

HOUSE BILL NO. 275

INTRODUCED BY HEMSTAD, SMITH, BRAND

BY REQUEST OF THE STATE AUDITOR

IN THE HOUSE

January 16, 1981	Introduced and referred to Committee on State Administration.
January 28, 1981	Committee recommend bill do pass as amended and be placed on consent calendar. Report adopted.
January 29, 1981	Bill printed and placed on members' desks.
February 2, 1981	Correctly engrossed.
February 3, 1981	Consent calendar, do pass. Transmitted to Senate.

IN THE SENATE

February 4, 1981	Introduced and referred to Committee on State Administration.
March 19, 1981	Committee recommend bill be concurred in. Report adopted.
March 21, 1981	Second reading, concurred in.
March 24, 1981	Third reading, concurred in. Ayes, 49; Noes, 0.

IN THE HOUSE

March 25, 1981	Returned from Senate. Concurred in. Sent to enrolling.
	Reported correctly enrolled.

1 HOUSE BILL NO. 275
 2 INTRODUCTION BY Senator - Smith Brand
 3 BY REQUEST OF THE STATE AUDITOR
 4

5 A BILL FOR AN ACT ENTITLED: "AN ACT TO REVISE AND CLARIFY
 6 THE TIMING OF RETIREMENT PAYMENTS TO POLICE OFFICERS AND
 7 FIREFIGHTERS BY THE STATE AUDITOR; AMENDING SECTIONS
 8 19-9-702, 19-9-1007, 19-10-305, AND 19-11-512, MCA."
 9

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

11 Section 1. Section 19-9-702, MCA, is amended to read:
 12 "19-9-702. State contribution. The state of Montana
 13 shall make its contributions through the state auditor out
 14 of the premium tax on motor vehicle property and casualty
 15 insurance policies. Such payments shall be made annually
 16 from the gross premium tax after deduction for cancellations
 17 and returned premiums. The administrator shall notify the
 18 auditor by April 1 of each year of the annual compensation
 19 paid to all active members during the preceding year, and
 20 the state's contribution shall be 14% of such compensation."

21 Section 2. Section 19-9-1007, MCA, is amended to read:
 22 "19-9-1007. Supplement to certain pensions. (1) The
 23 payment for each fiscal year to the police officers,
 24 spouses, or minor children described in subsections (2)(a)
 25 through (2)(c) may be not less than one-half of the base

1 salary paid in the previous calendar year in the appropriate
 2 city or town to newly confirmed police officers, except that
 3 for the fiscal year beginning July 1, 1979, all retirees and
 4 their beneficiaries who received a supplement to their
 5 retirement allowance on July 1, 1978, and are receiving an
 6 allowance on July 1, 1979, shall receive a 3% increase in
 7 their retirement allowance in lieu 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:

11 (a) the names of all police officers who are receiving
 12 payments from the plan as of the date of the report and were
 13 receiving payments from a prior plan before July 1, 1975;

14 (b) the names of all spouses or minor children who are
 15 receiving payments from the plan because of the death of a
 16 police officer who was receiving payments from a prior plan
 17 before July 1, 1975;

18 (c) the names of all spouses or minor children who are
 19 receiving payments from the plan and who were receiving
 20 payments from a prior plan before July 1, 1975, or in the
 21 case of minor children, whose parent, the spouse of a police
 22 officer, was receiving payments from a prior plan before
 23 July 1, 1975;

24 (d) for the purpose of determining the base figure for
 25 the computations set forth in subsection (3), the following

1 information relating to the base fiscal year commencing July
2 1, 1976:

3 (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 13, 1977, of any
9 police officer on the retired list who was receiving
10 payments from a prior plan before July 1, 1975, and who is
11 survived by a spouse or minor children entitled to receive
12 payments from the plan, the amount which would have been
13 paid to an eligible spouse of such police officer had that
14 spouse been receiving payments in the base fiscal year;

15 (e) the base salary for the previous calendar year of
16 a newly confirmed police officer of each city or town
17 participating in the plan.

