CHAPTER NO. 457

HOUSE BILL NO. 553

INTRODUCED BY O'CONNELL, QUILICI, DAILY, FABREGA, HARRINGTON, MOORE, TROPILA

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IN THE HOUSE

February 3, 1979	Introduced and referred to Committee on State Administration.
February 17, 1979	Committee recommend bill do pass. Report adopted.
February 20, 1979	Second reading, do pass.
February 21, 1979	Considered correctly engrossed.
	Third reading, passed. Transmitted to second house.
IN THE SENA	ATE
February 22, 1979	Introduced and referred to Committee on Local Government.
March 16, 1979	Committee recommend bill be concurred in. Report adopted.
March 19, 1979	Motion pass consideration.
March 20, 1979	Second reading, concurred in.
March 23, 1979	Third reading, concurred in.
IN THE HOUS	SE

March 24, 1979 Returned from second house. Concurred in. Sent to enrolling. Reported correctly enrolled.

INTRODUCED BY Connell Quilin Dalizinge 1 2 3 A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE REPAYMENT TO 4 THE MUNICIPAL POLICE OFFICERS' RETIREMENT SYSTEM OF FUNDS 5 ADVANCED TO IMPLEMENT SECTION 19-9-1007. HCA. AND TO PROVIDE CHANGES IN CALCULATING AND REPORTING PROCEDURES UNDER THAT 7 SECTION; AMENDING SECTIONS 19-9-104 AND 19-9-1007. MCA." 8 In pole Q BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 10 Section 1. Section 19-9-104, HCA, is amended to read: 11 #19-9-104. Definitions. Unless the context requires 12 otherwise, the following definitions apply in this chapter: 13 (1) "Administrator" means the public employees" 14 retirement division of the department of administration. 15 (2) "Base salary" means the sum of the monthly 16 compensations for each month in a given calendar year. 17 (2)(3) "Board" means the retirement board described in 18 2-15-1009. 19 (3)(4) "Credited service" means the aggregate of a 20 member's prior service and membership service. 21 +++(5) "Employer" means any city which participated in 22 a prior plan or which elects to join this plan under 23 19-9-107. 24 +5+(6) "Employer annuity" means monthly payments for 25

life derived from employer and state contributions. 1 2 (6)(1) "Final average salary" means the monthly 3 compensation of a member, averaged over the last 36 months of his active service or in the event he has not been a 5 member that long, over the period of his membership. #Fund* means the agency account in the treasury 6 system designated for the use of the plan. 7 (8)(9) "Mandatory retirement date" means the first day 8 of the month coinciding with or immediately following, if 9 10 none coincides, the date on which a member attains age 65. 11 (9)(10) "Nember" means a person who is employed by an 12 employer as a police officer or who is entitled to a retirement allowance by virtue of his service to an employer 13 as a police officer. 14 15 +10+(111 "Member contributions" means the total of the deductions from the compensation of a member, either made 16 17 during a period of active membership hereunder or made under 18 a prior plan and transferred to this plan, standing to his credit, together with the interest thereon. 19 20 ++++/121 "Member's annuity" means wonthly payments for life derived from member contributions. 21 22 (12)(13) "Membership service" means a period of 23 employment with an employer occurring after June 30, 1977, during which the withholdings required by this chapter have 24 25 been made from a member's monthly compensation and credited

> -2- HB 553 INTRODUCED BILL

1 to his member contributions account. Pro rata credit shall 2 be granted for employment on a part-time basis or for 3 employment over a period of less than a complete fiscal 4 year.

5 (13)(14) "Ninimum retirement date" or "normal 6 retirement date" means the first day of the month coinciding 7 with or immediately following, if none coincides, the date 8 on which a member becomes both age 50 or older and completes 9 20 or more years of credited service.

10 (14)(15) "Monthly compensation" means the wage.
11 excluding overtime. holiday payments. shift differential
12 payments. compensation time payments. and payments in lieu
13 of sick leave and annual leave. a member receives as an
14 active police officer.

