

HOUSE BILL 627

IN THE HOUSE

February 7, 1979

Introduced and referred to  
Committee on State Administra-  
tion.

February 20, 1979

Committee recommend bill, do  
not pass.

February 21, 1979

Report adopted.

1 House BILL NO. 627  
 2 INTRODUCED BY Balderson

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 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO LIMIT ELIGIBILITY  
 5 FOR CERTAIN SUPPLEMENTAL POLICE RETIREMENT BENEFITS;  
 6 AMENDING SECTION 19-9-1007, MCA; AND PROVIDING AN IMMEDIATE  
 7 EFFECTIVE DATE."

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

10 NEW SECTION. Section 1. Eligibility for supplement.  
 11 (1) To be eligible for the supplemental retirement benefits  
 12 provided for in 19-9-1007, each retired police officer must  
 13 file with the board before May 1 of each year a statement of  
 14 earned income for the previous year and any other related  
 15 documentation required by the board. The earned income must  
 16 be reviewed every year.

17 (2) If the earned income reported plus the current  
 18 annual retirement benefits exceed one-half of the salary  
 19 paid in the previous calendar year in the appropriate city  
 20 or town to newly confirmed police officers, the monthly  
 21 payments shall be continued on the following July 1 at their  
 22 current level and no increase may be granted. This  
 23 subsection does not decrease the current level of any  
 24 retirement benefits.

25 (3) "Earned income", for the purpose of this section,

1 includes wages received as an employee and does not include  
 2 dividends, interest, investment income, or income other than  
 3 wages derived from a business interest owned by the retiree.  
 4 Section 2. Section 19-9-1007, MCA, is amended to read:  
 5 "19-9-1007. Supplement to certain pensions. (1) ~~The~~  
 6 Except as provided in [section 1], the payment for each  
 7 fiscal year, commencing with the fiscal year beginning July  
 8 1, 1977, to the police officers, spouses, or minor children  
 9 described in subsections (2)(a) through (2)(c) may be not  
 10 less than one-half of the salary paid in that fiscal year in  
 11 the appropriate city or town to newly confirmed police  
 12 officers.

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

16 (a) the names of all police officers who are receiving  
 17 payments from the police reserve fund of the city or town as  
 18 of the date of the report and were receiving such payments  
 19 prior to July 1, 1975, and are not ineligible for  
 20 supplemental benefits under [section 1];

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

25 (c) the names of all spouses or minor children who are

1 receiving payments from the police reserve fund and who were  
 2 receiving such payments prior to July 1, 1975, or in the  
 3 case of minor children, whose parent, the spouse of a police  
 4 officer, was receiving such payments prior to July 1, 1975;

5 (d) for the purpose of determining the base figure for  
 6 the computations set forth in subsection (4), the following  
 7 information relating to the base fiscal year commencing July  
 8 1, 1976:

9 (i) the amount of the payments made in the base fiscal  
 10 year to each police officer described in subsection (2)(a);

11 (ii) the amount of the payments made in the base fiscal  
 12 year to each spouse or minor child (or children) described  
 13 in subsection (2)(b) or (2)(c);

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

21 (3) Each fiscal year, commencing with the fiscal year  
 22 beginning July 1, 1977, immediately after the adoption by a  
 23 city or town having a police reserve fund of its budget for  
 24 that fiscal year, each such city or town shall report to the  
 25 state auditor the salary for that fiscal year of a newly

1 confirmed police officer of that city or town.

2 (4) The state auditor shall, upon receipt of the  
 3 reports referred to in subsections (2) and (3), compute the  
 4 difference between each amount reported under subsections  
 5 (2)(d)(i) through (2)(d)(iii) and one-half the salary for  
 6 the current fiscal year of a newly confirmed police officer  
 7 of the appropriate city or town. The difference shall be  
 8 paid by the state auditor out of the premium tax collected  
 9 on insurance, as provided in 19-10-305(2), to the treasurer  
 10 of the appropriate city or town at the same time as and in  
 11 addition to the payment to be made by the state auditor  
 12 under 19-9-702.

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

19 (6) If more than one minor child is entitled to  
 20 supplementary payments under this section by virtue of the  
 21 death of a common parent police officer, the minimum payment  
 22 to such minor children under this section shall be  
 23 determined as if there were one such minor child and the  
 24 supplementary payment shall be made to the minor children  
 25 collectively."

LC 1618/01

1           Section 3. Codification. Section 1 is intended to be  
2 codified as an integral part of Title 19, chapter 9, and the  
3 provisions contained in Title 19, chapter 9, apply to  
4 section 1.

5           Section 4. Effective date. This act is effective on  
6 passage and approval.

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