

CHAPTER NO. 295.

HOUSE BILL NO. 491

INTRODUCED BY MENAHAN, GILLIGAN, DAILY,
HARRINGTON, PAVLOVICH

IN THE HOUSE

January 31, 1979	Introduced and referred to Committee on Taxation.
February 1, 1979	Rereferred to Committee on State Administration.
February 13, 1979	Committee recommend bill do pass. Report adopted.
February 14, 1979	Second reading, do pass.
February 15, 1979	Considered correctly engrossed.
February 16, 1979	Third reading, passed. Transmitted to second house.

IN THE SENATE

February 17, 1979	Introduced and referred to Committee on State Administration.
March 1, 1979	Fiscal note requested.
March 5, 1979	Fiscal note returned.
March 9, 1979	Committee recommend bill be concurred in. Report adopted.
March 12, 1979	Second reading, concurred in.
March 15, 1979	Third reading, concurred in.

IN THE HOUSE

March 16, 1979	Returned from second house. Concurred in. Sent to enrolling. Reported correctly enrolled.
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1 *HOUSE* BILL NO. *491*
 2 INTRODUCED BY *Merrilee Sullivan Daily*
 3 *Harrington* *Palmit*

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO CHANGE THE EMPLOYEE
 5 CONTRIBUTION FOR CREDITABLE SERVICE FOR OUT-OF-STATE
 6 EMPLOYMENT; AMENDING SECTION 19-4-402, MCA."

7
 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

9 Section 1. Section 19-4-402, MCA, is amended to read:
 10 "19-4-402. Creditable service for out-of-state
 11 employment. A person applying for membership may also apply
 12 for creditable service in the retirement system for
 13 out-of-state employment service that would have been
 14 acceptable under the provisions of this chapter if such
 15 service had been performed in the state of Montana. The
 16 person shall be awarded creditable service, conditional upon
 17 his completing 5 years of active membership in Montana, for
 18 the number of years, not exceeding 5, that the retirement
 19 board determines to be creditable service, if he contributes
 20 to the retirement system an amount equal to the combined
 21 employer and employee contribution for his first full year's
 22 teaching salary earned in Montana after his out-of-state
 23 service for each year of creditable service plus interest at
 24 the rate the contribution would have earned had the
 25 contribution been in his account upon the completion of 5

1 years of membership service in Montana. The contribution
 2 rate shall be that rate in effect at the time he is eligible
 3 for such service. The contributions may be made in a
 4 lump-sum payment or in installments as agreed between the
 5 person and the retirement board."

-End-

STATE OF MONTANA

Request No. 436-79

FISCAL NOTE

Form BD-15

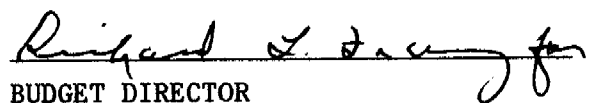
In compliance with a written request received March 2, 1979, there is hereby submitted a Fiscal Note for House Bill 491 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

House Bill 491 provides for a change in the cost to a teacher to purchase credit for out-of-state teaching service from an amount equal to the employee contribution for his first full year's teaching salary earned in Montana following the out-of-state teaching service for each year purchased, plus interest, to an amount equal to the combined employee-employer contribution.

FISCAL IMPACT:

A dollar amount cannot be determined since we do not know how many teachers will purchase credit for out-of-state teaching service. House Bill 491 will provide the amount required to actuarially fund the additional service.


BUDGET DIRECTOR
Office of Budget and Program Planning
Date: 3/5/79

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 19 board determines to be creditable service, if he contributes
 20 to the retirement system an amount equal to the combined
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 22 teaching salary earned in Montana after his out-of-state
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-End-

HB 491
 THIRD READING

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HARRINGTON, PAVLOVICH

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Section 1. Section 19-4-402, MCA, is amended to read:

"19-4-402. Creditable service for out-of-state employment. A person applying for membership may also apply for creditable service in the retirement system for out-of-state employment service that would have been acceptable under the provisions of this chapter if such service had been performed in the state of Montana. The person shall be awarded creditable service, conditional upon his completing 5 years of active membership in Montana, for the number of years, not exceeding 5, that the retirement board determines to be creditable service, if he contributes to the retirement system an amount equal to the combined employer and employee contribution for his first full year's teaching salary earned in Montana after his out-of-state service for each year of creditable service plus interest at the rate the contribution would have earned had the

contribution been in his account upon the completion of 5 years of membership service in Montana. The contribution rate shall be that rate in effect at the time he is eligible for such service. The contributions may be made in a lump-sum payment or in installments as agreed between the person and the retirement board."

-End-