

HOUSE BILL NO. 517

INTRODUCED BY HARPER, COCCHIARELLA, BECK, COBB,  
HIBBARD, DRISCOLL, FRITZ, HALLIGAN, SWYSGOOD, RYE,  
MCCARTHY, SQUIRES, DOWELL, J. RICE, GRADY, WATERMAN,  
TUSS, BROOKE, MCCULLOCH, MERCER, GRIMES, LYNCH,  
SCHYE, FAGG, SMITH, WANZENRIED, JACOBSON,  
BRANDEWIE, BARTLETT, MENAHAN, REAM, QUILICI,  
HANSEN, TOOLE, WINSLOW, BARNHART

IN THE HOUSE

FEBRUARY 8, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON STATE ADMINISTRATION.  FIRST READING.
FEBRUARY 19, 1993	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
FEBRUARY 20, 1993	PRINTING REPORT.  SECOND READING, DO PASS.  ON MOTION, REREFERRED TO COMMITTEE ON APPROPRIATIONS.
FEBRUARY 22, 1993	ENGROSSING REPORT.
MARCH 16, 1993	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
MARCH 17, 1993	PRINTING REPORT.
MARCH 23, 1993	SECOND READING, DO PASS AS AMENDED.
MARCH 24, 1993	ENGROSSING REPORT.  THIRD READING, PASSED. AYES, 92; NOES, 7.
MARCH 25, 1993	TRANSMITTED TO SENATE.

IN THE SENATE

MARCH 26, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON FINANCE & CLAIMS.  FIRST READING.
APRIL 13, 1993	COMMITTEE RECOMMEND BILL BE

CONCURRED IN AS AMENDED. REPORT  
ADOPTED.

APRIL 14, 1993

SECOND READING, CONCURRED IN  
AS AMENDED.

APRIL 15, 1993

THIRD READING, CONCURRED IN.  
AYES, 43; NOES, 5.

RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

APRIL 16, 1993

SECOND READING, AMENDMENTS  
CONCURRED IN.

APRIL 19, 1993

THIRD READING, AMENDMENTS  
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 *House* BILL NO. *517*  
 2 INTRODUCED BY *Thayer Cantuilla Bank 006*  
 3 *Willard Orsioll Bush Halligan - Duggan 012*  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING A RETIREMENT  
 5 INCENTIVE FOR MEMBERS WHO ARE ELIGIBLE TO RETIRE UNDER THE  
 6 PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND WHO TERMINATE  
 7 EMPLOYMENT WITHIN A PRESCRIBED WINDOW OF ELIGIBILITY; AND  
 8 PROVIDING AN IMMEDIATE EFFECTIVE DATE."  
 9 *Brankov* *B. Bonnell* *Costello* *Menahan*  
 10 STATEMENT OF INTENT

11 A statement of intent is required for this bill because  
 12 [section 1] gives the public employees' retirement board  
 13 authority to adopt rules to implement the provisions of the  
 14 bill.

15 It is the intent of the legislature to provide an active  
 16 member of the public employees' retirement system who is  
 17 eligible for normal or early retirement with an incentive to  
 18 terminate service within the timeframe or window prescribed  
 19 in this bill. The incentive provided in this bill is that  
 20 the employer, at no cost to an eligible member, will buy for  
 21 the eligible member up to 3 years of additional service for  
 22 the purpose of calculating the member's retirement benefit.

23 The employer of an eligible member will pay the total  
 24 cost for purchasing the additional service, up to 3 years,  
 25 that the member is eligible to purchase under existing

1 statute. It is the intent of the legislature that the state  
 2 and the university system be mandated to provide this  
 3 retirement incentive but that providing the incentive be  
 4 optional for contracting employers under the public  
 5 employees' retirement system.

6 It is also the intent of the legislature that the  
 7 employer may pay for the additional service on an  
 8 installment basis over as many as 10 years. Interest would  
 9 be charged at a rate set according to the retirement board's  
 10 policy.

11 It is not the intent of the legislature to provide this  
 12 retirement incentive to anyone who is an inactive member of  
 13 the retirement system or who is ineligible for early or  
 14 normal retirement within the prescribed window or to change  
 15 the benefit formula used to determine benefits under the  
 16 retirement system.

17  
 18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

19 NEW SECTION. **Section 1. Retirement incentive program**  
 20 -- window of eligibility. (1) Except as provided in  
 21 subsection (3), an active member who terminates service on  
 22 or after July 1, 1993, but before January 1, 1994, and who  
 23 is eligible for a normal service retirement under 19-3-901  
 24 or early retirement under 19-3-902 is entitled to the  
 25 retirement incentive provided in subsection (2).

(2) The employer of an eligible member under subsection (1) shall pay the total cost of purchasing up to 3 years of additional service that the member is eligible to purchase under 19-3-513. A member whose previous purchase of additional service makes the member ineligible to purchase more additional service is entitled to a refund on up to 3 years of the previously purchased additional service, and the employer shall pay the cost of that service as provided in this section.

(3) A contracting employer's participation in the incentive program described in this section is optional. A contracting employer may elect to provide the incentive by filing with the board a policy to purchase additional service for eligible employees.

(4) The board may allow an employer to pay the contributions required under subsection (2) in installments for up to 10 years and may charge interest at a rate set by the board pursuant to 19-3-304. The board shall adopt rules to implement the provisions of this section.

**NEW SECTION. Section 2. Report on effect of retirement incentive.** The department of administration, in cooperation with the university system and the public employees' retirement board, shall report to the 54th legislature on the effect of the retirement incentive offered to members of the public employees' retirement system under [section 1].

The report must include, but is not limited to:

(1) a summary of the positions from which employees terminated employment under the provisions of [section 1];

(2) whether positions vacated under [section 1] were refilled and when; and

(3) the cost or savings resulting from the implementation of [section 1].

**NEW SECTION. Section 3. Codification instruction.** [Section 1] is intended to be codified as an integral part of Title 19, chapter 3, part 9, and the provisions of Title 19, chapter 3, part 9, apply to [section 1].

