

HOUSE BILL NO. 650
INTRODUCED BY STRIZICH

IN THE HOUSE

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| FEBRUARY 19, 1993 | INTRODUCED AND REFERRED TO COMMITTEE ON STATE ADMINISTRATION. |
| | FIRST READING. |
| | COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED. |
| FEBRUARY 20, 1993 | PRINTING REPORT. |
| | ON MOTION, CONSIDERATION PASSED FOR THE DAY. |
| FEBRUARY 22, 1993 | SECOND READING, DO PASS. |
| FEBRUARY 23, 1993 | ENGROSSING REPORT. |
| FEBRUARY 24, 1993 | THIRD READING, PASSED. AYES, 71; NOES, 28. |
| | TRANSMITTED TO SENATE. |

IN THE SENATE

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| MARCH 1, 1993 | INTRODUCED AND REFERRED TO COMMITTEE ON STATE ADMINISTRATION. |
| | FIRST READING. |
| MARCH 11, 1993 | COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED. |
| MARCH 12, 1993 | SECOND READING, CONCURRED IN. |
| MARCH 13, 1993 | THIRD READING, NOT CONCURRED IN. AYES, 24; NOES, 24. |
| MARCH 15, 1993 | ON MOTION, PREVIOUS ACTION RECONSIDERED. |
| MARCH 16, 1993 | THIRD READING, CONCURRED IN. AYES, 26; NOES, 23. |

IN THE HOUSE

MARCH 17, 1993

RECEIVED FROM SENATE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 House BILL NO. 650
2 INTRODUCED BY AK

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4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING INVESTIGATORS
5 EMPLOYED BY THE DEPARTMENT OF JUSTICE ON JULY 1, 1993, TO
6 TRANSFER THEIR MEMBERSHIP FROM THE PUBLIC EMPLOYEES'
7 RETIREMENT SYSTEM TO THE SHERIFFS' RETIREMENT SYSTEM;
8 REQUIRING THAT INVESTIGATORS HIRED AFTER JULY 1, 1993,
9 BECOME MEMBERS OF THE SHERIFFS' RETIREMENT SYSTEM; AMENDING
10 SECTIONS 19-7-101, 19-7-301, AND 19-7-302, MCA; AND
11 PROVIDING AN EFFECTIVE DATE."

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

14 NEW SECTION. Section 1. Transfer of membership --
15 qualification of previous service. A person who elects to
16 become a member of the sheriffs' retirement system pursuant
17 to 19-7-301 may transfer the member's creditable service in
18 the public employees' retirement system into the sheriffs'
19 retirement system under the provisions of 19-7-309.

20 **Section 2.** Section 19-7-101, MCA, is amended to read:

21 "19-7-101. Definitions. Unless the context requires
22 otherwise, the following definitions apply in this chapter:

23 (1) "Account" means the Montana sheriffs' retirement
24 pension trust fund administered by the board.

25 (2) "Accumulated contributions" or "accumulated

1 deductions" means the total amount deducted from the salary
2 of a member during a period of membership service plus the
3 total amount deducted during a period of prior service and
4 transferred from the public employees' retirement system
5 standing to the member's credit in the account, together
6 with the accrued interest.

7 (3) "Actuarial equivalent" means a benefit of equal
8 value when computed upon the basis of the 1971 Group Annuity
9 Mortality Table, with ages set back 4 years and an interest
10 rate of 8% compounded annually.

11 (4) "Beneficiary" means a person who is nominated by
12 the member in a witnessed document filed with the board.

13 (5) "Board" means the public employees' retirement
14 board.

15 (6) "Creditable service" means the aggregate of all of
16 a member's current and prior service.

17 (7) "Death benefit" means a monthly annuity or lump-sum
18 payment made to a beneficiary on behalf of a member who dies
19 before retirement.

20 (8) "Final salary" means the average annual salary
21 received by a member, before any deductions are made and
22 exclusive of maintenance, allowances, and expenses, for any
23 3 years of continuous service from which contributions were
24 deducted or, in the event that a member has not served 3
25 years, the total salary earned divided by the number of

years served. Lump-sum payments for sick leave and annual leave paid to an employee upon termination of employment may be used in the calculation of a retirement allowance only to the extent that they are used to replace, on a month for month basis, the normal compensation for a month or months included in the calculation of the final salary. A lump-sum payment may not be added to a single month's compensation.

(9) "Investigator" means a person who is employed as a criminal investigator or as a gambling investigator for the department of justice.

(9)(10) "Member" means any person who has accumulated deductions in the account to his the person's credit.

(10)(11) "Member's annuity" means payments for life derived from contributions made by the member while employed.