18 (3) The ~~state--auditor~~ department of administration
19 ~~shall, upon receipt of the report referred to in subsection~~
20 ~~(2) compute the difference between each amount reported~~
21 ~~under subsections (2)(d)(i) through (2)(d)(iii) and one-half~~
22 ~~the base salary for the previous calendar year of a newly~~
23 ~~confirmed police officer of the appropriate city or town.~~
24 The difference shall be reported to and paid by the state
25 auditor out of the premium tax collected on insurance sold

1 in this state to insure against the risks enumerated in
2 19-11-512(5) to the administrator after the end of each
3 fiscal year, but no later than May 31 September 1 of each
4 year. This payment is in addition to the payment to be made
5 by the state auditor under 19-9-702. The administrator
6 shall use the funds received under this subsection to
7 supplement the monthly payments to persons described in
8 subsections (2)(a) through (2)(c) so that the requirements
9 of subsection (1) are met.

10 (4) In addition to the payments made by the auditor as
11 provided in subsection (3), the auditor shall make annual
12 payments of \$100,000 ~~on or before June 30~~ after the end of
13 each fiscal year but no later than September 1, until the
14 sum of \$500,000 has been paid to the administrator for
15 deposit in the retirement account. These payments are to be
16 made to reimburse the retirement account for funds advanced
17 to implement this section.

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

25 Section 3. Section 19-10-305, MCA, is amended to read:

1 "19-10-305. Annual state payments to municipality with
 2 police department. (1) ~~At~~ After the end of each fiscal year,
 3 the state auditor shall issue and deliver to the treasurer
 4 of each city and town in Montana which has a police
 5 department and which is not a participant in the municipal
 6 police officers' retirement system his warrant for an amount
 7 computed in the same manner as the amount paid (or that
 8 would be paid if an existing relief association met the
 9 legal requirements for payment) to cities and towns for fire
 10 department relief associations pursuant to 19-11-512.

11 (2) The payments provided for by 19-10-205 and
 12 subsection (1) of this section shall be paid from the
 13 premium tax collected on insurance sold in this state to
 14 insure against the risks enumerated in 19-11-512. Such
 15 payments may only be made after deductions have been made
 16 from the gross premium tax for cancellations and returned
 17 premiums.

18 (3) Each city or town which has a police retirement
 19 fund shall deposit the payment to the credit of its police
 20 retirement fund.

21 (4) Payments provided for in 19-10-205 and subsection
 22 (1) of this section are in addition to those provided for in
 23 19-10-301.

24 Section 4. Section 19-11-512, MCA, is amended to read:
 25 "19-11-512. State auditor to pay association out of

1 insurance premium taxes. (1) ~~At~~ After the end of the fiscal
 2 year, the state auditor shall issue and deliver the payment
 3 described in this subsection to the board of investments to
 4 be credited to the account of each fire department relief
 5 association of any city or town of the first or second class
 6 which has a fire department relief association entitled by
 7 law to receive payments. The state auditor shall, at the
 8 same time, report to the treasurer of the association the
 9 amount of the payment. The payment shall be for the use and
 10 benefit of the association. It shall be paid out of the
 11 premium taxes on insurance risks enumerated in subsection
 12 (6) collected by the state auditor and shall be equal to 10%
 13 of the total annual compensation paid by the city or town to
 14 its paid or part-paid firefighters for services in the
 15 previous calendar year. The city clerk of the city or town
 16 shall certify in writing to the state auditor, on or before
 17 April 1 of each year, the amount paid by the city or town as
 18 compensation for services to paid or part-paid firefighters.

19 (2) When there is a disaster resulting in death or
 20 injury sufficient to draw the pensions of 10% of the active
 21 force and the fund, after receiving all moneys provided for
 22 in 19-11-501, 19-11-503, 19-11-504, and subsection (1) of
 23 this section, does not show at least the 1-mill growth
 24 referred to in 19-11-504, the treasurer of the association
 25 shall request and the state auditor shall issue and deliver

HB 275

1 an additional payment under the same conditions described in
 2 subsection (1). The payment shall be in an amount sufficient
 3 to cause at least the above-mentioned 1-mill growth in the
 4 fund.

