave and  
18 annual leave, he was receiving as an active officer computed  
19 on the highest salary received in any one (1) month during  
20 the last year of active service. For the purposes of this  
21 act, a police officer whose eligibility depends upon  
22 subsection (2) of section 13 [11-1843] of this act, and who  
23 completes twenty (20) years of service before reaching the  
24 age of fifty (50) years, shall be deemed to have elected to  
25 serve additional years for each year between the completion

1 of his twentieth year of service and his fiftieth birthday,  
2 and he shall be paid the additional one percent (1%) for  
3 each such year.

4 ~~(c) A policeman who is placed upon the reserve list by~~  
5 ~~reason of reaching his sixty-fifth birthday, but who was~~  
6 ~~theretofore eligible at his option to be placed upon such~~  
7 ~~reserve list under subsections (1) or (2) of section 13~~  
8 ~~[11-1843] of this act, but elected to serve additional years~~  
9 ~~after such earlier eligibility shall be paid for such~~  
10 ~~additional years over his original eligibility at the same~~  
11 ~~rate as is provided in subsection (a) of subsection (1) of~~  
12 ~~this section.~~

13 ~~(4)(c)~~ A police officer placed on the reserve list by  
14 reason of injury or disability under subsection 4(3) of  
15 section 13 [11-1843] of this act, and who, at the time of  
16 such injury or disability was eligible at his option to be  
17 placed on the reserve list under subsections (1) or (2) of  
18 section 13 [11-1843] of this act, but had elected to serve  
19 additional years, and was then serving such additional years  
20 shall be paid for such additional years over his original  
21 eligibility at the same rate as is provided in subsection  
22 (a) of subsection (1) of this section.

23 (2) Upon the death of any police officer on the active  
24 list or reserve list of any city, his surviving spouse, if  
25 there be one, shall, as long as such spouse remains the

1 surviving spouse, be paid from the police reserve fund, a  
2 sum equal to one-half (1/2) the base salary, excluding  
3 overtime and payments in lieu of sick leave or annual leave  
4 he was receiving as an active officer computed on the  
5 highest salary received in any one (1) month during the last  
6 year of active service prior to the date of his demise or  
7 prior to the date he passed to the reserve list. If the  
8 officer leaves dependent minor child or children, then upon  
9 his death if he leaves no surviving spouse, or upon the  
10 death or remarriage of the surviving spouse, then his  
11 surviving dependent minor child or children, collectively if  
12 there be more than one (1) dependent minor child surviving,  
13 shall be paid the same monthly payments as are herein  
14 provided to be paid to the surviving spouse, until the minor  
15 child or children reach the age of eighteen (18) years or  
16 shall have married. Payments to be made to such minor child  
17 or children shall be paid to the duly appointed, qualified  
18 and acting guardian of the child or children for the use of  
19 such minor or minors, until such minor shall have reached  
20 the age of eighteen (18) years or shall have married and in  
21 case there is more than one (1) minor child, upon each child  
22 reaching the age of eighteen (18) years the pro rata  
23 payments to that child shall cease and shall be made to the  
24 remaining minor child or children until the youngest child  
25 reaches the age of eighteen (18) years or is married."

1 Section 3. Section 31-201, R.C.M. 1947, is amended to  
2 read as follows:

3 "31-201. Definitions. Unless the context requires  
4 otherwise, in this act:

5 (1) "Accumulated deductions" means the total of the  
6 amounts deducted from the salary of a contributor and paid  
7 into the fund, and standing to his credit in the fund,  
8 together with the regular interest thereon.

9 (2) "Department" means the department of  
10 administration provided for in Title 82A, chapter 2.

11 (3) "Beneficiary" means a person or persons having an  
12 insurable interest in his life as he shall nominate by  
13 written designation, duly acknowledged and filed with the  
14 department.

15 (4) "Retired patrolman" means a person in receipt of a  
16 retirement allowance under this act.

17 (5) "Board" means the board of administration provided  
18 for in section 82A-210.