**NEW SECTION. Section 4. Effective date.** [This act] is effective on passage and approval.

-End-

## STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0517, as introduced.

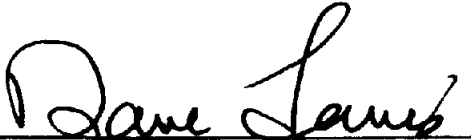
**DESCRIPTION OF PROPOSED LEGISLATION:** The bill provides an incentive for state employees who are PERS members currently eligible for early or regular retirement to terminate public employment during a window period. The incentive would be employer payment of up to 3 years of PERS "1-for-5" additional service for which the employee is eligible. If an employee's previous purchase of additional service makes him ineligible for all or a portion of this incentive, up to 3 years of the previous purchase will be refunded to the member. The window incentive is mandatory for the state and university system; contracting local government employers may elect to participate in the window incentive for their PERS employees.


**ASSUMPTIONS:**

1. **Potentially eligible state employees.** Of the 2,206 state employees potentially eligible, 607 have at least 25 years of service, 314 have between 20 and 25 years of service, and the remaining 1,285 have less than 20 years of service.
2. **Allocation of personal service costs.** According to a Jan. 1993 LFA budget analysis of this group, 31% of the state employees potentially eligible for the window are funded by the general fund (GF) and 69% are funded by non-general fund sources (NGF).
3. **Actual state terminations.** Assume 50% of those eligible with 20 or more years of service and 15% of those with less than 20 years of service, for a total of 653 persons expected to terminate during the window. Of the 304 persons terminating with at least 25 years of service, 94 will be funded by GF and 210 will be NGF; of the 157 who terminate with between 20 and 25 years of service, 49 will be funded by GF and 108 will be NGF; of the 192 terminating with less than 20 years of service, 60 will be funded by GF and 132 will be NGF.
4. **Average salary of terminating state employees.** The average salary of state employees potentially eligible are:

GF employees with 25+ yrs.	\$28,090	NGF employees with 25+ yrs	\$32,045
GF employees with 20-25 yrs.	26,405	NGF employees with 20-25 yrs	30,125
GF employees with <20 yrs.	24,150	NGF employees with <20 yrs	27,540

(Continued)

 2-16-93  
DAVID LEWIS, BUDGET DIRECTOR      DATE  
Office of Budget and Program Planning

 2/17/93  
HAL HARPER, PRIMARY SPONSOR      DATE  
Fiscal Note for HB0517, as introduced  
HB 517

5. **Vacancy costs/(savings).** The Governor's Office through OBPP will establish procedures to ensure only critical positions are refilled during the biennium. Fifty percent of the vacated positions are assumed to be deemed critical and allowed to be refilled. It is assumed the Board of Regents will take similar action. The salary paid to employees filling the vacated positions will average 95% of the salary of the terminating employee. Of the 653 state employees expected to terminate during the window:
  - 44 with 25+ years of service; 16 with 20-25 years of service; and 52 with less <20 years of service would have terminated between 1/31/93 and 6/30/93 but will wait until 7/31/93 to terminate in order to take advantage of the window incentive. Their lump sum cashouts in FY 94 are a cost shift from FY 93 because of the proposal; the cost of additional service for these employees is a result of the proposal; but because they would have terminated anyway, no salary savings or costs are due to this proposal.
  - 60 with 25+ years of service; 17 with 20-25 years of service; and 55 with <20 years of service would have terminated between 7/1/93 and 12/31/93 without the window and are assumed to have an average termination date of 9/30/93. Because they would have terminated during FY 94 anyway, the costs of their lump sum cashouts is not a cost of this proposal; the cost of the 3 yrs of additional service is a cost of the proposal; and because they would have retired anyway, no salary savings or costs are due to this proposal.
  - 200 with 25+ years of service; 124 with 20-25 years of service; and 85 with <20 years of service will be additional terminations due to the window incentive and are assumed to occur on 12/31/93. The costs of their lump sum cashouts in FY 94 and the costs of the 3 years of additional service are costs of this proposal; any and all salary savings or costs are due to this proposal.
6. **Employer contributions** for purchasing additional service assumes the terminating employees with 21 or more years of service will get 3 years of additional service and all others will get an average of 2 years of additional service and the employer will make monthly payments over 10 years @ 8% interest.
7. **Lump sum payouts** of sick and annual leave to terminating employees include fringe benefits @ 25%. The average costs for lump sum payouts are based on average sick and annual leave accumulations for eligible state employees as of January 1, 1993 and assume employees will continue to earn leave until they terminate, and that those employees will use half of the leave they earn in the future and accumulate the remainder.
8. **University employees.** Since no separate data is available, assume 20% of the impact of state employees.
9. **Local government employees.** No impact can be calculated since the window incentive is optional for local governments.
10. **Benefit adjustments** equal to 2.5% of previous calendar year PERS benefits will be paid by general fund (created by SB226, 1991 regular session).
11. **PERS membership profile.** PERS has 27,473 active members. 40% work for state government, 9% for the university system, and 51% for local governments (including school districts). Of the 653 state employees expected to retire during the window, 409 will retire earlier because of this proposal. Assume university system could potentially have 145 employees retire during the window, of which 90 would retire earlier because of this proposal.
12. **Operating expenses.** PERD will require supplemental budget authority in FY 93 for approximately \$5,000 in Personal Services authority for staff overtime (including benefits) and additional budget expenditure authority of \$27,500 in FY 94 in Personal Services for staff overtime (including benefits) and \$10,000 in Operating Expenses for additional paper, postage and mailing and for computer systems development and processing to implement this bill which will be funded from the PERS trust fund.

