

HOUSE BILL NO. 132
INTRODUCED BY FRITZ

IN THE HOUSE

JANUARY 9, 1987 INTRODUCED AND REFERRED TO COMMITTEE
ON STATE ADMINISTRATION.

JANUARY 14, 1987 COMMITTEE RECOMMEND BILL
DO PASS. REPORT ADOPTED.

JANUARY 15, 1987 PRINTING REPORT.

JANUARY 17, 1987 SECOND READING, DO PASS.

JANUARY 19, 1987 ENGROSSING REPORT.

 THIRD READING, PASSED.

 TRANSMITTED TO SENATE.

IN THE SENATE

JANUARY 21, 1987 INTRODUCED AND REFERRED TO COMMITTEE
ON STATE ADMINISTRATION.

JANUARY 29, 1987 COMMITTEE RECOMMEND BILL BE
CONCURRED IN. REPORT ADOPTED.

FEBRUARY 2, 1987 SECOND READING, CONCURRED IN.

FEBRUARY 4, 1987 THIRD READING, CONCURRED IN.
AYES, 50; NOES, 0.

 RETURNED TO HOUSE.

IN THE HOUSE

FEBRUARY 5, 1987 RECEIVED FROM SENATE.

 SENT TO ENROLLING.

1 H.B. BILL NO. 132
2 INTRODUCED BY Fisher

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT PERMITTING A VESTED
5 MEMBER TO QUALIFY CERTAIN PUBLIC SERVICE EMPLOYMENT AS
6 CREDITABLE SERVICE UNDER THE PUBLIC EMPLOYEES' RETIREMENT
7 SYSTEM; AND PROVIDING AN EFFECTIVE DATE."
8

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

10 Section 1. Qualification of service from other public
11 retirement systems. (1) A member with 5 or more years of
12 creditable service in the public employees' retirement
13 system may qualify up to 5 years of public service
14 employment covered under a public retirement system other
15 than a system provided for in Title 19 for which he received
16 a refund of his membership contribution before becoming a
17 member of the public employees' retirement system. To
18 qualify this service, a member shall:

19 (a) at any time before his retirement make a written
20 election with the board to qualify the service; and

21 (b) contribute to the retirement fund the actuarial
22 cost of granting the service in the public employees'
23 retirement system, as determined by the board, based on:

24 (i) his compensation in his sixth year of service
25 covered under the public employees' retirement system; and

1 (ii) the normal contribution rate according to the most
2 recent actuarial valuation.

3 (2) Contributions to qualify service under this
4 section may be made in a lump-sum payment or in installments
5 as agreed upon by the member and the board.

6 (3) Service qualified under this section may not be:
7 (a) credited in any other retirement system under
8 Title 19; or

9 (b) used to qualify a member to purchase military
10 service under 19-3-503.

11 (4) Service qualified under this section may not be
12 used in calculating a member's retirement allowance unless
13 his last 5 years of creditable service were earned under the
14 public employees' retirement system. If a member's
15 qualified service may not be used in calculating his
16 retirement allowance, he may choose to:

17 (a) receive a refund of the contributions made to
18 qualify the service; or

19 (b) apply the contributions made to qualify the
20 service under the provisions of 19-3-702.

21 Section 2. Extension of authority. Any existing
22 authority of the public employees' retirement board to make
23 rules on the subject of the provisions of this act is
24 extended to the provisions of this act.

25 Section 3. Effective date. This act is effective July



LC 0387/01

1 1, 1987.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB132, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act permitting a vested member to qualify certain public service employment as creditable service under the Public Employees' Retirement System; and providing an effective date.

ASSUMPTIONS:

1. The potential member will contribute the actuarial cost of the additional service.

FISCAL IMPACT:

Expenditures:

None.

Revenues:

None.

EFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:


N/A


LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

N/A

TECHNICAL OR MECHANICAL DEFECTS IN PROPOSED LEGISLATION OR CONFLICTS WITH EXISTING LEGISLATION:

N/A

 DATE 1/16/87
DAVID L. HUNTER, BUDGET DIRECTOR
Office of Budget and Program Planning

 DATE 1/15/87
HARRY FEITZ, PRIMARY SPONSOR
Fiscal Note for HB132, as introduced.

APPROVED BY COMMITTEE
ON STATE ADMINISTRATION

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Fitz

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1 1, 1987.

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1 INTRODUCTION BY H.B. 132
2 Fitz
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