19 ~~(6) "Compulsory retirement age" means sixty years of~~  
20 ~~age.~~

21 ~~(7) (6)~~ "Contributor" means a person who has  
22 accumulated deductions in the fund, standing to his credit.

23 ~~(8) (7)~~ "Final salary" means the average annual  
24 compensation received by a contributor before any deductions  
25 have been made, and exclusive of maintenance, allowances and

1 expenses, for any three (3) years of continuous service upon  
2 which contributions have been made, or, in the event a  
3 member has not served three (3) years, the total retirement  
4 compensation earned, divided by the number of years served.

5 ~~(9) (8)~~ "Actuarial equivalent" means the accumulated  
6 contributions and the present value of the member's state  
7 service based on length of service and member's attained age  
8 used to provide a life or temporary life income to the  
9 legally designated person, based on the person's attained  
10 age and sex at the time the option becomes available.

11 ~~(10) (9)~~ "Account" means the Montana highway  
12 patrolmen's retirement account in the agency fund.

13 ~~(11) (10)~~ "Involuntary retirement" means a retirement  
14 not for cause and before retirement age.

15 ~~(12) (11)~~ "Member's annuity" means payments for life  
16 derived from contributions made by the contributor.

17 ~~(13) (12)~~ "Optional retirement age" means the age at  
18 which a contributor may retire after twenty (20) years'  
19 service or more.

20 ~~(14) (13)~~ "Retirement age" means the age at which a  
21 member retires after twenty-five (25) years of creditable  
22 service with the Montana highway patrol.

23 ~~(15) (14)~~ "Retirement allowance" means the state annuity  
24 plus the member's annuity.

25 ~~(16) (15)~~ "State annuity" means payments for life

1 derived from contributions made by the state of Montana."

2 Section 4. Section 68-1401, R.C.M. 1947, is amended to  
3 read as follows:

4 "68-1401. Definition of terms. Unless the context  
5 requires otherwise, in this act:

6 (1) "Accumulated deductions" means the total of the  
7 amount deducted from the salary of a contributor and paid  
8 into the account, and standing to his credit in the account  
9 together with the regular interest thereon.

10 (2) "Beneficiary" means a person or persons having an  
11 insurable interest in his life as he shall nominate by  
12 written designation, duly acknowledged and filed with the  
13 board.

14 (3) "Retired state game warden" means any person in  
15 receipt of a retirement allowance under this act.

16 (4) "Board" means the Montana state game wardens'  
17 retirement board.

18 (5) "Contributor" means any person who has accumulated  
19 deductions in the account, standing to his credit.

20 (6) "Final salary" means the average annual  
21 compensation received by a contributor before any deductions  
22 have been made, and exclusive of maintenance, allowances,  
23 and expenses, for any three ~~(3)~~ years of continuous service  
24 upon which contributions have been made, or, in the event a  
25 member has not served ~~three (3)~~ years, the total retirement

1 compensation earned, divided by the number of years served.

2 (7) "Actuarial equivalent" means the accumulated  
3 contributions and the present value of the member's state  
4 service based on length of service and member's attained age  
5 used to provide a life or temporary life income to the  
6 legally designated person, based on the person's attained  
7 age and sex at the time the option becomes available.

8 (8) "Account" means the Montana state game wardens'  
9 retirement account in the agency fund.

10 (9) "Involuntary retirement" means a retirement not  
11 for cause and before retirement age.

12 (10) "Member's annuity" means payments for life  
13 derived from contributions made by the contributor.

14 (11) "Optional retirement age" means the age at which  
15 a contributor may retire after twenty (20) years service or  
16 more; provided that the contributor has reached the age of  
17 fifty-five (55) years.

18 (12) "Retirement age" means the age at which a member  
19 retires after twenty-five (25) years of creditable service  
20 as a state game warden of the department of fish and game.  
21 ~~all members must retire at age sixty (60).~~

22 (13) "Retirement allowance" means the state annuity  
23 plus the member's annuity.