HB517

Fiscal Note Request, HB0517 as introduced  
Form BD-15 page 3  
(continued)

FISCAL IMPACT:	FY '94			FY '95		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
<b>State Agencies</b>						
<u>Expenditures:</u>						
Personal Services			(2,677,950)			(11,127,880)
2.5% Supplemental Benefits	\$1,545,320	\$1,549,482	4,162	1,668,946	1,837,500	168,554
<u>Funding:</u>						
General Fund			(725,378)			(3,102,508)
Other Funds			(1,952,572)			(8,025,372)
<b>University System</b>						
<u>Expenditures:</u>						
Personal Services			(535,590)			(2,225,576)
<u>Funding:</u>						
General Fund			(535,590)			(2,225,576)
<b>Net Impact on General Fund</b>			<b>(1,260,968)</b>			<b>(5,328,084)</b>
<b>PERS Pension Trust Fund</b>						
<u>Expenditures:</u>						
PERD Operating Expenses	1,131,812	1,169,312	37,500	1,111,833	1,111,833	-0-
Pension Benefits	66,757,840	69,850,784	3,092,944	72,098,467	76,305,749	4,207,282
Supplemental Pension Benefits	1,545,320	1,549,482	4,162	1,668,946	1,837,500	168,554
<u>Funding:</u>						
Pension Trust Fund	67,889,652	70,982,596	3,092,944	73,210,300	77,417,582	4,207,282
General Fund	1,545,320	1,549,482	4,162	1,668,946	1,837,500	168,554
<u>Revenues:</u>						
Employer Contributions	37,129,551	37,849,591	720,040	38,057,789	39,255,221	1,197,432
General Fund 2.5% Supplement	1,545,320	1,549,482	4,162	1,668,946	1,837,500	168,554
<u>Funding:</u>						
General Fund	7,486,048	7,651,293	165,245	7,758,192	8,208,398	450,206
Other State Funds	8,911,092	9,350,087	438,995	9,133,869	9,850,077	716,208
University system Funds (GF)	3,341,660	3,461,622	119,962	3,425,201	3,624,773	199,572
<b>Net Impact - PERS Trust</b>			<b>2,410,404*</b>			<b>3,009,850*</b>

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES: The program is optional for local governments.

\* Over 10 year period the negative impact to the PERS Trust is eliminated by the agency installment payments with interest.

HB 517

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0517, third reading.

DESCRIPTION OF PROPOSED LEGISLATION: The bill provides an incentive for state employees who are PERS members currently eligible for early or regular retirement to terminate public employment during a window period. The incentive would be employer payment of up to 3 years of PERS "1-for-5" additional service for which the employee is eligible. If an employee's previous purchase of additional service makes him ineligible for all or a portion of this incentive, up to 3 years of the previous purchase will be refunded to the member. The window incentive is mandatory for the state and university system; contracting local government employers may elect to participate in the window incentive for their PERS employees.

ASSUMPTIONS:

1. The potential personal services savings anticipated from the proposal were included in HB2 by the full appropriation committee on March 10.

FISCAL IMPACT:

The potential impact is included in HB2.

David Lewis 3-12-93  
DAVID LEWIS, BUDGET DIRECTOR DATE  
Office of Budget and Program Planning

Hal Harper 3/13  
HAL HARPER, PRIMARY SPONSOR DATE

Fiscal Note for HB0517, third reading

HB 517 #2



APPROVED BY COMMITTEE  
ON STATE ADMINISTRATION

## HOUSE BILL NO. 517

INTRODUCED BY HARPER, COCCHIARELLA, BECK, COBB,  
HIBBARD, DRISCOLL, FRITZ, HALLIGAN, SWYSGOOD, RYE,  
MCCARTHY, SQUIRES, DOWELL, J. RICE, GRADY, WATERMAN,  
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HANSON, TOOLE, WINSLOW, BARNHART

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING A RETIREMENT  
INCENTIVE FOR MEMBERS WHO ARE ELIGIBLE TO RETIRE UNDER THE  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND WHO TERMINATE  
EMPLOYMENT WITHIN A PRESCRIBED WINDOW OF ELIGIBILITY; AND  
PROVIDING AN IMMEDIATE EFFECTIVE DATE."

## STATEMENT OF INTENT

A statement of intent is required for this bill because  
[section 1] gives the public employees' retirement board  
authority to adopt rules to implement the provisions of the  
bill.

It is the intent of the legislature to provide an active  
member of the public employees' retirement system who is  
eligible for normal or early retirement with an incentive to  
terminate service within the timeframe or window prescribed  
in this bill. The incentive provided in this bill is that

the employer, at no cost to an eligible member, will buy for  
the eligible member up to 3 years of additional service for  
the purpose of calculating the member's retirement benefit.

The employer of an eligible member will pay the total  
cost for purchasing the additional service, up to 3 years,  
that the member is eligible to purchase under existing  
statute. It is the intent of the legislature that the state  
and the university system be mandated to provide this  
retirement incentive but that providing the incentive be  
optional for contracting employers under the public  
employees' retirement system.

It is also the intent of the legislature that the  
employer may pay for the additional service on an  
installment basis over as many as 10 years. Interest would  
be charged at a rate set according to the retirement board's  
policy.

It is not the intent of the legislature to provide this  
retirement incentive to anyone who is an inactive member of  
the retirement system or who is ineligible for early or  
normal retirement within the prescribed window or to change  
the benefit formula used to determine benefits under the  
retirement system.

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

NEW SECTION. Section 1. Retirement incentive program

-- window of eligibility. (1) Except as provided in subsection (3), an active member who terminates service on or after July 1, 1993, but before January 1, 1994, and who is eligible for a normal service retirement under 19-3-901 or early retirement under 19-3-902 is entitled to the retirement incentive provided in subsection (2).

(2) The employer of an eligible member under subsection (1) shall pay the total cost of purchasing up to 3 years of additional service that the member is eligible QUALIFIED to purchase under 19-3-513. A member whose previous purchase of additional service makes the member ineligible to purchase more additional service is entitled to a refund on up to 3 years of the previously purchased additional service, and the employer shall pay the cost of that service as provided in this section IS ENTITLED TO A REFUND FOR THAT PORTION OF PREVIOUSLY PURCHASED ADDITIONAL SERVICE THAT WOULD OTHERWISE CAUSE THE MEMBER TO BE UNQUALIFIED TO RECEIVE ALL OR PART OF THE ADDITIONAL SERVICE PROVIDED IN THIS SECTION.

(3) A contracting employer's participation in the incentive program described in this section is optional. A contracting employer may elect to provide the incentive by filing with the board a policy to purchase additional service for eligible employees WRITTEN NOTICE OF ELECTION ON OR BEFORE JUNE 1, 1993, AND COMPLYING WITH RULES ADOPTED PURSUANT TO SUBSECTION (4).

(4) The board may allow an employer to pay the contributions required under subsection (2) in installments for up to 10 years and may charge interest at a rate set by the board pursuant to 19-3-304. The board shall adopt rules to implement the provisions of this section.