15 (15)(16) Any reference to "municipality", "city", or 16 "town" includes those jurisdictions which, prior to the 17 effective date of a county-municipal consolidation, were 18 incorporated municipalities, subsequent districts created 19 for urban law enforcement services, or the entire county 20 included in the county-municipal consolidation.

21 <u>(16)(17)</u> "Plan" means the municipal police officers" 22 retirement system created by this chapter.

23 <u>(17)(18)</u> "Police officer" means a law enforcement 24 officer employed by an employer.

25 (19)(19) "Prior plan" means the local police reserve or

retirement fund of a city which elects to join the plan
 under 19-9-107 or the statewide police reserve fund
 administered by the department of administration in
 accordance with Chapter 335, Laws of 1974.

5 (19)(20) "Prior service" means a period of employment
as a police officer for which credit was granted to a member
7 under a prior plan and has been transferred to this plan.

8 (20)(21) "Retirement allowance" means the employer
9 annuity plus the member's annuity.

10 (21)(22) "Retirement date" means the date on which the 11 first payment of the retirement, disability, or survivor 12 benefits of a member or a beneficiary is payable.

13 <u>f22}[23]</u> "Totally and permanently disabled" means that 14 the board, upon certification by a licensed and practicing 15 physician, has determined that a member's disability is of 16 such a nature as to permanently impair his ability to 17 discharge his normal duties as a police officer."

Section 2. Section 19-9-1007, MCA, is amended to read: 18 19 *19-9-1007. Supplement to certain pensions. (1) The payment for each fiscal year+ commencing with the fiscal 20 21 year beginning July 1, 1977, to the police officers, spouses, or minor children described in subsections (2)(a) 22 23 through (2)(c) may be not less than one-half of the base salary paid in that-fiscal the previous calendar year in the 24 25 appropriate city or town to newly confirmed police officers

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except that for the fiscal year beginning July 1. 1979. all l retirees and their beneficiaries who received a supplement 2 to their retirement allowance on July 1. 1978, and are 3 receiving an allowance on July 1. 1979. shall receive a 32 4 increase in their retirement allowance in lieu of any other 5 6 increase. (2) On or before April 1 of each year, the department 7 of administration shall make a report to the state auditor 8 including the following information: 9 (a) the names of all police officers who are receiving 10 payments from the police-reserve-fund-of-the--city--or--town 11 12 plan as of the date of the report and were receiving such payments from a prior to plan before July 1, 1975; 13 (b) the names of all spouses or minor children who are 14 receiving payments from the police-reserve-fund plan because 15 of the death of a police officer who was receiving such 16 17 payments from a prior to plan before July 1, 1975; 18 (c) the names of all spouses or minor children who are receiving payments from the police-reserve-fund plan and who 19 20 were receiving such payments from a prior to plan before 21 July 1, 1975, or in the case of minor children, whose 22 parent, the spouse of a police officer, was receiving such

24 (d) for the purpose of determining the base figure for 25 the computations set forth in subsection $\frac{1}{1}$, the

payments from a prior to plan before July 1. 1975;

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following information relating to the base fiscal year commencing July 1, 1976: (i) the amount of the payments made in the base fiscal

4 year to each police officer described in subsection {2}(a);
5 (ii) the amount of the payments made in the base fiscal
6 year to each spouse or minor child (or children) described
7 in subsection (2)(b) or (2)(c);

8 (iii) upon the death after April 18, 1977, of any 9 police officer on the retired list who was receiving 10 payments from the-police-reserve fund a prior to plan before 11 July 1, 1975, and who is survived by a spouse or minor 12 children entitled to receive payments therefrom from the 13 plan, the amount which would have been paid to an eligible 14 spouse of such police officer had that spouse been receiving

15 payments in the base fiscal yearw:

