

HOUSE BILL NO. 140

INTRODUCED BY BUDAILY, LORY

BY REQUEST OF THE TEACHERS' RETIREMENT DIVISION

IN THE HOUSE

January 10, 1983	Introduced and referred to Committee on State Administration.
January 14, 1983	Committee recommend bill do pass. Report adopted.
January 15, 1983	Bill printed and placed on members' desks.
January 17, 1983	Second reading, do pass.
January 18, 1983	Considered correctly engrossed.
January 19, 1983	Third reading, passed. Transmitted to Senate.

IN THE SENATE

January 20, 1983	Introduced and referred to Committee on Education and Cultural Resources.
March 3, 1983	Rereferred to Committee on State Administration.
March 9, 1983	Committee recommend bill be concurred in. Report adopted.
March 11, 1983	Second reading, concurred in.
March 14, 1983	Third reading, concurred in. Ayes, 41; Noes, 8.

IN THE HOUSE

March 14, 1983

Returned to House.

March 15, 1983

Sent to enrolling.

Reported correctly enrolled.

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 2 INTRODUCED BY Emily Long  
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5 A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING THE  
 6 MANDATORY RETIREMENT AGE FOR A MEMBER OF THE TEACHERS'  
 7 RETIREMENT SYSTEM AND REQUIRING A TEACHER INITIALLY EMPLOYED  
 8 BY THE MONTANA UNIVERSITY SYSTEM AFTER AGE 70 TO BECOME A  
 9 MEMBER OF THE RETIREMENT SYSTEM; AMENDING SECTION 19-4-302,  
 10 MCA; REPEALING SECTIONS 19-4-305 AND 19-4-803, MCA; AND  
 11 PROVIDING AN EFFECTIVE DATE."  
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13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

14 Section 1. Section 19-4-302, MCA, is amended to read:

15 "19-4-302. Active membership. (1) Unless otherwise  
 16 provided by this chapter, the following persons must be  
 17 active members of the retirement system, with the exception  
 18 that those persons who became eligible for membership on  
 19 September 1, 1937, or on September 1, 1939, and who elected  
 20 not to become members under the provisions of the law at  
 21 that time are not required to be members:

22 (a) any person who is a teacher, principal, or  
 23 district superintendent as defined in 20-1-101;

24 (b) any person who is an administrative officer or a  
 25 member of the instructional or scientific staff of a unit of

1 the Montana university system, except as provided in  
 2 19-4-305;

3 (c) any person employed in an instructional services  
 4 capacity by the office of the superintendent of public  
 5 instruction, the office of a county superintendent, a  
 6 special education cooperative, a public institution of the  
 7 state of Montana, the Montana state school for the deaf and  
 8 blind, or a school district;

9 (d) any person who has elected not to become a member  
 10 of the retirement system and is reentering service in a  
 11 capacity prescribed by (a), (b), or (c) of subsection (1);

12 (e) any person who has elected not to become a member  
 13 of the retirement system, who has been continuously employed  
 14 in a capacity prescribed by (a), (b), or (c) of subsection  
 15 (1) since the time of such election, and who may thereafter  
 16 elect to become a member of the retirement system.

17 (2) In order to be eligible for active membership, any  
 18 person described in subsection (1) must:

19 (a) be employed in the capacity prescribed for his  
 20 eligibility for at least 30 days in any fiscal year; and

21 (b) have the compensation for his creditable service  
 22 totally paid by an employer as defined herein.

23 (3) At any time a person's eligibility to become a  
 24 member of the retirement system is in doubt, the retirement  
 25 board shall determine his eligibility for membership. All

INTRODUCED BILL

-2-

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1 persons in similar circumstances shall be treated alike."

2 NEW SECTION. Section 2. Repealer. Sections 19-4-305  
3 and 19-4-803, MCA, are repealed.

4 NEW SECTION. Section 3. Effective date. This act is  
5 effective July 1, 1983.

-End-

## STATE OF MONTANA

REQUEST NO. 078-83

## FISCAL NOTE

Form BD-15

In compliance with a written request received January 12, , 19 83 , there is hereby submitted a Fiscal Note for House Bill 140 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA).

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 140 eliminates the mandatory retirement age for a member of the Teachers' Retirement System and requires a teacher initially employed by the Montana University System after age 70 to become a member of the retirement system.

ASSUMPTIONS:

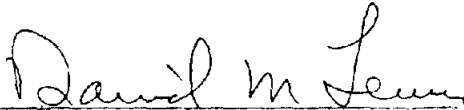
- 1) The incidents of people becoming employed in the Montana University System (MUS) beyond the age of 70 has been negligible (possibly non-existent) in the last five years. Therefore, the assumption made is that if there are any hirings of such individuals on any of the campuses in the MUS, it would certainly be no more than one per year of the '85 biennium.
- 2) The individual(s) is hired full-time at a salary of \$25,000 per academic year.
- 3) Teacher Retirement System employer rates remain unchanged.

FISCAL IMPACT:

	<u>1984</u>	<u>1985</u>
Expenditures (Current Unrestricted)	<u>\$1,616</u>	<u>\$3,232</u>

The additional current unrestricted revenue would come from the general fund.

FISCAL NOTE 4:D/1



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-17-83

Approved by Committee  
on State Administration

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21 that time are not required to be members:

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1 the Montana university system, except as provided in  
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3 (c) any person employed in an instructional services  
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19 (a) be employed in the capacity prescribed for his  
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23 (3) At any time a person's eligibility to become a  
24 member of the retirement system is in doubt, the retirement  
25 board shall determine his eligibility for membership. All

1 persons in similar circumstances shall be treated alike."  
2 NEW\_SECTION. Section 2. Repealer. Sections 19-4-305  
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