(5) A MEMBER WHO HAS RECEIVED ADDITIONAL SERVICE UNDER THIS SECTION AND WHO RETURNS TO EMPLOYMENT FOR THE SAME JURISDICTION FOR 600 OR MORE HOURS IN A CALENDAR YEAR SHALL FORFEIT THE ADDITIONAL SERVICE. THE EMPLOYER'S CONTRIBUTIONS TO PURCHASE THAT MEMBER'S ADDITIONAL SERVICE, MINUS ANY RETIREMENT BENEFITS ALREADY PAID, MUST BE REFUNDED TO THE EMPLOYER. FOR PURPOSES OF THIS SUBSECTION, ALL AGENCIES OF THE STATE, INCLUDING THE UNIVERSITY SYSTEM, ARE CONSIDERED THE SAME JURISDICTION AND OTHER PUBLIC EMPLOYERS CONTRACTING WITH THE RETIREMENT SYSTEM ARE EACH CONSIDERED SEPARATE JURISDICTIONS.

NEW SECTION. Section 2. Report on effect of retirement incentive. The department of administration, in cooperation with the university system and the public employees' retirement board, shall report to the 54th legislature on the effect of the retirement incentive offered to members of the public employees' retirement system under [section 1]. The report must include, but is not limited to:

(1) a summary of the positions from which employees terminated employment under the provisions of [section 1];

1       (2) whether positions vacated under [section 1] were  
2       refilled and when; and

3       (3) the cost or savings resulting from the  
4       implementation of [section 1].

5       NEW SECTION. **Section 3.** Codification instruction.  
6       [Section 1] is intended to be codified as an integral part  
7       of Title 19, chapter 3, part 9, and the provisions of Title  
8       19, chapter 3, part 9, apply to [section 1].

9       NEW SECTION. **Section 4.** Effective date. [This act] is  
10      effective on passage and approval.

-End-

## HOUSE BILL NO. 517

INTRODUCED BY HARPER, COCCHIARELLA, BECK, COBB,  
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the purpose of calculating the member's retirement benefit.

The employer of an eligible member will pay the total  
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normal retirement within the prescribed window or to change  
the benefit formula used to determine benefits under the  
retirement system.

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

NEW SECTION. Section 1. Retirement incentive program



-- window of eligibility. (1) Except as provided in subsection (3), an active member who terminates service on or after July 1 JUNE 25, 1993, but before January 1, 1994, and who is eligible for a normal service retirement under 19-3-901 or early retirement under 19-3-902 is entitled to the retirement incentive provided in subsection (2).

(2) The employer of an eligible member under subsection (1) shall pay the total cost of purchasing up to 3 years of additional service that the member is eligible QUALIFIED to purchase under 19-3-513. A member whose previous purchase of additional--service--makes-the-member-ineligible-to-purchase more-additional-service-is-entitled-to-a-refund-on-up-to--3 years--of--the--previously-purchased-additional-service--and the-employer-shall-pay-the-cost-of-that-service-as--provided in--this-section IS ENTITLED TO A REFUND FOR THAT PORTION OF PREVIOUSLY PURCHASED ADDITIONAL SERVICE THAT WOULD OTHERWISE CAUSE THE MEMBER TO BE UNQUALIFIED TO RECEIVE ALL OR PART OF THE ADDITIONAL SERVICE PROVIDED IN THIS SECTION.

(3) A contracting employer's participation in the incentive program described in this section is optional. A contracting employer may elect to provide the incentive by filing with the board a policy--to--purchase-additional service-for-eligible-employees WRITTEN NOTICE OF ELECTION ON OR BEFORE JUNE 1, 1993, AND COMPLYING WITH RULES ADOPTED PURSUANT TO SUBSECTION (4).

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(5) A MEMBER WHO HAS RECEIVED ADDITIONAL SERVICE UNDER THIS SECTION AND WHO RETURNS TO EMPLOYMENT FOR THE SAME JURISDICTION FOR 600 OR MORE HOURS IN A CALENDAR YEAR SHALL FORFEIT THE ADDITIONAL SERVICE. THE EMPLOYER'S CONTRIBUTIONS TO PURCHASE THAT MEMBER'S ADDITIONAL SERVICE, MINUS ANY RETIREMENT BENEFITS ALREADY PAID, MUST BE REFUNDED TO THE EMPLOYER. FOR PURPOSES OF THIS SUBSECTION, ALL AGENCIES OF THE STATE, INCLUDING THE UNIVERSITY SYSTEM, ARE CONSIDERED THE SAME JURISDICTION AND OTHER PUBLIC EMPLOYERS CONTRACTING WITH THE RETIREMENT SYSTEM ARE EACH CONSIDERED SEPARATE JURISDICTIONS.

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5       NEW SECTION.   **Section 3.** Codification       instruction.  
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3 HIBBARD, DRISCOLL, FRITZ, HALLIGAN, SWYSGOOD, RYE,  
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11 INCENTIVE FOR MEMBERS WHO ARE ELIGIBLE TO RETIRE UNDER THE  
12 PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND WHO TERMINATE  
13 EMPLOYMENT WITHIN A PRESCRIBED WINDOW OF ELIGIBILITY; AND  
14 PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE  
15 APPLICABILITY DATE."  
16

## 17 STATEMENT OF INTENT

18 A statement of intent is required for this bill because  
19 [section 1] gives the public employees' retirement board  
20 authority to adopt rules to implement the provisions of the  
21 bill.

22 It is the intent of the legislature to provide an active  
23 member of the public employees' retirement system who is  
24 eligible for normal or early retirement with an incentive to  
25 terminate service within the timeframe or window prescribed

1 in this bill. The incentive provided in this bill is that  
2 the employer, at no cost to an eligible member, will buy for  
3 the eligible member up to 3 years of additional service for  
4 the purpose of calculating the member's retirement benefit.

5 The employer of an eligible member will pay the total  
6 cost for purchasing the additional service, up to 3 years,  
7 that the member is eligible to purchase under existing  
8 statute. It is the intent of the legislature that the state  
9 and the university system be mandated to provide this  
10 retirement incentive but that providing the incentive be  
11 optional for contracting employers under the public  
12 employees' retirement system.