16 (e) the base salary for the previous calendar year of 17 a newly confirmed police officer of each city or town 18 participating in the plane 19 +3)--Each--fiscal-yeary-commencing-with-the-fiscal-year 20 beginning-July-ly-1977y-immediately-after-the-adoption-by--a 21 city--or-town-having-a-police-reserve-fund-of-its-budget-for 22 that-fiscal-yeary-aach-such-city-or-town-shall-report-to-the 23 state-auditor-the-salary-for-that-fiscal--year-of--a--newly 24 confirmed-police-officer-of-thot-city-or-town-25 14)(3) The state auditor shall, upon receipt of the

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reports report referred to in subsections subsection (2) and 1 t3), compute the difference between each amount reported 2 under subsections (2)(d)(i) through (2)(d)(iii) and one-half 3 the base salary for the current-fiscal previous calendar 4 year of a newly confirmed police officer of the appropriate 5 city or town. The difference shall be paid by the state ٨ auditor out of the premium tax collected on insurance--es 7 provided--in--19-10-305(2)+ sold in this state to insure 8 against risks enumerated in 19-11-512(5) to the treesurer-of 9 the-appropriate-city--or--town--at--the--some--time--as--and 10 administrator no later than Nay 31 of each year. This 11 payment is in addition to the payment to be made by the 12 13 state auditor under 19-9-702. 14 +5}--The-tressurer-of-each-city-or-town-receiving-funds 15 under-subsection-+++-shall-immediately-deposit-them-with-the 16 department--of--administration. The department administrator 17 shall use the funds to supplement the monthly payments to

18 persons described in subsections (2)(a) through (2)(c) so
19 that the requirements of subsection (1) are met.

20 141. In addition to the payments made by the auditor as 21 provided in subsection (3)* the auditor shall make annual 22 payments of \$100*000 on or before June 30 of each year until 23 the sum of \$500*000 has been paid to the administrator for 24 deposit in the retirement accounts These payments are to be

25 sade to reimburse the retirement account for funds advanced

1 to implement this section.

2 (6)151 If more than one minor child is entitled to 3 supplementary payments under this section by virtue of the 4 death of a common parent police officer, the minimum payment 5 to such minor children under this section shall be 6 determined as if there were one such minor child and the 7 supplementary payment shall be made to the minor children 8 collectively."

-End-

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HB553 THIRD READING to his member contributions account. Pro rata credit shall
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10 <u>(i4)(15)</u> "Monthly compensation" means the wage, 11 excluding overtime, holiday payments, shift differential 12 payments, compensation time payments, and payments in lieu 13 of sick leave and annual leave, a member receives as an 14 active police officer.

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13 (22)(23) "Totally and permanently disabled" means that 14 the board, upon certification by a licensed and practicing 15 physician, has determined that a member's disability is of 16 such a nature as to permanently impair his ability to 17 discharge his normal duties as a police officer."

Section 2. Section 19-9-1007, MCA, is amended to read: 18 #19-9-1007. Supplement to certain pensions. (1) The 19 payment for each fiscal year, commencing with the fiscal 20 year beginning July 1. 1977, to the police officers. 21 spouses, or minor children described in subsections (2)(a) 22 through (2)(c) may be not less than one-half of the base 23 salary paid in that-fiscal the previous calendar year in the 24 appropriate city or town to newly confirmed police officers: 25

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except that for the fiscal year beginning July 1, 1979, all 1 retirees and their beneficiaries who received a supplement 2 to their retirement allowance on July 1. 1978, and are 3 receiving an allowance on July 1, 1979, shall receive a 3% 4 increase in their retirement allowance in lieu of any other 5 6 increase. (2) On or before April 1 of each year, the department 7 of administration shall make a report to the state auditor 8 including the following information: 9 (a) the names of all police officers who are receiving 10 payments from the police-reserve-fund-of-the--city--or--town 11 plan as of the date of the report and were receiving such 12 payments from a prior to plan before July 1, 1975; 13 (b) the names of all spouses or minor children who are 14 receiving payments from the police-reserve-fund plan because 15 of the death of a police officer who was receiving such 16 17 payments from a prior to plan before July 1, 1975; 18 (c) the names of all spouses or minor children who are 19 receiving payments from the police-reserve-fund plan and who were receiving such payments from a prior to plan before 20 21 July 1, 1975, or in the case of minor children, whose 22 parent, the spouse of a police officer, was receiving such