24 (14) "State annuity" means payments for life derived  
25 from contributions made by the state of Montana fish and

1 game moneys in the earmarked revenue fund."

2 Section 5. Section 68-1411, R.C.M. 1947, is amended to  
3 read as follows:

4 "68-1411. Retirement. Any member in service who has  
5 completed at least twenty-five (25) years of creditable  
6 service, and who has reached the age of fifty-five (55)  
7 years, may retire on service retirement allowance upon  
8 written application to the board, setting forth at what  
9 time, not less than thirty (30) days nor more than ninety  
10 (90) days subsequent to the filing thereof, he desires to be  
11 retired, ~~provided that retirement shall be compulsory at age~~  
12 ~~sixty (60).~~"

13 Section 6. Section 68-2610, R.C.M. 1947, is amended to  
14 read as follows:

15 "68-2610. Eligibility for service retirement. Any  
16 sheriff in service who has completed at least twenty-five  
17 (25) years of service, and who has reached the age of  
18 fifty-five (55) years, may retire on service retirement  
19 allowance upon written application to the board, not less  
20 than thirty (30) days nor more than ninety (90) days from  
21 desired date of retirement. The application shall state the  
22 date he desires to be retired. ~~Retirement shall be~~  
23 ~~compulsory for any non-elected sheriff with exception of~~  
24 ~~undersheriff at age sixty five (65).~~"

25 Section 7. Section 75-6103, R.C.M. 1947, is amended to

1 read as follows:

2 "75-6103. Teacher tenure. Whenever a teacher has been  
3 elected by the offer and acceptance of a contract for the  
4 fourth consecutive year of employment by a district in a  
5 position requiring teacher certification except as a  
6 district superintendent, the teacher shall be deemed to be  
7 re-elected from year to year thereafter as a tenure teacher  
8 at the same salary and in the same or a comparable position  
9 of employment as that provided by the last executed contract  
10 with such teacher, unless ~~(4)~~ the trustees resolve by  
11 majority vote of their membership to terminate the services  
12 of the teacher in accordance with the provisions of ~~section~~  
13 ~~75-6104, or~~

14 ~~(2) the teacher will attain the age of sixty five (65)~~  
15 ~~years before the ensuing first day of September and the~~  
16 ~~trustees have notified the teacher in writing by the first~~  
17 ~~day of April that his services will not be needed in the~~  
18 ~~ensuing school fiscal year, except that the trustees may~~  
19 ~~continue to employ such a teacher from year to year until~~  
20 ~~the school fiscal year following his seventieth (70th)~~  
21 ~~birthday."~~

22 Section 8. Section 75-6208, R.C.M. 1947, is amended to  
23 read as follows:

24 "75-6208. Benefits. The retirement, disability and  
25 other benefits of the retirement system shall be granted on

1 the basis of the following provisions:

2 (1) Superannuation member retirement:

3 (a) Any member with five (5) years of creditable  
4 service the last five (5) years of which shall have been in  
5 this state, and who has attained the age of sixty (60), or  
6 who has completed thirty (30) years of creditable service,  
7 may retire from service, if he files with the retirement  
8 board his written application setting forth the fact of his  
9 retirement.

10 (b) ~~Any member in service who has attained the age of~~  
11 ~~seventy (70) years during any school year shall be retired~~  
12 ~~on the first day of September following his seventieth~~  
13 ~~birthday, except that this provision shall not apply to~~  
14 ~~teachers in the Montana university system who may be~~  
15 ~~employed beyond the age of seventy (70) upon the~~  
16 ~~recommendation of the president of the employing unit to the~~  
17 ~~board of regents. Members over seventy (70) years of age~~  
18 shall not: (1) be allowed creditable service for services  
19 rendered after the end of the school year in which the age  
20 of seventy (70) is attained, (2) contribute to the  
21 retirement system after the end of such school year, and (3)  
22 have the compensation received after the end of such school  
23 year used in computing average final salary. ~~Initial~~  
24 ~~employment of teachers in the Montana university system~~  
25 ~~beyond the age of seventy (70) may be made upon the~~

1 ~~recommendation of the president of the employing unit and~~  
2 ~~the approval of the board of regents but such employees~~  
3 ~~shall be denied membership in the retirement system.~~

4 (c) Any retired member may be employed as a part-time  
5 or substitute teacher in Montana and may earn an amount not  
6 to exceed one-fourth (1/4) of his average final  
7 compensation without loss of retirement benefits.