13 It is also the intent of the legislature that the  
14 employer may pay for the additional service on an  
15 installment basis over as many as 10 years. Interest would  
16 be charged at a rate set according to the retirement board's  
17 policy.

18 It is not the intent of the legislature to provide this  
19 retirement incentive to anyone who is an inactive member of  
20 the retirement system or who is ineligible for early or  
21 normal retirement within the prescribed window or to change  
22 the benefit formula used to determine benefits under the  
23 retirement system.  
24

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

1 NEW SECTION. Section 1. Retirement incentive program  
 2 -- window of eligibility. (1) Except as provided in  
 3 subsection ~~{3}~~ (4), an active member who terminates service  
 4 on or after ~~July--1~~ JUNE 25, 1993, but before January 1,  
 5 1994, and who is eligible for a normal service retirement  
 6 under 19-3-901 or early retirement under 19-3-902 is  
 7 entitled to the retirement incentive provided in subsection  
 8 (2).

9 (2) The employer of an eligible member under subsection  
 10 (1) shall pay the total cost of purchasing up to 3 years of  
 11 additional service that the member is eligible QUALIFIED to  
 12 purchase under 19-3-513. A member whose ~~previous-purchase-of~~  
 13 ~~additional--service--makes-the-member-ineligible-to-purchase~~  
 14 ~~more-additional-service-is-entitled-to-a-refund-on-up--to--3~~  
 15 ~~years--of--the--previously-purchased-additional-service, and~~  
 16 ~~the-employer-shall-pay-the-cost-of-that-service-as--provided~~  
 17 in--this-section IS ENTITLED TO A REFUND FOR THAT PORTION OF  
 18 PREVIOUSLY PURCHASED ADDITIONAL SERVICE THAT WOULD OTHERWISE  
 19 CAUSE THE MEMBER TO BE UNQUALIFIED TO RECEIVE ALL OR PART OF  
 20 THE ADDITIONAL SERVICE PROVIDED IN THIS SECTION.

21 (3) AN ACTIVE MEMBER WHO IS INVOLUNTARILY TERMINATED ON  
 22 OR AFTER MARCH 1, 1993, BUT BEFORE JUNE 25, 1993, AND WHO,  
 23 IF THE MEMBER HAD NOT BEEN TERMINATED, WOULD HAVE BEEN  
 24 ELIGIBLE UNDER SUBSECTION (1) FOR THE RETIREMENT INCENTIVE  
 25 IS ENTITLED TO THE RETIREMENT INCENTIVE UNDER SUBSECTION (2)

1 IF THE MEMBER WAS, AT THE TIME OF TERMINATION, ELIGIBLE FOR  
 2 NORMAL SERVICE RETIREMENT UNDER 19-3-901 OR EARLY RETIREMENT  
 3 UNDER 19-3-902 AND RETIRES ON OR AFTER JUNE 25, 1993.

4 ~~{3}~~(4) A contracting employer's participation in the  
 5 incentive program described in this section is optional. A  
 6 contracting employer may elect to provide the incentive by  
 7 filing with the board a ~~policy--to--purchase-additional~~  
 8 ~~service-for-eligible-employees~~ WRITTEN NOTICE OF ELECTION ON  
 9 OR BEFORE JUNE 1, 1993, AND COMPLYING WITH RULES ADOPTED  
 10 PURSUANT TO SUBSECTION ~~{4}~~ (5).

11 ~~{4}~~(5) The board may allow an employer to pay the  
 12 contributions required under subsection (2) in installments  
 13 for up to 10 years and may charge interest at a rate set by  
 14 the board pursuant to 19-3-304. The board shall adopt rules  
 15 to implement the provisions of this section.

16 ~~{5}~~(6) A MEMBER WHO HAS RECEIVED ADDITIONAL SERVICE  
 17 UNDER THIS SECTION AND WHO RETURNS TO EMPLOYMENT FOR THE  
 18 SAME JURISDICTION FOR 600 OR MORE HOURS IN A CALENDAR YEAR  
 19 SHALL FORFEIT THE ADDITIONAL SERVICE. THE EMPLOYER'S  
 20 CONTRIBUTIONS TO PURCHASE THAT MEMBER'S ADDITIONAL SERVICE,  
 21 MINUS ANY RETIREMENT BENEFITS ALREADY PAID, MUST BE REFUNDED  
 22 TO THE EMPLOYER. FOR PURPOSES OF THIS SUBSECTION, ALL  
 23 AGENCIES OF THE STATE, INCLUDING THE UNIVERSITY SYSTEM, ARE  
 24 CONSIDERED THE SAME JURISDICTION AND OTHER PUBLIC EMPLOYERS  
 25 CONTRACTING WITH THE RETIREMENT SYSTEM ARE EACH CONSIDERED



1 SEPARATE JURISDICTIONS.

2 NEW SECTION. Section 2. Report on effect of retirement  
3 incentive. The department of administration, in cooperation  
4 with the university system and the public employees'  
5 retirement board, shall report to the 54th legislature on  
6 the effect of the retirement incentive offered to members of  
7 the public employees' retirement system under [section 1].  
8 The report must include, but is not limited to:

9 (1) a summary of the positions from which employees  
10 terminated employment under the provisions of [section 1];

11 (2) whether positions vacated under [section 1] were  
12 refilled and when; and

13 (3) the cost or savings resulting from the  
14 implementation of [section 1].

15 NEW SECTION. SECTION 3. RETROACTIVE APPLICABILITY.  
16 [THIS ACT] APPLIES RETROACTIVELY, WITHIN THE MEANING OF  
17 1-2-109, TO OCCURRENCES ON OR AFTER MARCH 1, 1993.

18 NEW SECTION. Section 4. Codification instruction.  
19 [Section 1] is intended to be codified as an integral part  
20 of Title 19, chapter 3, part 9, and the provisions of Title  
21 19, chapter 3, part 9, apply to [section 1].

22 NEW SECTION. Section 5. Effective date. [This act] is  
23 effective on passage and approval.

-End-

SENATE STANDING COMMITTEE REPORT

Page 1 of 3  
April 13, 1993

Page 2 of 3  
April 13, 1993

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration House Bill No. 517 (third reading copy -- blue), respectfully report that House Bill No. 517 be amended as follows and as so amended be concurred in.