24 (d) for the purpose of determining the base figure for
25 the computations set forth in subsection (4) <u>(3)</u>, the

payments from a prior to plan before July 1, 1975;

23

1 following information relating to the base fiscal year commencing July 1, 1976: 2 3 (i) the amount of the payments made in the base fiscal year to each police officer described in subsection (2)(a): (ii) the amount of the payments made in the base fisca) 5 year to each spouse or minor child (or children) described 6 in subsection (2)(b) or (2)(c); 7 (iii) upon the death after April 18, 1977, of any 8 police officer on the retired list who was receiving 9 payments from the-police-reserve-fund a prior to plan before 10 July 1. 1975. and who is survived by a spouse or minor 11 12 children entitled to receive payments therefrom from the 13 plan. the amount which would have been paid to an eligible 14 spouse of such police officer had that spouse been receiving 15 payments in the base fiscal years: 16 (e) the base salary for the previous calendar year of 17 a newly confirmed police officer of each city or town 18 participating in the plane +3+---Eoch--fiscol-yeary-commencing-with-the-fiscol-year 19 20 beginning-July-ly-1977y-immodiately-after-the-odoption-by--a 21 city--or-town-having-a-police-reserve-fund-of-its-budget-for 22 that-fiscal-yeary-each-such-city-or-town-shall-report-to-the 23 state-auditor-the-solory-for-that-fiscol--yeor--of--a--newly

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14 (5)--The-treesurer-of-each-city-or-town-receiving-funds 15 under-subsection-(4)-shell-immediately-deposit-them-with-the 16 department-of--administration. The department administrator 17 shall use the funds to supplement the monthly payments to 18 persons described in subsections (2)(a) through (2)(c) so 19 that the requirements of subsection (1) are met.

20 151 In addition to the payments made by the auditor as 21 provided in subsection (3). the auditor shall make annual 22 payments of \$100.000 on or before June 30 of each year until 23 the sum of \$500.000 has been paid to the administrator for 24 deposit in the retirement account. These payments are to be 25 made to reimburse the retirement account for funds advanced

1 to implement this sections

2 <u>t6)[5]</u> If more than one minor child is entitled to 3 supplementary payments under this section by virtue of the 4 death of a common parent police officer, the minimum payment 5 to such minor children under this section shall be 6 determined as if there were one such minor child and the 7 supplementary payment shall be made to the minor children 8 collectively."