8 (2) Allowance for superannuation retirement. Upon  
9 superannuation retirement a member shall receive a  
10 retirement allowance which shall consist of:

11 (a) A pension which, together with an annuity, shall  
12 provide a retirement allowance equal to one-half (1/2) of  
13 his average final compensation provided his creditable  
14 service is at least thirty (30) years, otherwise a pension  
15 together with his annuity of one sixtieth (1/60) of his  
16 average final compensation multiplied by the number of years  
17 of creditable service.

18 (b) The ~~minimum~~ annual retirement allowance for a  
19 member who has completed thirty (30) or more years of  
20 service shall be twenty-four hundred dollars (\$2,400) and  
21 the ~~minimum~~ retirement allowance for a member whose service  
22 is less than thirty (30) years shall be based on the  
23 proportionate amount of twenty-four hundred dollars (\$2,400)  
24 that his service bears to thirty (30) years of service.

25 (c) On July 1, 1975, and July 1, 1976, every

1 beneficiary receiving a retirement allowance shall be  
 2 entitled to an increase in his monthly retirement allowance  
 3 of one-fourth of one percent (.25%) multiplied by the number  
 4 of months he has been retired during the preceding fiscal  
 5 year.

6 (d) Any member who has completed five (5) years of  
 7 creditable service, the last five years of which shall have  
 8 been in this state, and who has attained the age of  
 9 fifty-five (55) may retire from service and be eligible to  
 10 an early retirement allowance if he files with the  
 11 retirement board his written application setting forth the  
 12 fact of his retirement. The early retirement allowance  
 13 shall be determined as prescribed in subsections (a) through  
 14 (f) above, with the further provision that such allowance  
 15 will be reduced by one half of one percent (.5%) multiplied  
 16 by the number of months which the retirement date precedes  
 17 the date on which he would have retired had he attained  
 18 sixty (60) years of age or had he completed thirty (30)  
 19 years of creditable service.

20 (e) In the event of death of a member after  
 21 retirement, a death benefit of five hundred dollars (\$500)  
 22 will be payable to his designated beneficiary.

23 (f) In the event payments made to an annuitant do not  
 24 equal the amount of the member's accumulated contributions  
 25 prior to the annuitant's death, the difference between the

1 total retirement allowance paid and the amount of the  
 2 accumulated contributions shall be paid to the beneficiary.

3 (3) Disability member retirement:

4 (a) Upon the application of an active member or of his  
 5 employer, any active member who has five (5) or more years  
 6 of creditable service may be retired by the retirement board  
 7 the month immediately following the month in which his  
 8 disability caused his retirement upon filing an application  
 9 for a disability retirement allowance. Before any member  
 10 shall be eligible for a disability retirement, the board of  
 11 the retirement system shall certify that he is mentally or  
 12 physically incapacitated for the further performance of his  
 13 duties, that such incapacity is likely to be permanent and  
 14 that he should be retired.

15 (b) Re-examination of beneficiaries retired on account  
 16 of disability. Once each year during the first five (5)  
 17 years following the retirement of a member on disability  
 18 retirement allowance, and once in every three (3) year  
 19 period thereafter the retirement board may, and upon his  
 20 application shall, require a disability beneficiary who has  
 21 not yet attained the age of sixty (60) to undergo a medical  
 22 examination by the medical board or a physician or  
 23 physicians designated by the medical board. The examination  
 24 shall be made at the place of residence of the beneficiary  
 25 or other place mutually agreed upon. Should any disability



1 beneficiary who has not yet attained the age of sixty (60)  
 2 refuse to submit to at least one (1) medical examination in  
 3 any year by the medical board or its representative, his  
 4 allowance may be discontinued until his withdrawal of such  
 5 refusal, and should his refusal continue for one (1) year,  
 6 all his rights in and to his disability pension may be  
 7 revoked by the retirement board.