5 (3) If a city is not entitled to receive a sum equal
 6 to 1 1/2 mills of its total taxable value under subsections
 7 (1) and (2), the payment shall be made in the amount
 8 provided in subsections (4) and (5) for cities of the third
 9 class and in the manner described in subsection (1).

10 (4) ~~At~~ After the end of the fiscal year, the state
 11 auditor shall issue and deliver the warrant described in
 12 this subsection to the treasurer of every city or town,
 13 except cities and towns of the first or second class, which
 14 has a fire department relief association entitled by law to
 15 receive payments. The warrant shall be for the use and
 16 benefit of the association. It shall be for an amount equal
 17 to 1 1/2 mills of the total taxable value of the city or
 18 town and shall be paid out of the premium taxes on insurance
 19 risks enumerated in subsection (6) collected by the state
 20 auditor.

21 (5) If the payment provided for in subsection (4) is
 22 less than \$100, an additional payment shall be made from the
 23 same tax moneys so that the total amount received is \$100.

24 (6) The risks referred to in subsections (1) and (4)
 25 are:

1 (a) insurance of houses, buildings, and all other
 2 kinds of property against loss or damage by fire or other
 3 casualty;

4 (b) all kinds of insurance on goods, merchandise, or
 5 other property in the course of transportation, whether by
 6 land, water, or air;

7 (c) insurance against loss or damage to motor vehicles
 8 resulting from accident, collision, or marine and inland
 9 navigation and transportation perils;

10 (d) insurance of growing crops against loss or damage
 11 resulting from hail or the elements;

12 (e) insurance against loss or damage by water to any
 13 goods or premises arising from the breakage or leakage of
 14 sprinklers, pumps, or other apparatus;

15 (f) insurance against loss or legal liability for loss
 16 because of damage to property caused by the use of teams or
 17 vehicles, whether by accident or collision or by explosion
 18 of any engine, tank, boiler, pipe, or tire of any vehicle;
 19 and

20 (g) insurance against theft of the whole or any part
 21 of any vehicle."

-End-

SECOND READING BILL
WAS NOT PRINTED.

1 HOUSE BILL NO. 275
 2 INTRODUCED BY HEMSTAD, SMITH, BRAND
 3 BY REQUEST OF THE STATE AUDITOR

4
 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO REVISE AND CLARIFY
 6 THE TIMING OF RETIREMENT PAYMENTS TO POLICE OFFICERS AND
 7 FIREFIGHTERS BY THE STATE AUDITOR; AMENDING SECTIONS
 8 19-9-702, 19-9-1007, 19-10-305, AND 19-11-512, MCA."

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

11 Section 1. Section 19-9-702, MCA, is amended to read:
 12 "19-9-702. State contribution. The state of Montana
 13 shall make its contributions through the state auditor out
 14 of the premium tax on motor vehicle property and casualty
 15 insurance policies. Such payments shall be made annually
 16 AFTER THE END OF EACH FISCAL YEAR BUT NO LATER THAN
 17 SEPTEMBER 1 from the gross premium tax after deduction for
 18 cancellations and returned premiums. The administrator shall
 19 notify the auditor by April 1 of each year of the annual
 20 compensation paid to all active members during the preceding
 21 year, and the state's contribution shall be 14% of such
 22 compensation."

23 Section 2. Section 19-9-1007, MCA, is amended to read:
 24 "19-9-1007. Supplement to certain pensions. (1) The
 25 payment for each fiscal year to the police officers,

1 spouses, or minor children described in subsections (2)(a)
 2 through (2)(c) may be not less than one-half of the base
 3 salary paid in the previous calendar year in the appropriate
 4 city or town to newly confirmed police officers, except that
 5 for the fiscal year beginning July 1, 1979, all retirees and
 6 their beneficiaries who received a supplement to their
 7 retirement allowance on July 1, 1978, and are receiving an
 8 allowance on July 1, 1979, shall receive a 3% increase in
 9 their retirement allowance in lieu of any other increase.

