HOUSE BILL NO. 244

INTRODUCED BY PETERSON

BY REQUEST OF THE TEACHERS' RETIREMENT BOARD

IN THE HOUSE

	IN THE HOOSE
JANUARY 16, 1987	INTRODUCED AND REFERRED TO COMMITTEE ON STATE ADMINISTRATION.
JANUARY 28, 1987	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
JANUARY 29, 1987	PRINTING REPORT.
JANUARY 30, 1987	SECOND READING, DO PASS.
JANUARY 31, 1987	ENGROSSING REPORT.
	THIRD READING, PASSED.
	TRANSMITTED TO SENATE.
	IN THE SENATE
FEBRUARY 2, 1987	INTRODUCED AND REFERRED TO COMMITTEE ON STATE ADMINISTRATION.
FEBRUARY 6, 1987	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
FEBRUARY 10, 1987	SECOND READING, CONCURRED IN.
FEBRUARY 12, 1987	THIRD READING, CONCURRED IN. AYES, 50; NOES, 0.
	RETURNED TO HOUSE.
	IN THE HOUSE
FEBRUARY 17, 1987	RECEIVED FROM SENATE.

SENT TO ENROLLING.

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6	THE TEACHERS' RETIREMENT SYSTEM TO PURCHASE CREDITAR	U.F

A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW A MEMBER OF THE TEACHERS' RETIREMENT SYSTEM TO PURCHASE CREDITABLE SERVICE FOR TIME LOST DUE TO AN EMPLOYMENT-RELATED INJURY THAT ENTITLED HIM TO WORKERS' COMPENSATION PAYMENTS; AMENDING SECTION 19-4-401, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

NEW SECTION. Section 1. Absence due to employment-related injury. (1) (a) Subject to the limitation in subsection (5), time during which a member is absent because of an injury related to employment covered by the retirement system that entitles him to workers' compensation payments may be qualified under the retirement system. To qualify this service, a member shall contribute to the retirement system, upon his return to contributing membership service, an amount equal to:

- (i) the contributions which would have been made by him had he not been absent, based on his compensation at the commencement of his absence;
 - (ii) interest, which begins to accrue 1 year from the



- 1 date he returns to covered employment; and
- 2 (iii) interest not paid by the employer under 3 subsection (1)(b).
- 4 (b) Whenever a member elects to contribute under subsection (1)(a), the employer shall contribute an amount equal to the contributions which would have been made by the employer had the member not been absent, based on the member's compensation at the commencement of his absence.

 9 The employer may contribute an amount equal to the interest accruing on the employer's contributions calculated in the same manner as interest on the employee's contributions under subsection (1)(a). If the employer elects not to pay the interest, this amount must be paid by the employee.
 - (2) A member shall file with the retirement board a written notice of his intent to pay the contributions under subsection (1)(a).
- 17 (3) Payment of the employee's contributions due
 18 because of the period of absence may be made in one sum at
 19 the time of filing the notice or on an installment basis
 20 before termination of covered employment.
- 21 (4) A member absent as provided in subsection (1)(a)
 22 loses his right to contribute under this section if all of
 23 his accumulated normal contributions are refunded under
 24 19-4-603.
 - (5) The maximum amount of membership service allowable

LC 0837/01

- 1 under this section is 2 years.
- 2 Section 2. Section 19-4-401, MCA, is amended to read:
- 3 "19-4-401. Creditable service. (1) The creditable
- 4 service of a member begins on the date of his employment in
- 5 a capacity prescribed for his eligibility in 19-4-302 and
- 6 accumulates to the member's credit on the basis of the
- 7 retirement board's policy governing creditable service.
 - (2) The creditable service of a member includes the following:
- 10 (a) each year of service for which contributions to
- 11 the retirement system were deducted from his compensation
- 12 under the provisions of Chapter 87, Laws of 1937, Chapter
- 13 215, Laws of 1939, this chapter, and their subsequent
- 14 amendments, except that no credit may be awarded for those
- 15 years of service for which the contributions have been
- 16 withdrawn and not replaced;
- 17 (b) any service awarded by a prior service certificate
- issued under the provisions of Chapter 87, Laws of 1937,
- 19 Chapter 215, Laws of 1939, and their subsequent amendments
- or under the provisions of 19-4-406;
- 21 (c) any out-of-state employment service awarded by the
- 22 retirement board under the provisions of 19-4-402;
- 23 (d) any service awarded for employment while on leave
- 24 under 19-4-403;

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25 (e) any service in the military, red cross, or

- 1 merchant marine awarded by the retirement board under
- 2 19-4-404; and
- 3 (f) any employment service awarded by the retirement
- 4 board under the provisions of 19-4-408; and
- (g) any service awarded for absence due to
- 6 employment-related injury under [section 1].
- 7 (3) The retirement board's determination of creditable
- 8 service under this section is final and conclusive for the
- 9 purposes of the retirement system unless, at any time, the
- 10 board discovers an error or fraud in the establishment of
- ll creditable service, in which case the board shall
- 12 redetermine the creditable service."
- 13 NEW SECTION. Section 3. Extension of authority. Any
- 14 existing authority of the teachers' retirement board to make
- 15 rules on the subject of the provisions of this act is
- 16 extended to the provisions of this act.
- 17 NEW SECTION. Section 4. Codification instruction.
- 18 Section 1 is intended to be codified as an integral part of
- 19 Title 19, chapter 4, and the provisions of Title 19, chapter
- 20 4, apply to section 1.
- 21 NEW SECTION. Section 5. Effective date. This act is
- 22 effective on passage and approval.