8 (c) Should the medical board report and certify to the  
 9 retirement board that any disability beneficiary is engaged  
 10 in or is able to engage in a gainful occupation paying more  
 11 than the difference between his retirement allowance and his  
 12 average final compensation and should the retirement board  
 13 concur in such report, then the amount of his pension shall  
 14 be reduced to an amount which, together with his annuity and  
 15 the amount earnable by him, shall equal the amount of his  
 16 average final compensation. Should his earning capacity be  
 17 changed later, the amount of his pension may be further  
 18 modified but the new pension shall not exceed the amount of  
 19 the pension originally granted, nor an amount which when  
 20 added to the amount earnable by the beneficiary, together  
 21 with his annuity, equals the amount of his average final  
 22 compensation. A beneficiary restored to active service at a  
 23 salary less than the average final compensation upon the  
 24 basis of which he was retired shall not become a member of  
 25 the retirement system while receiving a reduced benefit.

1 (d) Should a disability beneficiary under age sixty  
 2 (60) be restored to active service at a compensation not  
 3 less than his average final compensation, his retirement  
 4 allowance shall cease, and he shall again become an active  
 5 member of the retirement system. Any prior service  
 6 certificate on the basis of which his service was computed  
 7 at the time of his disability retirement shall be restored  
 8 to full force and effect an addition upon his subsequent  
 9 retirement, and he shall be credited with all his subsequent  
 10 service as a member. Should he be restored to active  
 11 service on or after the attainment of the age of fifty-five  
 12 (55) years, his pension upon subsequent retirement shall not  
 13 exceed the pension that he would have received had he  
 14 remained in service during the period of his previous  
 15 retirement nor the sum of the pension which he was receiving  
 16 immediately prior to his last restoration to service and the  
 17 pension that he would have received on account of his  
 18 service since his last restoration had he entered service at  
 19 that time as a new member.

20 (4) Allowance for disability retirement. Upon  
 21 retirement for disability, a member shall receive a  
 22 superannuation allowance prescribed under subsection (2)  
 23 above if he is eligible; otherwise he shall receive a  
 24 disability retirement allowance which shall consist of:

25 (a) An annuity which shall be the actuarial equivalent

1 of his accumulated contributions at the time of retirement.

2 (b) A pension which together with his annuity, shall  
3 provide a total retirement allowance equal to one sixtieth  
4 (1/60) of his average final compensation multiplied by the  
5 number of years of his creditable service, if such  
6 retirement allowance exceeds one-quarter (1/4) of his  
7 average final compensation; otherwise, a pension which,  
8 together with his annuity, shall provide a total retirement  
9 allowance equal to one-quarter (1/4) of his average final  
10 compensation, provided, however, that no such allowance  
11 shall exceed one sixtieth (1/60) of his average final  
12 compensation multiplied by the number of years which would  
13 be creditable to him were his service to continue until the  
14 attainment of the minimum age for superannuation retirement.

15 (c) In the event payments made to a person retired  
16 because of disability do not equal the amount of his  
17 accumulated contributions prior to his death, the difference  
18 between the total retirement allowance paid and the amount  
19 of the accumulated contributions of the member shall be paid  
20 to the beneficiary.