Signed: Judy H. Jacobson  
Senator Judy H. Jacobson, Chair

That such amendments read:

1. Title, line 13.

Following: ";

Insert: "PROVIDING A VOLUNTARY TERMINATION INCENTIVE FOR CERTAIN MEMBERS WHO ARE ELIGIBLE TO RETIRE UNDER THE TEACHERS' RETIREMENT SYSTEM AND WHO TERMINATE EMPLOYMENT WITHIN A PRESCRIBED WINDOW OF ELIGIBILITY;"

2. Title, line 14.

Following: "DATE"

Insert: ", A TERMINATION DATE,"

3. Page 3, line 3.

Following: "subsection (3) (4),"

Insert: "a person who is"

Following: "member"

Insert: "on February 1, 1993, and"

Following: "who"

Insert: "voluntarily"

Following: "service"

Insert: "or whose service is involuntarily terminated because of a reduction in force"

4. Page 3, line 21.

Following: "TERMINATED"

Insert: "because of a reduction in force"

5. Page 5, following line 1.

Insert: "NEW SECTION. Section 2. Montana university system voluntary termination for teachers' retirement system members. (1) The board of regents shall establish a voluntary termination incentive during the 1994-95 biennium for all members of the teachers' retirement system employed on a full-time basis on or before February 1, 1993, who are eligible for normal service retirement under 19-4-801 and 19-4-802. The termination incentive, combined with employer contributions due the teachers' retirement system under 19-4-101(5)(d), must be an amount equal to 1 year of the

combined member and employer contributions established in 19-4-602 and 19-4-605 for each 5 years of creditable service within the teachers' retirement system, not to exceed the amount of combined contributions for 3 years.

(2) A member who terminates employment under the provisions of subsection (1) and who returns to employment in a unit of the Montana university system, except as provided in 19-4-804, shall refund the voluntary termination incentive to the university system.

(3) To qualify for the termination incentive authorized in this section, the participant shall announce an intent to terminate employment at the end of the 1993-94 academic contract year or at the end of the 1994 summer session on or before December 1, 1993.

(4) The board of regents shall define the terms of the voluntary termination incentive by July 1, 1993.

**NEW SECTION. Section 3. Montana university system voluntary termination for optional teachers' retirement system participants.** (1) The board of regents shall establish a voluntary termination incentive during the 1994-95 biennium for all optional retirement participants who are employed on a full-time basis on or before February 1, 1993, and who are at least 50 years of age on or before the date of termination. The incentive must be an amount equal to 1 year of the combined member and board of regents contributions established in 19-21-203 for each 5 years of service with the Montana university system, not to exceed the amount of combined contributions for 3 years.

(2) A participant who terminates employment under the provisions of subsection (1) and who returns to employment in a unit of the Montana university system, except as provided in 19-4-804, shall refund the voluntary termination incentive to the university system.

(3) To qualify for the termination incentive authorized in this section, the participant shall announce an intent to terminate employment at the end of the 1993-94 academic contract year or at the end of the 1994 summer session on or before December 1, 1993.

(4) The board of regents shall define the terms of the voluntary termination incentive by July 1, 1993."

Renumber: subsequent sections

AM  
Amd. Coord.  
Sec. of Senate

Jacobson  
Senator Carrying Bill

811459SC.San

SENATE  
HB 517  
811459SC.San

SENATE COMMITTEE OF THE WHOLE AMENDMENT

April 14, 1993 10:34 am

Mr. Chairman: I move to amend House Bill No. 517 (third reading copy -- blue).

ADOPT

REJECT

Signed:

*Judy Jacobson*  
Senator Judy Jacobson

That such amendments read:

1. Page 5, line 2.

Strike: "Report"

Insert: "Reports"

Strike: "retirement"

2. Page 5, line 3.

Strike: "incentive"

Insert: "incentives"

3. Page 5, line 7.

Following: "[section 1]."

Insert: "The board of regents, in cooperation with the teachers' retirement board, shall report to the 54th legislature on the effect of the voluntary termination incentives offered to members of the teachers' retirement system employed by the Montana university system."

4. Page 5, line 8.

Strike: "The report"

Insert: "These reports"

Strike: "is"

Insert: "are"

Amend Senate Finance and Claims amendments dated April 13, 1993, as follows:

Amendment No. 5

Following: "employment" in [section 2(3)]

Strike: "at"

Insert: "no later than"

Following: "year or"

Strike: "at"

Following: "employment" in [section 3(3)]

Strike: "at"

Insert: "no later than"

Following: "year or"

Strike: "at"

-END-

HB 517

SENATE

## 1 HOUSE BILL NO. 517

2 INTRODUCED BY HARPER, COCCHIARELLA, BECK, COBB,  
3 HIBBARD, DRISCOLL, FRITZ, HALLIGAN, SWYSGOOD, RYE,  
4 MCCARTHY, SQUIRES, DOWELL, J. RICE, GRADY, WATERMAN,  
5 TUSS, BROOKE, MCCULLOCH, MERCER, GRIMES, LYNCH,  
6 SCHYE, FAGG, SMITH, WANZENRIED, JACOBSON,  
7 BRANDEWIE, BARTLETT, MENAHAN, REAM, QUILICI,  
8 HANSEN, TOOLE, WINSLOW, BARNHART

9  
10 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING A RETIREMENT  
11 INCENTIVE FOR MEMBERS WHO ARE ELIGIBLE TO RETIRE UNDER THE  
12 PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND WHO TERMINATE  
13 EMPLOYMENT WITHIN A PRESCRIBED WINDOW OF ELIGIBILITY;  
14 PROVIDING A VOLUNTARY TERMINATION INCENTIVE FOR CERTAIN  
15 MEMBERS WHO ARE ELIGIBLE TO RETIRE UNDER THE TEACHERS'  
16 RETIREMENT SYSTEM AND WHO TERMINATE EMPLOYMENT WITHIN A  
17 PRESCRIBED WINDOW OF ELIGIBILITY; AND PROVIDING AN IMMEDIATE  
18 EFFECTIVE DATE, A TERMINATION DATE, AND A RETROACTIVE  
19 APPLICABILITY DATE."  
20

## 21 STATEMENT OF INTENT

22 A statement of intent is required for this bill because  
23 [section 1] gives the public employees' retirement board  
24 authority to adopt rules to implement the provisions of the  
25 bill.