APPROVED BY COMMITTEE ON STATE ADMINISTRATION

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2	INTRODUCED BY
3	BY REQUEST OF THE TEACHERS' RETIREMENT BOARD
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5	A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW A MEMBER OF
6	THE TEACHERS' RETIREMENT SYSTEM TO PURCHASE CREDITABLE
7	SERVICE FOR TIME LOST DUE TO AN EMPLOYMENT-RELATED INJURY
8	THAT ENTITLED HIM TO WORKERS' COMPENSATION PAYMENTS;
9	AMENDING SECTION 19-4-401, MCA; AND PROVIDING AN IMMEDIATE
10	EFFECTIVE DATE."
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12	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
13	NEW SECTION. Section 1. Absence due to
14	employment-related injury. (1) (a) Subject to the limitation
15	in subsection (5), time during which a member is absent
16	because of an injury related to employment covered by the
17	retirement system that entitles him to workers' compensation
18	payments may be qualified under the retirement system. To
19	qualify this service, a member shall contribute to the
20	retirement system, upon his return to contributing
21	membership service, an amount equal to:
22	(i) the contributions which would have been made by
23	him had he not been absent, based on his compensation at the
24	commencement of his absence;
25	(ii) interest, which begins to accrue I year from the

	L	date	he	returns	to	covered	employment;	and
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- 2 (iii) interest not paid by the employer under 3 subsection (1)(b).
- 4 (b) Whenever a member elects to contribute under subsection (1)(a), the employer shall contribute an amount equal to the contributions which would have been made by the employer had the member not been absent, based on the member's compensation at the commencement of his absence. The employer may contribute an amount equal to the interest
- 11 same manner as interest on the employee's contributions

accruing on the employer's contributions calculated in the

- under subsection (1)(a). If the employer elects not to pay the interest, this amount must be paid by the employee.
- 14 (2) A member shall file with the retirement board a 15 written notice of his intent to pay the contributions under 16 subsection (1)(a).
- 17 (3) Payment of the employee's contributions due 18 because of the period of absence may be made in one sum at 19 the time of filing the notice or on an installment basis 20 before termination of covered employment.
- 21 (4) A member absent as provided in subsection (1)(a)
 22 loses his right to contribute under this section if all of
 23 his accumulated normal contributions are refunded under
 24 19-4-603.
- 25 (5) The maximum amount of membership service allowable

LC 0837/01 LC 0837/01

- 1 under this section is 2 years.
- Section 2. Section 19-4-401, MCA, is amended to read:
- 3 "19-4-401, Creditable service, (1) The creditable
- 4 service of a member begins on the date of his employment in
- 5 a capacity prescribed for his eligibility in 19-4-302 and
- 6 accumulates to the member's credit on the basis of the
 - retirement board's policy governing creditable service.
- 8 (2) The creditable service of a member includes the
- 9 following:

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- 10 (a) each year of service for which contributions to
- 11 the retirement system were deducted from his compensation
- 12 under the provisions of Chapter 87, Laws of 1937, Chapter
- 13 215, Laws of 1939, this chapter, and their subsequent
- 14 amendments, except that no credit may be awarded for those
- 15 years of service for which the contributions have been
- years of service for which the contributions have be
- 16 withdrawn and not replaced;
- 17 (b) any service awarded by a prior service certificate
 - issued under the provisions of Chapter 87, Laws of 1937,
 - Chapter 215, Laws of 1939, and their subsequent amendments
- 20 or under the provisions of 19-4-406:
- 21 (c) any out-of-state employment service awarded by the
- retirement board under the provisions of 19-4-402;
- 23 (d) any service awarded for employment while on leave
- 24 under 19-4-403;
- 25 (e) any service in the military, red cross, or

- l merchant marine awarded by the retirement board under
- 2 19-4-404; and

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- (f) any employment service awarded by the retirement
- 4 board under the provisions of 19-4-408; and
- 5 (g) any service awarded for absence due to
 - employment-related injury under [section 1].
- 7 (3) The retirement board's determination of creditable
- 8 service under this section is final and conclusive for the
- 9 purposes of the retirement system unless, at any time, the
- 10 board discovers an error or fraud in the establishment of
- ll creditable service, in which case the board shall
- 12 redetermine the creditable service."
- 13 NEW SECTION. Section 3. Extension of authority. Any
- 14 existing authority of the teachers' retirement board to make
- 15 rules on the subject of the provisions of this act is
- 16 extended to the provisions of this act.
- 17 NEW SECTION. Section 4. Codification instruction.
- 18 Section 1 is intended to be codified as an integral part of
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- 1 date he returns to covered employment: and
- 2 (iii) interest not paid by the employer under 3 subsection (1)(b).
- (b) Whenever a member elects to contribute under 5 subsection (1)(a), the employer shall contribute an amount equal to the contributions which would have been made by the 7 employer had the member not been absent, based on the R member's compensation at the commencement of his absence. 9 The employer may contribute an amount equal to the interest 10 accruing on the employer's contributions calculated in the 11 same manner as interest on the employee's contributions 12 under subsection (1)(a). If the employer elects not to pay the interest, this amount must be paid by the employee. 13
 - (2) A member shall file with the retirement board a written notice of his intent to pay the contributions under subsection (1)(a).
 - (3) Payment of the employee's contributions because of the period of absence may be made in one sum at the time of filing the notice or on an installment basis before termination of covered employment.
- 21 (4) A member absent as provided in subsection (1)(a) 22 loses his right to contribute under this section if all of 23 his accumulated normal contributions are refunded under 24 19-4-603.
 - (5) The maximum amount of membership service allowable

- 1 under this section is 2 years.
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HB 0244/02 50th Legislature HB 0244/02

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HB 0244/02 HB 0244/02

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