SENATE BILL NO. 236

INTRODUCED BY WALKER, MCLANE, KEENAN, LYNCH, O'CONNELL

BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD

IN THE SENATE

- JANUARY 28, 1987 INTRODUCED AND REFERRED TO COMMITTEE ON STATE ADMINISTRATION.
- FEBRUARY 2, 1987 COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
- FEBRUARY 3, 1987 PRINTING REPORT.
- FEBRUARY 5, 1987 SECOND READING, DO PASS.
- FEBRUARY 6, 1987 ENGROSSING REPORT.
- FEBRUARY 7, 1987 THIRD READING, PASSED. AYES, 47; NOES, 0.

TRANSMITTED TO HOUSE.

IN THE HOUSE

- FEBRUARY 11, 1987 INTRODUCED AND REFERRED TO COMMITTEE ON STATE ADMINISTRATION.
- MARCH 6, 1987 COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
- MARCH 9, 1987 SECOND READING, CONCURRED IN.
- MARCH 10, 1987 THIRD READING, CONCURRED IN. AYES, 95; NOES, 0.

RETURNED TO SENATE.

IN THE SENATE

MARCH 11, 1987 RECEIVED FROM HOUSE.

SENT TO ENROLLING.

mate BILL NO. 236 1 RODUCED 2 BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD 3 4 A BILL FOR AN ACT ENTITLED: "AN ACT STANDARDIZING THE 5 6 NUMBERING FOR OPTIONAL RETIREMENT ALLOWANCES AVAILABLE UNDER 7 CERTAIN RETIREMENT SYSTEMS ADMINISTERED BY THE PUBLIC EMPLOYEES' RETIREMENT BOARD; AMENDING SECTIONS 19-5-701, 8 q 19-7-701, AND 19-8-801, MCA; AND PROVIDING AN EFFECTIVE

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DATE. "

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

Section 1. Section 19-5-701, MCA, is amended to read: 13 "19-5-701. Optional retirement allowance. (1) A member 14 or a beneficiary may elect one of the optional retirement 15 allowances set forth in subsection (2) at any time before 16 the first payment on account of any retirement allowance is 17 18 made. If a member dies after retirement and within 30 days 19 from the date upon which his election or changed election 20 was received by the board, the election is void and the 21 death will be considered as that of a member before 22 retirement.

23 (2) A member or a beneficiary may elect or, prior to
24 the approval of a previous election, revoke or change the
25 previous election and elect to receive the actuarial



equivalent of his retirement allowance as of the date of
 retirement in a lesser retirement allowance payable
 throughout life with one of the following options:

4 (a) Option \pm 2--upon his death, his lesser retirement 5 allowance will be continued throughout the life of and paid 6 to the person that he nominated by written designation, duly 7 executed and filed with the board at the time of his 8 retirement.

9 (b) Option 2 <u>3</u>--upon his death, one-half of his lesser 10 retirement allowance will be continued throughout the life 11 of and paid to the person that he nominated by written 12 designation, duly executed and filed with the board at the 13 time of his retirement.

14 (c) Option 3 <u>4</u>--such other benefits will be paid,
15 either to his beneficiary or to any other person that he
16 nominated, as together with the lesser retirement allowance
17 are the actuarial equivalent of his retirement allowance and
18 have been approved by the board."

Section 2. Section 19-7-701, MCA, is amended to read: "19-7-701. Optional retirement allowance. (1) A member or a beneficiary may elect one of the optional retirement allowances set forth in subsection (2) at any time before the first payment on account of any retirement allowance is made. If a member dies after retirement and within 30 days from the date upon which his election or changed election

INTRODUCED BILL

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allowance will be continued throughout the life of and paid
to the person that he nominated by written designation, duly
executed and filed with the board at the time of retirement.

(b) Option 2 3--upon his death, one-half of the lesser
retirement allowance will be continued throughout the life
of and paid to the person that he nominated by written
designation, duly executed and filed with the board at the
time of retirement.

(c) Option 3 4--such other benefits will be paid,
either to the beneficiary or to any other person that he
nominated, as, together with the lesser retirement
allowance, are the actuarial equivalent of his retirement
allowance and have been approved by the board."

Section 3. Section 19-8-801, MCA, is amended to read:
"19-8-801. Optional retirement allowance. (1) A member

or a beneficiary may elect one of the optional retirement 1 2 allowances set forth in subsection (2) at any time before the first payment on account of any retirement allowance is 3 4 made. If a member dies after retirement and within 30 days 5 from the date upon which his election or changed election 6 was received by the board, the election is void and the 7 death will be considered as that of a member before 8 retirement.

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5 <u>NEW SECTION.</u> Section 4. Extension of authority. Any 6 existing authority of the public employees' retirement board 7 to make rules on the subject of the provisions of this act 8 is extended to the provisions of this act.

9 <u>NEW SECTION.</u> Section 5. Effective date. This act is
10 effective July 1, 1987.

-End-

APPROVED BY COMMITTEE ON STATE ADMINISTRATION

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Section 1. Section 19-5-701, MCA, is amended to read: 13 14 "19-5-701. Optional retirement allowance. (1) A member 15 or a beneficiary may elect one of the optional retirement 16 allowances set forth in subsection (2) at any time before 17 the first payment on account of any retirement allowance is 18 made. If a member dies after retirement and within 30 days 19 from the date upon which his election or changed election 20 was received by the board, the election is void and the 21 death will be considered as that of a member before 22 retirement.

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equivalent of his retirement allowance as of the date of
 retirement in a lesser retirement allowance payable
 throughout life with one of the following options:

4 (a) Option $\frac{1}{2}$ --upon his death, his lesser retirement 5 allowance will be continued throughout the life of and paid 6 to the person that he nominated by written designation, duly 7 executed and filed with the board at the time of his 8 retirement.

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19 Section 2. Section 19-7-701, MCA, is amended to read: 20 "19-7-701. Optional retirement allowance. (1) A member 21 or a beneficiary may elect one of the optional retirement 22 allowances set forth in subsection (2) at any time before 23 the first payment on account of any retirement allowance is 24 made. If a member dies after retirement and within 30 days 25 from the date upon which his election or changed election

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-End-

SB 0236/02

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3	BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD
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REFERENCE BILL

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