-End-

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1 INTRODUCED BY O'CONNECL, GUILCI, DAILY. 2 Tife derived from employer and state contributions. 3 FABREGA, HARRINGTON, MOORE, TROPILA 1 16 derived from employer and state contributions. 4 4 Componitation of a members and state contributions. 5 A SILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE REPAYMENT TO 5 of his active service or, in the event he has not been a 6 THE AUMICIPAL POLICE OFFICERS' RETIREMENT SYSTEM OF FUNDS a member that long, over the period of his membership. 7 ADVANCED TO IMPLEMENT SECTION 19-9-1007, MCA, AND TO PROVIDE 7 FH181 "Hight "summation" members the agency account in the treasury 6 LANNOS SECTIONS 19-9-104 AND 19-9-1007, MCA.* 9 FH181 "Hight "summation" member attains age AS 10 OF TH CACED BY THE LEGISLATURE OF THE STATE OF NONTAMA: 11 nome coincides: the date on which a member attains age AS 12 Section 1. Section 19-9-104, MCA, is amended to read: 12 (Hy181) "Hender" means a person who is employer 13 ET CHACTED BY THE LEGISLATURE OF THE STATE OF MONTAMA: 11 nome coincides: the date on which a member attains age AS 14 Section 1. Section 19-9-104, MCA, is amended to read: 12 (Hy181) Hender" means a person who	1	HOUSE BILL NO. 553	1	<pre>t5tiol "Employer annuity" means monthly payments for</pre>
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* THE MUNICIPAL POLICE OFFICERS* RETIREMENT SYSTEM OF FUNDS * <td>4</td> <td></td> <td>4</td> <td>compensation of a member, averaged over the last 36 months</td>	4		4	compensation of a member, averaged over the last 36 months
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9 SECTION: AMENDING SECTIONS 19-9-104 AND 19-9-1007. MCA." 9 f8/j3] "Mandatory retirement date means the first day 10 of the month coinciding with or immediately following, if 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NONTANA: 11 none coincides; the date on which a member attains age 65. 12 Section 1. Section 19-9-104; MCA, is amended to read: 12 f9/j10] "Member" means a person who is employed by an 13 "19-9-104; Definitions, Unless the context requires 13 exployer as a police officer or who is entitled to a 14 otherwise, the following definitions apply in this chapter: 14 retirement allowance by virtue of his service to an employer 15 (1) "Administrator" means the public employees' 15 as a police officer. 16 retirement division of the department of administration. 16 ft9/j111 "Member contributions" means the total of the 17	7	ADVANCED TO IMPLEMENT SECTION 19-9-1007, MCA, AND TO PROVIDE	7	<pre>f71(8) "Fund" means the agency account in the treasury</pre>
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11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 11 none coincides, the date on which a member attains age 65. 12 Section 1. Section 19-9-104, NCA, is amended to read: 12 f9j[10] "Member" means a person who is employed by an 13 "19-9-104. Definitions. Unless the context requires 13 employer as a police officer or who is entitled to a 14 otherwise, the following definitions apply in this chapter: 14 retirement allowance by virtue of his service to an employer 15 (1) "Administrator" means the public employees' 15 as a police officer. 16 retirement division of the department of administration. 16 tithe full "Member" contributions" means the total of the 17 [21] "Basa_Salary" means, the sum of the mothing calendar.ymars 18 during a period of active membership hereunder or made under 19 (21] "Board" means the retirement board described in 19 a prior plan and transferred to this plan, standing to his 20 2-15-1009. credited service" means any city which participated in 21 tit/titl"member's annulty" means monthly payments for 23 tit[14] "Credited service" means any city which participated in 23 tit[12] "#mebership service" means a period of 23 tit[12] "Emplo	9	SECTION; AMENDING SECTIONS 19-9-104 AND 19-9-1007. MCA."	9	(8)<u>(9)</u> "Mandatory retirement date" means the first day
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13 "19-9-104. Definitions. Unless the context requires 13 employer as a police officer or who is entitled to a 14 otherwise, the following definitions apply in this chapter: 14 retirement allowance by virtue of his service to an employer 15 (1) "Administrator" means the public employees' 15 as a police officer. 16 retirement division of the department of administration. 16 ft0fflll "Member contributions" means the total of the 17 (2) "Basa_salary" means_thm_sum_of_thm_monthly 17 deductions from the compensation of a member, either made 18 compensations for each month in a given calendar_years 18 during a period of active membership hereunder or made under 19 f2f121 "Boord" means the retirement board described in 19 a prior plan and transferred to this plan, standing to his 20 2-15-1009. 20 credit, together with the interest thereon. 21 f3f161 "Credited service" means the aggregate of a 21 f13fl121 "Member's annuity" means monthly payments for 23 t44551 "Employer" means any city which participated in 23 f12fl121 "Membership service" means a period of 24 a prior plan or which elects to join this plan under <t< th=""><td>11</td><td>BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:</td><td>11</td><td>none coincides, the date on which a member attains age 65.</td></t<>	11	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	11	none coincides, the date on which a member attains age 65.