21 (5) Withdrawal of accumulated contributions. Any  
22 inactive member electing to do so or any person whose  
23 membership terminates may withdraw his accumulated  
24 contributions to his annuity account in the retirement  
25 system in accordance with the following provisions:

1 (a) An inactive member under the provisions of  
2 subsections (1) or (3) of section 75-6210 may elect, without  
3 right of revocation to withdraw his accumulated  
4 contributions, and if he does not withdraw his accumulated  
5 contributions he shall thereafter remain an inactive member  
6 of the retirement system with the right to qualify for the  
7 benefits of the retirement system;

8 (b) Upon recovery from a disabling illness or  
9 separation from the armed forces, any person qualifying as  
10 an inactive member under the provisions of subsection (2) of  
11 section 75-6210 may withdraw his accumulated contributions  
12 unless he returns to active membership.

13 (c) Any person whose membership terminates under the  
14 provisions of subsection (4) of section 75-6211 may withdraw  
15 his accumulated contributions.

16 (6) Allowances for death of member.

17 (a) Should a member die before retirement the amount  
18 of the member's accumulated contributions shall be paid to  
19 his estate or such person as he may have designated in the  
20 manner prescribed by the retirement board which shall be  
21 filed with the board prior to the member's death.

22 (b) In lieu of benefits provided in (a) above, if the  
23 deceased member had qualified by reason of service for a  
24 retirement benefit, the beneficiary nominated by the  
25 deceased member may elect to receive a monthly life annuity.

1 The monthly life annuity shall be determined as prescribed  
 2 in subsections (2) (a) through (2) (b) assuming the member had  
 3 elected option A as prescribed in subsection (7) (a) below.  
 4 In addition, if the deceased member had five (5) or more  
 5 years of creditable service and was an active member in the  
 6 state of Montana within one (1) year prior to his death, a  
 7 lump sum death benefit of \$500 will be payable to his  
 8 designated beneficiary.

9 (c) If the deceased member had five (5) or more years  
 10 of creditable service and was an active member in the state  
 11 of Montana within one (1) year prior to his death, the sum  
 12 of one hundred dollars (\$100) per month shall be paid to  
 13 each minor child of the deceased member until such child  
 14 reaches his eighteenth (18th) birthday.

15 (7) Optional allowances. With the provision that no  
 16 optional selection shall be effective in case a beneficiary  
 17 dies within thirty (30) days after retirement, and that such  
 18 a beneficiary shall be considered as an active member at the  
 19 time of his death; until the first payment on account of any  
 20 benefit becomes normally due, any member may elect to  
 21 receive his benefit in a retirement or disability allowance  
 22 payable throughout life as hereinabove provided. This  
 23 benefit shall be referred to as the normal form of  
 24 retirement allowance. In lieu of normal form of retirement  
 25 allowance, the member may elect an optional allowance which

1 would be the actuarial equivalent at the time of his  
 2 retirement or disability allowance and would provide an  
 3 allowance payable throughout his lifetime and upon his death  
 4 continue to such person as he shall nominate by written  
 5 designation duly acknowledged and filed with the retirement  
 6 board at the time of his retirement with the provision that:

7 (a) Option A. The optional allowance will continue to  
 8 the member during his lifetime and upon his death, continue  
 9 throughout the lifetime of his designated beneficiary; or

10 (b) Option B. The optional allowance will continue  
 11 throughout his lifetime and upon his death, one-half (1/2)  
 12 of his optional allowance will be continued throughout the  
 13 lifetime of his designated beneficiary; or

14 (c) Option C. The optional benefit will continue  
 15 throughout his lifetime and upon his death, two-thirds (2/3)  
 16 of the optional allowance shall be continued throughout the  
 17 lifetime of his designated beneficiary; or

18 (d) Option D. The optional allowance shall continue  
 19 while both the member and his designated beneficiary are  
 20 living and upon the death of either, one-half (1/2) of the  
 21 optional allowance shall be continued throughout the  
 22 lifetime of the survivor; or

23 (e) Option E. The optional allowance will be payable  
 24 while both the member and his designated beneficiary are  
 25 living and upon the death of either, two-thirds (2/3) of the

1 optional allowance shall be continued throughout the  
2 lifetime of the survivor; or

3 (f) Option F. Some other benefit or benefits shall be  
4 paid either to the member or his surviving designated  
5 beneficiary. The provisions of this retirement allowance  
6 shall be approved by the retirement board."