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

13 (a) the names of all police officers who are receiving
 14 payments from the plan as of the date of the report and were
 15 receiving payments from a prior plan before July 1, 1975;

16 (b) the names of all spouses or minor children who are
 17 receiving payments from the plan because of the death of a
 18 police officer who was receiving payments from a prior plan
 19 before July 1, 1975;

20 (c) the names of all spouses or minor children who are
 21 receiving payments from the plan and who were receiving
 22 payments from a prior plan before July 1, 1975, or in the
 23 case of minor children, whose parent, the spouse of a police
 24 officer, was receiving payments from a prior plan before
 25 July 1, 1975;

CONSENT CALENDAR

THIRD READING
 HB 275

1 (d) for the purpose of determining the base figure for
2 the computations set forth in subsection (3), the following
3 information relating to the base fiscal year commencing July
4 1, 1976:

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

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

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

17 (e) the base salary for the previous calendar year of
18 a newly confirmed police officer of each city or town
19 participating in the plan.

20 (3) The ~~state--auditor~~ department of administration
21 ~~shall, upon receipt of the report referred to in--subsection~~
22 ~~(2),~~ compute the difference between each amount reported
23 under subsections (2)(d)(i) through (2)(d)(iii) and one-half
24 the base salary for the previous calendar year of a newly
25 confirmed police officer of the appropriate city or town.

1 The difference shall be reported to and paid by the state
2 auditor out of the premium tax collected on insurance sold
3 in this state to insure against the risks enumerated in
4 19-11-512(5) to the administrator after the end of each
5 fiscal year, but no later than May-31 September 1 ~~of--each~~
6 ~~year~~. This payment is in addition to the payment to be made
7 by the state auditor under 19-9-702. The administrator
8 shall use the funds received under this subsection to
9 supplement the monthly payments to persons described in
10 subsections (2)(a) through (2)(c) so that the requirements
11 of subsection (1) are met.

12 (4) In addition to the payments made by the auditor as
13 provided in subsection (3), the auditor shall make annual
14 payments of \$100,000 ~~on or before June-30~~ after the end of
15 each fiscal year but no later than September 1, until the
16 sum of \$500,000 has been paid to the administrator for
17 deposit in the retirement account. These payments are to be
18 made to reimburse the retirement account for funds advanced
19 to implement this section.

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

1 collectively."

2 Section 3. Section 19-10-305, MCA, is amended to read:

3 "19-10-305. Annual state payments to municipality with
4 police department. (1) At After the end of each fiscal year,
5 the state auditor shall issue and deliver to the treasurer
6 of each city and town in Montana which has a police
7 department and which is not a participant in the municipal
8 police officers' retirement system his warrant for an amount
9 computed in the same manner as the amount paid (or that
10 would be paid if an existing relief association met the
11 legal requirements for payment) to cities and towns for fire
12 department relief associations pursuant to 19-11-512.

13 (2) The payments provided for by 19-10-205 and
14 subsection (1) of this section shall be paid from the
15 premium tax collected on insurance sold in this state to
16 insure against the risks enumerated in 19-11-512. Such
17 payments may only be made after deductions have been made
18 from the gross premium tax for cancellations and returned
19 premiums.

20 (3) Each city or town which has a police retirement
21 fund shall deposit the payment to the credit of its police
22 retirement fund.

23 (4) Payments provided for in 19-10-205 and subsection
24 (1) of this section are in addition to those provided for in
25 19-10-301."

