# HOUSE BILL NO. 484

# INTRODUCED BY HARPER, STRIZICH, MCCORMICK, GOULD, GILBERT, GRADY, NATHE

# IN THE HOUSE

JANUARY 27, 1987	INTRODUCED AND REFERRED TO COMMITTEE ON STATE ADMINISTRATION.
FEBRUARY 5, 1987	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
FEBRUARY 6, 1987	PRINTING REPORT.
FEBRUARY 7, 1987	SECOND READING, DO PASS.
FEBRUARY 9, 1987	ENGROSSING REPORT.
	THIRD READING, PASSED.
	TRANSMITTED TO SENATE.
	IN THE SENATE
FEBRUARY 11, 1987	INTRODUCED AND REFERRED TO COMMITTEE ON STATE ADMINISTRATION.
FEBRUARY 24, 1987	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 3, 1987	SECOND READING, CONCURRED IN.
MARCH 5, 1987	THIRD READING, CONCURRED IN. AYES, 48; NOES, 0.
	RETURNED TO HOUSE.
	IN THE HOUSE

RECEIVED FROM SENATE.

SENT TO ENROLLING.

MARCH 6, 1987

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4	A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING
5	PROVISIONS CONCERNING THE SHERIFFS' RETIREMENT SYSTEM;
6	EXCLUDING CERTAIN RETIRED SHERIFFS FROM MEMBERSHIP IN THE
7	SYSTEM; PROVIDING A REDUCTION IN THE RETIRE TO ALLOWANCE
8	RECEIVED BY THESE SHERIFFS; REVISING THE METHOD FOR
9	CALCULATING AN OPTIONAL DEATH BENEFIT UNDER THE SYSTEM;
LO	AMENDING SECTIONS 19-7-301 AND 19-7-604, MCA; AND PROVIDING
11	AN EFFECTIVE DATE."
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1.3	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
l 4	Section 1. Section 19-7-301, MCA, is amended to read:
15	*19-7-301. Membership exclusions allowance
16	reduction. (1) Every sheriff is required to become a member
17	of the sheriffs' retirement system on July 1, 1974, unless

(2) A retired sheriff who is employed as a sheriff after retirement for less than 60 working days in a calendar

capacity, except as provided in subsection (2).

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retirement system, in which case he may at his option become

a member of the sheriffs' retirement system. All sheriffs

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remain members so long as actively employed in such

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Section 2. Section 19-7-604, MCA, is amended to read:

"19-7-604. Payments in case of death before
retirement. (1) If a member dies before retirement, his
beneficiary is entitled to elect one of the following
options for which the member qualified and the beneficiary
qualifies:

- 10 (a) a lump-sum payment of the accumulated deductions
  11 standing to the member's credit at his death;
  12 (b) a retirement allowance based on 2% of the final
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- 17 (c) a retirement allowance based on one-half of final salary, reduced to 25% of final salary for the period of 19 time the beneficiary receives workers' compensation, if the 20 board finds that the member died as a direct and proximate 21 result of injuries received in the course of employment.
  - (2) On or before July 1, 1982, a beneficiary who is receiving a death benefit may elect a different option under subsection (1). Any change in options is subject to actuarial adjustments for benefits received prior to the

- 1 change as determined by the board."
- 2 <u>NEW SECTION.</u> Section 3. Extension of authority. Any
- 3 existing authority of the public employees' retirement board
- 4 to make rules on the subject of the provisions of this act
- 5 is extended to the provisions of this act.
- 6 NEW SECTION. Section 4. Effective date. This act is
- 7 effective July 1, 1987.

#### STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB484, as introduced.

## DESCRIPTION OF PROPOSED LEGISLATION:

An act generally revising provisions concerning the Sheriff's Retirement System; excluding certain retired sheriffs from membership in the system; providing a reduction in the retirement allowance received by these sheriffs; revising the method for calculating an optional death benefit under the system.

## **ASSUMPTIONS:**

The provisions of this bill may provide a small increase in death benefits to some beneficiaries of sheriffs.

#### FISCAL IMPACT:

No fiscal impact can be calculated at this time.

EFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

TECHNICAL OR MECHANICAL DEFECTS IN PROPOSED LEGISLATION OR CONFLICTS WITH EXISTING LEGISLATION:
There is currently a bill before the Legislature (HB306) to change the retirement eligibility provisions in current law. If that bill is successful, the provisions of this bill should be coordinated with that bill.

DAVID L. HUNTER, BUDGET DIRECTOR
Office of Budget and Program Planning

HAL HARPER, RIMARY SPONSOR

Fiscal Note for HB484, as introduced.

HB 484

50th Legislature LC 1300/01 LC 1300/01

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#### APPROVED BY COMMITTEE ON STATE ADMINISTRATION

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- (a) a lump-sum payment of the accumulated deductions standing to the member's credit at his death;
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- (c) a retirement allowance based on one-half of final salary, reduced to 25% of final salary for the period of time the beneficiary receives workers' compensation, if the board finds that the member died as a direct and proximate result of injuries received in the course of employment.
- (2) On or before July 1, 1982, a beneficiary who is receiving a death benefit may elect a different option under subsection (1). Any change in options is subject to actuarial adjustments for benefits received prior to the

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#### HB 0484/02

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