7 Section 9. Section 93-1107, R.C.M. 1947, is amended to  
8 read as follows:

9 "93-1107. Judges' retirement system — definitions.  
10 The following words and phrases as used in this act, unless  
11 a different meaning is plainly implied by the context, shall  
12 have the following meanings:

13 "Accumulated deductions"—the total of the amounts  
14 deducted from the salary of a contributor and paid into the  
15 fund, and standing to his credit in the fund, together with  
16 the regular interest thereon.

17 "Beneficiary"—shall be such person or persons having  
18 an insurable interest in his life as he shall nominate by  
19 written designation, duly acknowledged and filed with the  
20 board.

21 "Retired judge"—any person in receipt of a retirement  
22 allowance under this act.

23 "Board"—the Montana judges' retirement board.

24 ~~"Penalty retirement age"—seventy (70) years of age.~~

25 "Contributor"—any person who has accumulated

1 deductions in the fund standing to his credit.

2 "Final salary"—the annual current salary for the  
3 office retired from.

4 "Actuarial equivalent"—the accumulated contributions  
5 and the present value of the member's state service based on  
6 length of service and member's attained age used to provide  
7 a life or temporary life income to the legally designated  
8 person, based on such person's attained age and sex at the  
9 time the option becomes available.

10 "Fund"—the Montana judges' retirement fund.

11 "Involuntary retirement"—a retirement not for cause  
12 and before retirement age.

13 "Member's annuity"—payments for life derived from  
14 contributions made by the contributor.

15 "Retirement allowance"—the state annuity plus the  
16 member's annuity.

17 "State annuity"—payments for life derived from  
18 contributions made by the state of Montana."

19 Section 10. Repealer. Sections 31-216 and 93-1121,  
20 R.C.M. 1947, are repealed.

-End-

STATE OF MONTANA

REQUEST NO. 260-77

FISCAL NOTE

Form BD-15

In compliance with a written request received January 27, 19 77, there is hereby submitted a Fiscal Note for House Bill 519 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

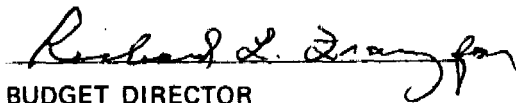
Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to eliminate mandatory age retirement requirements.

FISCAL IMPACT:

The proposed legislation has no significant identifiable fiscal impact.

  
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-2-77

Committee on State Administration

Objection Raised to  
Adverse Committee Report

1 H BILL NO. 519  
 2 INTRODUCED BY *Waldron Hagen, Halverson*  
 3 *Burteleon, Edquistson, Holmes, Palmer*  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO ELIMINATE MANDATORY  
 5 AGE RETIREMENT REQUIREMENTS; AMENDING SECTIONS 11-1843,  
 6 11-1844, 31-201, 68-1401, 68-1411, 68-2610, 75-6103,  
 7 75-6208, AND 93-1107; AND REPEALING SECTIONS 31-216 AND  
 8 93-1121, R.C.M. 1947."

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

11 Section 1. Section 11-1843, R.C.M. 1947, is amended to  
12 read as follows:

13 "11-1843. Qualifications for police reserves. The  
14 following persons are eligible for the police reserves of a  
15 city and shall become police reserves as herein stated:

16 (1) As to police officers, which term throughout  
17 includes "policemen," "active police," "patrolman," or other  
18 similar terms denoting law enforcement officers under the  
19 Metropolitan Police Law, who are, as of the effective date  
20 of this act, employed by any city as a police officer, when  
21 such officer has completed twenty (20) years or more in the  
22 aggregate, either as probationary officer, a regular officer  
23 of such police department, or as a special police officer of  
24 said police department, in any capacity of rank whatever,

25 provided that such police officer serving in the United

There are no changes in *HB 519*, & will not be re-run.

see refer to white copy for complete text. SECOND READING

1 States military service in time of war or national emergency  
2 shall be given credit upon his police record for such  
3 service in the same manner as though on active police duty  
4 for such time.