1 Section 4. Section 19-11-512, MCA, is amended to read:

2 "19-11-512. State auditor to pay association out of
3 insurance premium taxes. (1) At After the end of the fiscal
4 year, the state auditor shall issue and deliver the payment
5 described in this subsection to the board of investments to
6 be credited to the account of each fire department relief
7 association of any city or town of the first or second class
8 which has a fire department relief association entitled by
9 law to receive payments. The state auditor shall, at the
10 same time, report to the treasurer of the association the
11 amount of the payment. The payment shall be for the use and
12 benefit of the association. It shall be paid out of the
13 premium taxes on insurance risks enumerated in subsection
14 (6) collected by the state auditor and shall be equal to 10%
15 of the total annual compensation paid by the city or town to
16 its paid or part-paid firefighters for services in the
17 previous calendar year. The city clerk of the city or town
18 shall certify in writing to the state auditor, on or before
19 April 1 of each year, the amount paid by the city or town as
20 compensation for services to paid or part-paid firefighters.

21 (2) When there is a disaster resulting in death or
22 injury sufficient to draw the pensions of 10% of the active
23 force and the fund, after receiving all moneys provided for
24 in 19-11-501, 19-11-503, 19-11-504, and subsection (1) of
25 this section, does not show at least the 1-mill growth

1 referred to in 19-11-504, the treasurer of the association
 2 shall request and the state auditor shall issue and deliver
 3 an additional payment under the same conditions described in
 4 subsection (1). The payment shall be in an amount sufficient
 5 to cause at least the above-mentioned 1-mill growth in the
 6 fund.

7 (3) If a city is not entitled to receive a sum equal
 8 to 1 1/2 mills of its total taxable value under subsections
 9 (1) and (2), the payment shall be made in the amount
 10 provided in subsections (4) and (5) for cities of the third
 11 class and in the manner described in subsection (1).

12 (4) At After the end of the fiscal year, the state
 13 auditor shall issue and deliver the warrant described in
 14 this subsection to the treasurer of every city or town,
 15 except cities and towns of the first or second class, which
 16 has a fire department relief association entitled by law to
 17 receive payments. The warrant shall be for the use and
 18 benefit of the association. It shall be for an amount equal
 19 to 1 1/2 mills of the total taxable value of the city or
 20 town and shall be paid out of the premium taxes on insurance
 21 risks enumerated in subsection (6) collected by the state
 22 auditor.

23 (5) If the payment provided for in subsection (4) is
 24 less than \$100, an additional payment shall be made from the
 25 same tax moneys so that the total amount received is \$100.

1 (c) The risks referred to in subsections (1) and (4)
 2 are:

3 (a) insurance of houses, buildings, and all other
 4 kinds of property against loss or damage by fire or other
 5 casualty;

6 (b) all kinds of insurance on goods, merchandise, or
 7 other property in the course of transportation, whether by
 8 land, water, or air;

9 (c) insurance against loss or damage to motor vehicles
 10 resulting from accident, collision, or marine and inland
 11 navigation and transportation perils;

12 (d) insurance of growing crops against loss or damage
 13 resulting from hail or the elements;

14 (e) insurance against loss or damage by water to any
 15 goods or premises arising from the breakage or leakage of
 16 sprinklers, pumps, or other apparatus;

17 (f) insurance against loss or legal liability for loss
 18 because of damage to property caused by the use of teams or
 19 vehicles, whether by accident or collision or by explosion
 20 of any engine, tank, boiler, pipe, or tire of any vehicle;
 21 and

22 (g) insurance against theft of the whole or any part
 23 of any vehicle."

-End-

1 HOUSE BILL NO. 275

2 INTRODUCED BY HEMSTAD, SMITH, BRAND

3 BY REQUEST OF THE STATE AUDITOR

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT TO REVISE AND CLARIFY
6 THE TIMING OF RETIREMENT PAYMENTS TO POLICE OFFICERS AND
7 FIREFIGHTERS BY THE STATE AUDITOR; AMENDING SECTIONS
8 19-9-702, 19-9-1007, 19-10-305, AND 19-11-512, MCA."
9

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

11 Section 1. Section 19-9-702, MCA, is amended to read:

12 "19-9-702. State contribution. The state of Montana
13 shall make its contributions through the state auditor out
14 of the premium tax on motor vehicle property and casualty
15 insurance policies. Such payments shall be made annually
16 AFTER THE END OF EACH FISCAL YEAR BUT NO LATER THAN
17 SEPTEMBER 1 from the gross premium tax after deduction for
18 cancellations and returned premiums. The administrator shall
19 notify the auditor by April 1 of each year of the annual
20 compensation paid to all active members during the preceding
21 year, and the state's contribution shall be 14% of such
22 compensation."