14otherwise, the following definitions apply in this chapter:14retirement allowance by virtue of his service to an employer15(1) "Administrator" means the public employees'15as a police officer.16retirement division of the department of administration.16ft0fill "Mamber contributions" means the total of the17(2) "Basa_salary" means the sum of the monthly17deductions from the compensation of a member. either made18compensations for each month in a given calendar years18during a period of active membership hereunder or made under19f2f(3) "board" means the retirement board described in19a prior plan and transferred to this plan, standing to his202-15-1009.credited service" means the aggregate of a21ftff[2] "Hember's annuity" means monthly payments for23f4f(5) "Employer" means any city which participated in23ft2f(1) "Membership service" means a period of24a prior plan or which elects to join this plan under24employment with an employer occurring after June 30, 1977.	12	Section 1. Section 19-9-104, MCA, is amended to read:	12	<pre>t9<u>t10</u> "Member" means a person who is employed by an</pre>
15(1) "Administrator" means the public employees'15as a police officer.16retirement division of the department of administration.16ft0fflll "Member contributions" means the total of the17121_"Basa_salary" means the sum of the monthly17deductions from the compensation of a member, either made18compensations for each month in a given calendar years18during a period of active membership hereunder or made under19f2f(3)"board" means the retirement board described in19a prior plan and transferred to this plan, standing to his202-15-1009.20credit, together with the interest thereon.21f3f(4)"Credited service" means the aggregate of a21f1ffll2122member's prior service and membership service.22life derived from member contributions.23f4f(5)"Employer" means any city which participated in23f12ffl3124employment with an employer occurring after June 30, 1977,	13	*19-9-104. Definitions. Unless the context requires	13	employer as a police officer or who is entitled to a
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18 compensations for each month in a given calendar years 18 during a period of active membership hereunder or made under 19 f2f(3) "Board" means the retirement board described in 19 a prior plan and transferred to this plan, standing to his 20 2-15-1009. 20 credit; together with the interest thereon. 21 f3f(4) "Credited service" means the aggregate of a 21 f11f(12) "Hember's annuity" means monthly payments for 22 member's prior service and membership service. 22 life derived from member contributions. 23 f4f(5) "Employer" means any city which participated in 23 f12f(13) "Membership service" means a period of 24 employment with an employer occurring after June 30; 1977; 1977;	16	retirement division of the department of administration.	16	<pre>tity111 "Member contributions" means the total of the</pre>
19f2f(3)"Board" means the retirement board described in19a prior plan and transferred to this plan, standing to his202-15-1009.20credit, together with the interest thereon.21f3f(4)"Credited service" means the aggregate of a21f1ff(12)22member's prior service and membership service.22life derived from member contributions.23f4f(5)"Employer" means any city which participated in23f1ff(13)24employment with an employer occurring after June 30, 1977.	17	<u>121_"Basa_salary"_peans_the_sum_of_themonthly</u>	17	deductions from the compensation of a member, either made
20 2-15-1009. 20 credit, together with the interest thereon. 21 (3)(4) "Credited service" means the aggregate of a 21 (1)(1)(2) 22 member's prior service and membership service. 22 life derived from member contributions. 23 (4)(5) "Employer" means any city which participated in 23 (1)(2)(1)(1)(1)(1)(1)(1)(1)(1)(1)(1)(1)(1)(1)	18	compensations for each month in a given calendar years	18	during a period of active membership hereunder or made under
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22 member's prior service and membership service. 22 life derived from member contributions. 23 f47151 "Employer" means any city which participated in 23 f1271131 "Membership service" means a period of 24 a prior plan or which elects to join this plan under 24 employment with an employer occurring after June 30, 1977,	20	2-15-1009.	∠0	credit, together with the interest thereon.
23 <u>fill11</u> "Employer" means any city which participated in 23 <u>fill11</u> "Membership service" means a period of 24 a prior plan or which elects to join this plan under 24 employment with an employer occurring after June 30, 1977,	21	[3][4] "Credited service" means the aggregate of a	21	<pre>tit/(12) "Member's annuity" means monthly payments for</pre>
24 a prior plan or which elects to join this plan under 24 employment with an employer occurring after June 30, 1977,	22	member's prior service and membership service.	22	life derived from member contributions.
	23	<pre>t4tis: "Employer" means any city which participated in</pre>	23	[12][13] "Newbership service" means a period of
25 during which the withholdings required by this chapter have	٤4	a prior plan or which elects to join this plan under	24	employment with an employer occurring after June 30+ 1977+
	25	19-9-107.	25	during which the withholdings required by this chapter have