1 It is the intent of the legislature to provide an active  
2 member of the public employees' retirement system who is  
3 eligible for normal or early retirement with an incentive to  
4 terminate service within the timeframe or window prescribed  
5 in this bill. The incentive provided in this bill is that  
6 the employer, at no cost to an eligible member, will buy for  
7 the eligible member up to 3 years of additional service for  
8 the purpose of calculating the member's retirement benefit.

9 The employer of an eligible member will pay the total  
10 cost for purchasing the additional service, up to 3 years,  
11 that the member is eligible to purchase under existing  
12 statute. It is the intent of the legislature that the state  
13 and the university system be mandated to provide this  
14 retirement incentive but that providing the incentive be  
15 optional for contracting employers under the public  
16 employees' retirement system.

17 It is also the intent of the legislature that the  
18 employer may pay for the additional service on an  
19 installment basis over as many as 10 years. Interest would  
20 be charged at a rate set according to the retirement board's  
21 policy.

22 It is not the intent of the legislature to provide this  
23 retirement incentive to anyone who is an inactive member of  
24 the retirement system or who is ineligible for early or  
25 normal retirement within the prescribed window or to change

the benefit formula used to determine benefits under the retirement system.

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

NEW SECTION. Section 1. Retirement incentive program

-- window of eligibility. (1) Except as provided in subsection ~~{3}~~ (4), A PERSON WHO IS an active member ON FEBRUARY 1, 1993, AND who VOLUNTARILY terminates service OR WHOSE SERVICE IS INVOLUNTARILY TERMINATED BECAUSE OF A REDUCTION IN FORCE on or after ~~July 1~~ JUNE 25, 1993, but before January 1, 1994, and who is eligible for a normal service retirement under 19-3-901 or early retirement under 19-3-902 is entitled to the retirement incentive provided in subsection (2).

(2) The employer of an eligible member under subsection (1) shall pay the total cost of purchasing up to 3 years of additional service that the member is ~~eligible~~ QUALIFIED to purchase under 19-3-513. ~~A member whose previous purchase of additional service makes the member ineligible to purchase more additional service is entitled to a refund on up to 3 years of the previously purchased additional service, and the employer shall pay the cost of that service as provided in this section~~ IS ENTITLED TO A REFUND FOR THAT PORTION OF PREVIOUSLY PURCHASED ADDITIONAL SERVICE THAT WOULD OTHERWISE CAUSE THE MEMBER TO BE UNQUALIFIED TO RECEIVE ALL OR PART OF

THE ADDITIONAL SERVICE PROVIDED IN THIS SECTION.

(3) AN ACTIVE MEMBER WHO IS INVOLUNTARILY TERMINATED BECAUSE OF A REDUCTION IN FORCE ON OR AFTER MARCH 1, 1993, BUT BEFORE JUNE 25, 1993, AND WHO, IF THE MEMBER HAD NOT BEEN TERMINATED, WOULD HAVE BEEN ELIGIBLE UNDER SUBSECTION (1) FOR THE RETIREMENT INCENTIVE IS ENTITLED TO THE RETIREMENT INCENTIVE UNDER SUBSECTION (2) IF THE MEMBER WAS, AT THE TIME OF TERMINATION, ELIGIBLE FOR NORMAL SERVICE RETIREMENT UNDER 19-3-901 OR EARLY RETIREMENT UNDER 19-3-902 AND RETIRES ON OR AFTER JUNE 25, 1993.

~~{3}~~ (4) A contracting employer's participation in the incentive program described in this section is optional. A contracting employer may elect to provide the incentive by filing with the board a ~~policy to purchase additional service for eligible employees~~ WRITTEN NOTICE OF ELECTION ON OR BEFORE JUNE 1, 1993, AND COMPLYING WITH RULES ADOPTED PURSUANT TO SUBSECTION {4} (5).

~~{4}~~ (5) The board may allow an employer to pay the contributions required under subsection (2) in installments for up to 10 years and may charge interest at a rate set by the board pursuant to 19-3-304. The board shall adopt rules to implement the provisions of this section.

{5} (6) A MEMBER WHO HAS RECEIVED ADDITIONAL SERVICE UNDER THIS SECTION AND WHO RETURNS TO EMPLOYMENT FOR THE SAME JURISDICTION FOR 600 OR MORE HOURS IN A CALENDAR YEAR

1 SHALL FORFEIT THE ADDITIONAL SERVICE. THE EMPLOYER'S  
 2 CONTRIBUTIONS TO PURCHASE THAT MEMBER'S ADDITIONAL SERVICE,  
 3 MINUS ANY RETIREMENT BENEFITS ALREADY PAID, MUST BE REFUNDED  
 4 TO THE EMPLOYER. FOR PURPOSES OF THIS SUBSECTION, ALL  
 5 AGENCIES OF THE STATE, INCLUDING THE UNIVERSITY SYSTEM, ARE  
 6 CONSIDERED THE SAME JURISDICTION AND OTHER PUBLIC EMPLOYERS  
 7 CONTRACTING WITH THE RETIREMENT SYSTEM ARE EACH CONSIDERED  
 8 SEPARATE JURISDICTIONS.

9 NEW SECTION. SECTION 2. MONTANA UNIVERSITY SYSTEM  
 10 VOLUNTARY TERMINATION FOR TEACHERS' RETIREMENT SYSTEM  
 11 MEMBERS. (1) THE BOARD OF REGENTS SHALL ESTABLISH A  
 12 VOLUNTARY TERMINATION INCENTIVE DURING THE 1994-95 BIENNIUM  
 13 FOR ALL MEMBERS OF THE TEACHERS' RETIREMENT SYSTEM EMPLOYED  
 14 ON A FULL-TIME BASIS ON OR BEFORE FEBRUARY 1, 1993, WHO ARE  
 15 ELIGIBLE FOR NORMAL SERVICE RETIREMENT UNDER 19-4-801 AND  
 16 19-4-802. THE TERMINATION INCENTIVE, COMBINED WITH EMPLOYER  
 17 CONTRIBUTIONS DUE THE TEACHERS' RETIREMENT SYSTEM UNDER  
 18 19-4-101(5)(D), MUST BE AN AMOUNT EQUAL TO 1 YEAR OF THE  
 19 COMBINED MEMBER AND EMPLOYER CONTRIBUTIONS ESTABLISHED IN  
 20 19-4-602 AND 19-4-605 FOR EACH 5 YEARS OF CREDITABLE SERVICE  
 21 WITHIN THE TEACHERS' RETIREMENT SYSTEM, NOT TO EXCEED THE  
 22 AMOUNT OF COMBINED CONTRIBUTIONS FOR 3 YEARS.