23 Section 2. Section 19-9-1007, MCA, is amended to read:

24 "19-9-1007. Supplement to certain pensions. (1) The
25 payment for each fiscal year to the police officers,

1 spouses, or minor children described in subsections (2)(a)
2 through (2)(c) may be not less than one-half of the base
3 salary paid in the previous calendar year in the appropriate
4 city or town to newly confirmed police officers, except that
5 for the fiscal year beginning July 1, 1979, all retirees and
6 their beneficiaries who received a supplement to their
7 retirement allowance on July 1, 1978, and are receiving an
8 allowance on July 1, 1979, shall receive a 3% increase in
9 their retirement allowance in lieu of any other increase.

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

13 (a) the names of all police officers who are receiving
14 payments from the plan as of the date of the report and were
15 receiving payments from a prior plan before July 1, 1975;

16 (b) the names of all spouses or minor children who are
17 receiving payments from the plan because of the death of a
18 police officer who was receiving payments from a prior plan
19 before July 1, 1975;

20 (c) the names of all spouses or minor children who are
21 receiving payments from the plan and who were receiving
22 payments from a prior plan before July 1, 1975, or in the
23 case of minor children, whose parent, the spouse of a police
24 officer, was receiving payments from a prior plan before
25 July 1, 1975;

1 (d) For the purpose of determining the base figure for
 2 the computations set forth in subsection (3), the following
 3 information relating to the base fiscal year commencing July
 4 1, 1976:

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

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

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

17 (e) the base salary for the previous calendar year of
 18 a newly confirmed police officer of each city or town
 19 participating in the plan.

20 (3) The ~~state--auditor~~ department of administration
 21 ~~shall, upon receipt of the report referred to in subsection~~
 22 ~~(2) compute~~ the difference between each amount reported
 23 under subsections (2)(d)(i) through (2)(d)(iii) and one-half
 24 the base salary for the previous calendar year of a newly
 25 confirmed police officer of the appropriate city or town.

1 The difference shall be reported to and paid by the state
 2 auditor out of the premium tax collected on insurance sold
 3 in this state to insure against the risks enumerated in
 4 19-11-512(5) to the administrator after the end of each
 5 fiscal year, but no later than May 31 September 1 of each
 6 year. This payment is in addition to the payment to be made
 7 by the state auditor under 19-9-702. The administrator
 8 shall use the funds received under this subsection to
 9 supplement the monthly payments to persons described in
 10 subsections (2)(a) through (2)(c) so that the requirements
 11 of subsection (1) are met.

12 (4) In addition to the payments made by the auditor as
 13 provided in subsection (3), the auditor shall make annual
 14 payments of \$100,000 ~~on or before June 30~~ after the end of
 15 each fiscal year but no later than September 1, until the
 16 sum of \$500,000 has been paid to the administrator for
 17 deposit in the retirement account. These payments are to be
 18 made to reimburse the retirement account for funds advanced
 19 to implement this section.

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

1 collectively."

2 Section 3. Section 19-10-305, MCA, is amended to read:

3 "19-10-305. Annual state payments to municipality with
4 police department. (1) At After the end of each fiscal year,
5 the state auditor shall issue and deliver to the treasurer
6 of each city and town in Montana which has a police
7 department and which is not a participant in the municipal
8 police officers' retirement system his warrant for an amount
9 computed in the same manner as the amount paid (or that
10 would be paid if an existing relief association met the
11 legal requirements for payment) to cities and towns for fire
12 department relief associations pursuant to 19-11-512.

13 (2) The payments provided for by 19-10-205 and
14 subsection (1) of this section shall be paid from the
15 premium tax collected on insurance sold in this state to
16 insure against the risks enumerated in 19-11-512. Such
17 payments may only be made after deductions have been made
18 from the gross premium tax for cancellations and returned
19 premiums.