5 (2) As to police officers who shall first be employed  
6 by a city as a police officer after the effective date of  
7 this act, when such officer has completed twenty (20) years  
8 or more in the aggregate, either as probationary officer, a  
9 regular officer of such police department, or as a special  
10 officer thereof, in any capacity or rank, and the same  
11 proviso as to military service set forth in subsection (1)  
12 hereof applies to such police officers, and has reached the  
13 age of fifty (50).

14 ~~(3) As to police officers whether now employed or~~  
15 ~~hereafter first employed, who shall reach the age of~~  
16 ~~sixty-five (65) years while in active service, such officers~~  
17 ~~shall pass from the active list to the reserve list.~~

18 ~~(4)~~ (3) When a police officer shall receive injuries or  
19 disabilities while on duty, or in the active discharge of  
20 the duties of a police officer, and in the line of duty,  
21 which injuries or disabilities shall, in the opinion of the  
22 board of police commissioners or city council of the city or  
23 town, be of such character to impair his ability as an  
24 active police officer, or incapacitate him for the further  
25 discharge of his duties as such, he shall become a member of

*HB 519*

1 the police reserves of such city or town.

2 ~~(5)(d)~~ A police officer eligible for the reserve list  
3 by reason of subsections (1) or (2) of this section, shall  
4 have the option to transfer, as of the time he becomes  
5 eligible, to the reserve list, or he may elect to serve an  
6 additional one (1) to ten (10) years as an active police  
7 officer, ~~provided however, that he may not elect to serve~~  
8 ~~past his sixty-fifth birthday."~~

9 Section 2. Section 11-1844, R.C.M. 1947, is amended to  
10 read as follows:

11 "11-1844. Payment of police reserves. (1) Whenever  
12 any policeman or officer shall become transferred from the  
13 active list of police officers of any city to the reserve  
14 list of that city, he shall thereafter be paid in monthly  
15 payments from the funds in this act provided for, as  
16 follows:

17 (a) For a police officer eligible for the reserve list  
18 after twenty (20) years of service under subsection (1) of  
19 section 13 [11-1843] of this act, and who does not elect to  
20 serve any additional years as an active police officer; or  
21 for a police officer eligible for the reserve list after  
22 twenty (20) years of service under subsection (2) of section  
23 13 [11-1843] of this act, who has reached his fiftieth year,  
24 and who does not elect to serve any additional years as an  
25 active police officer; or a police officer who becomes

1 eligible by reason of injury or disability under subsection  
2 ~~(4)(j)~~ of section 13 [11-1843] of this act, before reaching  
3 twenty (20) years of service, ~~or for a police officer placed~~  
4 ~~upon the reserve list by reason of reaching his sixty-fifth~~  
5 ~~birthday prior to reaching twenty (20) years of service: a~~  
6 sum equal to one-half (1/2) the base salary, excluding  
7 overtime and payments in lieu of sick leave and annual leave  
8 he was receiving as an active officer computed on the  
9 highest salary received in any one month during the last  
10 year of active service.

11 (b) For a police officer eligible for the reserve list  
12 after twenty (20) years who elects to serve additional  
13 years, the payment provided in subsection (a) of subsection  
14 (1) of this section, to which shall be added an additional  
15 one percent (1%) of such sum per year of additional service,  
16 up to a maximum of sixty percent (60%) of the base salary,  
17 excluding overtime and payment in lieu of sick leave and  
18 annual leave, he was receiving as an active officer computed  
19 on the highest salary received in any one (1) month during  
20 the last year of active service. For the purposes of this  
21 act, a police officer whose eligibility depends upon  
22 subsection (2) of section 13 [11-1843] of this act, and who  
23 completes twenty (20) years of service before reaching the  
24 age of fifty (50) years, shall be deemed to have elected to  
25 serve additional years for each year between the completion