23 (2) A MEMBER WHO TERMINATES EMPLOYMENT UNDER THE  
 24 PROVISIONS OF SUBSECTION (1) AND WHO RETURNS TO EMPLOYMENT  
 25 IN A UNIT OF THE MONTANA UNIVERSITY SYSTEM, EXCEPT AS

1 PROVIDED IN 19-4-804, SHALL REFUND THE VOLUNTARY TERMINATION  
 2 INCENTIVE TO THE UNIVERSITY SYSTEM.

3 (3) TO QUALIFY FOR THE TERMINATION INCENTIVE AUTHORIZED  
 4 IN THIS SECTION, THE PARTICIPANT SHALL ANNOUNCE AN INTENT TO  
 5 TERMINATE EMPLOYMENT AT NO LATER THAN THE END OF THE 1993-94  
 6 ACADEMIC CONTRACT YEAR OR AT THE END OF THE 1994 SUMMER  
 7 SESSION ON OR BEFORE DECEMBER 1, 1993.

8 (4) THE BOARD OF REGENTS SHALL DEFINE THE TERMS OF THE  
 9 VOLUNTARY TERMINATION INCENTIVE BY JULY 1, 1993.

10 NEW SECTION. SECTION 3. MONTANA UNIVERSITY SYSTEM  
 11 VOLUNTARY TERMINATION FOR OPTIONAL TEACHERS' RETIREMENT  
 12 SYSTEM PARTICIPANTS. (1) THE BOARD OF REGENTS SHALL  
 13 ESTABLISH A VOLUNTARY TERMINATION INCENTIVE DURING THE  
 14 1994-95 BIENNIUM FOR ALL OPTIONAL RETIREMENT PARTICIPANTS  
 15 WHO ARE EMPLOYED ON A FULL-TIME BASIS ON OR BEFORE FEBRUARY  
 16 1, 1993, AND WHO ARE AT LEAST 50 YEARS OF AGE ON OR BEFORE  
 17 THE DATE OF TERMINATION. THE INCENTIVE MUST BE AN AMOUNT  
 18 EQUAL TO 1 YEAR OF THE COMBINED MEMBER AND BOARD OF REGENTS  
 19 CONTRIBUTIONS ESTABLISHED IN 19-21-203 FOR EACH 5 YEARS OF  
 20 SERVICE WITH THE MONTANA UNIVERSITY SYSTEM, NOT TO EXCEED  
 21 THE AMOUNT OF COMBINED CONTRIBUTIONS FOR 3 YEARS.

22 (2) A PARTICIPANT WHO TERMINATES EMPLOYMENT UNDER THE  
 23 PROVISIONS OF SUBSECTION (1) AND WHO RETURNS TO EMPLOYMENT  
 24 IN A UNIT OF THE MONTANA UNIVERSITY SYSTEM, EXCEPT AS  
 25 PROVIDED IN 19-4-804, SHALL REFUND THE VOLUNTARY TERMINATION

1 INCENTIVE TO THE UNIVERSITY SYSTEM.

2 (3) TO QUALIFY FOR THE TERMINATION INCENTIVE AUTHORIZED  
 3 IN THIS SECTION, THE PARTICIPANT SHALL ANNOUNCE AN INTENT TO  
 4 TERMINATE EMPLOYMENT AT NO LATER THAN THE END OF THE 1993-94  
 5 ACADEMIC CONTRACT YEAR OR AT THE END OF THE 1994 SUMMER  
 6 SESSION ON OR BEFORE DECEMBER 1, 1993.

7 (4) THE BOARD OF REGENTS SHALL DEFINE THE TERMS OF THE  
 8 VOLUNTARY TERMINATION INCENTIVE BY JULY 1, 1993.

9 NEW SECTION. Section 4. ~~Report~~ REPORTS on effect of  
 10 retirement---incentive INCENTIVES. The department of  
 11 administration, in cooperation with the university system  
 12 and the public employees' retirement board, shall report to  
 13 the 54th legislature on the effect of the retirement  
 14 incentive offered to members of the public employees'  
 15 retirement system under-[section-1] EMPLOYED BY THE STATE,  
 16 INCLUDING THE UNIVERSITY SYSTEM. THE BOARD OF REGENTS, IN  
 17 COOPERATION WITH THE TEACHERS' RETIREMENT BOARD, SHALL  
 18 REPORT TO THE 54TH LEGISLATURE ON THE EFFECT OF THE  
 19 VOLUNTARY TERMINATION INCENTIVES OFFERED TO MEMBERS OF THE  
 20 TEACHERS' RETIREMENT SYSTEM EMPLOYED BY THE MONTANA  
 21 UNIVERSITY SYSTEM. The--report THESE REPORTS must include,  
 22 but ~~is~~ ARE not limited to:

23 (1) a summary of the positions from which employees  
 24 terminated employment under the provisions of [section 1];

25 (2) whether positions vacated under [section 1] were

1 refilled and when; and

2 (3) the cost or savings resulting from the  
 3 implementation of [section 1].

4 NEW SECTION. SECTION 5. RETROACTIVE APPLICABILITY.  
 5 [THIS ACT] APPLIES RETROACTIVELY, WITHIN THE MEANING OF  
 6 1-2-109, TO OCCURRENCES ON OR AFTER MARCH 1, 1993.

7 NEW SECTION. Section 6. Codification instruction.  
 8 [Section 1] is intended to be codified as an integral part  
 9 of Title 19, chapter 3, part 9, and the provisions of Title  
 10 19, chapter 3, part 9, apply to [section 1].

11 NEW SECTION. Section 7. Effective date. [This act] is  
 12 effective on passage and approval.

13 NEW SECTION. SECTION 8. TERMINATION. [SECTIONS 2 AND  
 14 3] TERMINATE JUNE 30, 1995.

-End-