20 (3) Each city or town which has a police retirement
21 fund shall deposit the payment to the credit of its police
22 retirement fund.

23 (4) Payments provided for in 19-10-205 and subsection
24 (1) of this section are in addition to those provided for in
25 19-10-301."

1 Section 4. Section 19-11-512, MCA, is amended to read:

2 "19-11-512. State auditor to pay association out of
3 insurance premium taxes. (1) At After the end of the fiscal
4 year, the state auditor shall issue and deliver the payment
5 described in this subsection to the board of investments to
6 be credited to the account of each fire department relief
7 association of any city or town of the first or second class
8 which has a fire department relief association entitled by
9 law to receive payments. The state auditor shall, at the
10 same time, report to the treasurer of the association the
11 amount of the payment. The payment shall be for the use and
12 benefit of the association. It shall be paid out of the
13 premium taxes on insurance risks enumerated in subsection
14 (6) collected by the state auditor and shall be equal to 10%
15 of the total annual compensation paid by the city or town to
16 its paid or part-paid firefighters for services in the
17 previous calendar year. The city clerk of the city or town
18 shall certify in writing to the state auditor, on or before
19 April 1 of each year, the amount paid by the city or town as
20 compensation for services to paid or part-paid firefighters.

21 (2) When there is a disaster resulting in death or
22 injury sufficient to draw the pensions of 10% of the active
23 force and the fund, after receiving all moneys provided for
24 in 19-11-501, 19-11-503, 19-11-504, and subsection (1) of
25 this section, does not show at least the 1-mill growth

1 referred to in 19-11-504, the treasurer of the association
 2 shall request and the state auditor shall issue and deliver
 3 an additional payment under the same conditions described in
 4 subsection (1). The payment shall be in an amount sufficient
 5 to cause at least the above-mentioned 1-mill growth in the
 6 fund.

7 (3) If a city is not entitled to receive a sum equal
 8 to 1 1/2 mills of its total taxable value under subsections
 9 (1) and (2), the payment shall be made in the amount
 10 provided in subsections (4) and (5) for cities of the third
 11 class and in the manner described in subsection (1).

12 (4) At After the end of the fiscal year, the state
 13 auditor shall issue and deliver the warrant described in
 14 this subsection to the treasurer of every city or town,
 15 except cities and towns of the first or second class, which
 16 has a fire department relief association entitled by law to
 17 receive payments. The warrant shall be for the use and
 18 benefit of the association. It shall be for an amount equal
 19 to 1 1/2 mills of the total taxable value of the city or
 20 town and shall be paid out of the premium taxes on insurance
 21 risks enumerated in subsection (6) collected by the state
 22 auditor.

23 (5) If the payment provided for in subsection (4) is
 24 less than \$100, an additional payment shall be made from the
 25 same tax moneys so that the total amount received is \$100.

1 (6) The risks referred to in subsections (1) and (4)
 2 are:

3 (a) insurance of houses, buildings, and all other
 4 kinds of property against loss or damage by fire or other
 5 casualty;

6 (b) all kinds of insurance on goods, merchandise, or
 7 other property in the course of transportation, whether by
 8 land, water, or air;

9 (c) insurance against loss or damage to motor vehicles
 10 resulting from accident, collision, or marine and inland
 11 navigation and transportation perils;

12 (d) insurance of growing crops against loss or damage
 13 resulting from hail or the elements;

14 (e) insurance against loss or damage by water to any
 15 goods or premises arising from the breakage or leakage of
 16 sprinklers, pumps, or other apparatus;

17 (f) insurance against loss or legal liability for loss
 18 because of damage to property caused by the use of teams or
 19 vehicles, whether by accident or collision or by explosion
 20 of any engine, tank, boiler, pipe, or tire of any vehicle;
 21 and

22 (g) insurance against theft of the whole or any part
 23 of any vehicle."

-End-