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been made from a number's monthly compensation and credited to his member contributions accounts Pro rata credit shall be granted for employment on a part-time basis or for employment over a period of less than a complete fiscal years.

6 (13)(14) "Minimum retirement date" or "normal 7 retirement date" means the first day of the month coinciding 8 with or immediately followings if none coincidess the date 9 on which a member becomes both age 50 or older and completes 10 20 or more years of credited services

11 <u>ti491151</u> "Monthly compensation" means the weger 12 excluding overtimes holiday payments: shift differential 13 payments, compensation time payments; and payments in lieu 14 of sick leave and annual leaves a member receives as an 15 active police officer.

16 <u>theyllel</u> Any reference to "municipality", "city", or 17 "town" includes those jurisdictions which, prior to the 18 effective date of a county-municipal consolidation, were 19 incorporated municipalities, subsequent districts created 20 for urban law enforcement services, or the entire county 21 included in the county-municipal consolidation.

22 <u>fié)[17]</u> "Plan" means the municipal police officers" 23 retirement system created by this chapter.

24 <u>fl7fl1fl</u> "Police officer" means a law enforcement 25 officer employed by an employer.

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(10)(12) "Prior plan" means the local police reserve or
 retirement fund of a city which elects to join the plan
 under 19-9-107 or the statewide police reserve fund
 administered by the department of administration in
 accordance with Chapter 335+ Laws of 1974-

6 <u>fi9f(20)</u> "Prior service" means a period of employment
7 as a police officer for which credit was granted to a member
9 under a prior plan and has been transferred to this plan.

9 <u>#2071211</u> "Retirement allowance" means the employer 10 annuity plus the member's annuity.

11 (22)(22) "Retirement date" means the date on which the 12 first payment of the retirement, disability, or survivor 13 benefits of a member or a beneficiary is payable.

14 <u>t227[231</u> "Totally and permanently disabled" means that 15 the board, upon certification by a licensed and practicing 16 physician, has determined that a member's disability is of 17 such a nature as to permanently impair his ability to 18 discharge his normal duties as a police officer."

Section 2. Section 19-9-1007. MCA, is amended to read:
"19-9-1007. Supplement to certain pensions. (1) The
payment for each fiscal year, commencing with the fiscal
year beginning July 1, 1977. to the police officers.
spouses. or minor children described in subsections (2)(a)
through (2)(c) may be not less than one-half of the basis
salary paid in thet-fiseal the previous calendar year in the

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appropriate city or town to newly confirmed police officers: except_that_for_the_fiscal_year_beginning_July_1s_1979s_all retirees_aud_their_beneficiaries_who_received__a_supplement to_their_retirement_allowance_on_July_1s_1978s_and_are receiving_an_allowance_on_July_1s_1979s_shall_receive__a_33 increase_in_their_retirement_allowance_in_lies_of_any_other increase.

8 (2) On or before April 1 of each year, the department
9 of administration shall make a report to the state auditor
10 including the following information:

(a) the names of all police officers who are receiving
payments from the police-reserve-fund-of-the--eity--or--town
plan as of the date of the report and were receiving such
payments from a prior to plan before July 1, 1975;

(b) the names of all spouses or minor children who are
receiving payments from the police-reserve-fund plan because
of the death of a police officer who was receiving such
payments from a prior to plan before July 1, 1975;

(c) the names of all spouses or minor children who are
receiving payments from the police-reserve-fund plan and who
were receiving such payments <u>from a prior to plan before</u>
July 1, 1975, or in the case of minor children, whose
parent, the spouse of a police officer, was receiving such
payments <u>from a prior to plan before</u> July 1, 1975;

25 (d) for the purpose of determining the base figure for

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the computations set forth in subsection (4) (3), the
 following information relating to the base fiscal year
 commencing July 1, 1976;

4 (i) the amount of the payments made in the base fiscal
5 year to each police officer described in subsection (2)(a);
6 (ii) the amount of the payments made in the base fiscal
7 year to each spouse or minor child (or children) described
8 in subsection (2)(b) or (2)(c);

9 (iii) upon the death after April 18, 1977, of any police officer on the retired list who was receiving 10 11 payments from the police reserve fund a prior to plan before 12 July 1, 1975, and who is survived by a spouse or minor 13 children entitled to receive payments therefrom from the 14 plan, the amount which would have been paid to an eligible 15 spouse of such police officer had that spouse been receiving 16 payments in the base fiscal yearwi

17 (a) the base salary for the previous calendar year of

19 doewly confirmed police officer of each city or town

19 participating_io_the_plans

- c? t+t--Each--f+scal-yeary-commercing-with-the-fiscal-year
 cl baginning-duly-iy-ighty-immediately-after-the-adoption-by--a
 city--or-town-having-a-police-reserve-fund-of-its-budget-for
- 23 that-fiscal-years-each-such-city-or-town-shall-report-to-the
- 24 state-suditor-the-salary-for-that-fiscal--year--of--a--newly
- 25 confirmed-police-officer-of-that-city-or-towny

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1 (4)(3) The state auditor shall+ upon receipt of the reports report referred to in subsections subsection (2) and z 3 +3), compute the difference between each amount reported 4 under subsections (2)(d)(i) through (2)(d)(iii) and one-half 5 the base salary for the current-fiscal previous calendar year of a newly confirmed police officer of the appropriate * city or town. The difference shall be paid by the state 7 8 auditor out of the premium tax collected on insurance--es 9 provided--in--19-10-305t2ty sold in this state to insure 10 against risks enveerated in 19-11-512(5) to the treesurer-of the-sporopriate-city--or--town--at--the--same--time-as--and 11 12 administrator__op__later__than__May__31__of__macb_years This 13 payment is in addition to the payment to be made by the 14 state auditor under 19-9-702.

15 (5)--The-treasurer-of-each-city-or-toun-receiving-funds 16 under-subsection-t+)-shall-immediately-deposit-them-with-the 17 department--of--administration: The department <u>administrator</u> 18 shall use the funds to supplement the monthly payments to 19 persons, described in subsections (2)(a) through (2)(c) so 20 that the requirements of subsection (1) are met.

21 [5]_in_addition_to_the_payments_made_by_the_auditor_as
22 provided_in_subsection_[3]*_the_auditor_shall_make_annual
23 payments_of_\$100*000_oo_or_before_dune_30_of_each_year_until
24 the_sum_of_\$500*000_has_been_paid_to_the_administrator_for
25 deposit_in_the_retirement_accounts_These_payments_are_to_be

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2	to_implement_this_sections
3	tot121 If more than one minor child is entitled to
4	supplementary payments under this section by virtue of the
5	death of a common parent police officer, the minimum payment

wade__to_reimburse_the_retirement_account_for_funds_advanced

to such minor children under this section shall be
determined as if there were one such minor child and the
supplementary payment shall be made to the minor children

9 collectively."

1

-End-

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