(11)(12) "Membership service" means service for which an amount is deducted from the salary of a member and paid into the account.

(12)(13) "Prior service" means service for which credit was granted by the public employees' retirement system of the state of Montana.

(13)(14) "Retired sheriff member" means a person receiving a retirement allowance under this chapter.

(14)(15) "Retirement allowance" means the state annuity plus the member's annuity.

(15)(16) "Service" means employment as a sheriff.

(16)(17) "Sheriff" means any elected or appointed county sheriff, undersheriff, or regularly appointed and acting deputy sheriff.

(17)(18) "State annuity" means payments for life derived from county contributions into the sheriffs' retirement account, together with any supplemental legislative appropriations to the account.

(18)(19) "Vested retirement" means a retirement not for cause and before retirement age."

Section 3. Section 19-7-301, MCA, is amended to read:

"19-7-301. Membership -- exclusions -- allowance reduction. (1) Every sheriff is required to become a member of the sheriffs' retirement system ~~on July 1, 1974~~, unless ~~he the sheriff~~ was previously a member of the public employees' retirement system on July 1, 1974, in which case ~~he the sheriff~~ may at his the sheriff's option become a member of the sheriffs' retirement system.

(2) An investigator is required to become a member of the sheriffs' retirement system unless the investigator was a member of the public employees' retirement system on July 1, 1993, in which case the investigator has the option of becoming a member of the sheriffs' retirement system.

(3) All sheriffs and investigators who become members of the sheriffs' retirement system must remain members so

long as actively employed in such that capacity, except as provided in subsection ~~(2)~~ (4).

~~(2)~~(4) A retired sheriff member who is employed as--a sheriff in a position covered by the retirement system after retirement for less than 60 working days in a calendar year is excluded from membership. The retirement allowance of a retired sheriff member so employed must be reduced by \$1 for each \$3 earned in excess of \$5,000 in a calendar year."

Section 4. Section 19-7-302, MCA, is amended to read:

"19-7-302. Ineligibility for membership in public employees' retirement system. (1) After July 1, 1974, no a sheriff is not eligible to become a member of the public employees' retirement system and the provisions of The Public Employees' Retirement System Act do not apply to sheriffs, except as provided in 19-7-301.

(2) After July 1, 1993, an investigator is not eligible to become a member of the public employees' retirement system and the provisions of The Public Employees' Retirement System Act do not apply to investigators, except as provided in 19-7-301.

~~(2)~~(3) No A provision of this chapter is not to be construed as to deny any sheriff or investigator any benefits accrued under provisions of the public employees' retirement system prior to ~~July 1, 1974~~ membership in this retirement system."

NEW SECTION. Section 5. Codification instruction.

[Section 1] is intended to be codified as an integral part of Title 19, chapter 7, part 3, and the provisions of Title 19, chapter 7, part 3, apply to [section 1].

NEW SECTION. Section 6. Effective date. [This act] is effective July 1, 1993.

-End-

APPROVED BY COMMITTEE
ON STATE ADMINISTRATIONHOUSE BILL NO. 650
INTRODUCED BY STRIZICH

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING INVESTIGATORS EMPLOYED BY THE DEPARTMENT OF JUSTICE ON JULY 1, 1993, TO TRANSFER THEIR MEMBERSHIP FROM THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM TO THE SHERIFFS' RETIREMENT SYSTEM; REQUIRING THAT INVESTIGATORS HIRED AFTER JULY 1, 1993, BECOME MEMBERS OF THE SHERIFFS' RETIREMENT SYSTEM; AMENDING SECTIONS 19-7-101, 19-7-301, AND 19-7-302, AND 19-7-404, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

NEW SECTION. Section 1. Transfer of membership -- qualification of previous service. A person who elects to become a member of the sheriffs' retirement system pursuant to 19-7-301 may transfer the member's creditable service in the public employees' retirement system into the sheriffs' retirement system under the provisions of 19-7-309.

Section 2. Section 19-7-101, MCA, is amended to read:

"19-7-101. Definitions. Unless the context requires otherwise, the following definitions apply in this chapter:

(1) "Account" means the Montana sheriffs' retirement pension trust fund administered by the board.

(2) "Accumulated contributions" or "accumulated

deductions" means the total amount deducted from the salary of a member during a period of membership service plus the total amount deducted during a period of prior service and transferred from the public employees' retirement system standing to the member's credit in the account, together with the accrued interest.

(3) "Actuarial equivalent" means a benefit of equal value when computed upon the basis of the 1971 Group Annuity Mortality Table, with ages set back 4 years and an interest rate of 8% compounded annually.

(4) "Beneficiary" means a person who is nominated by the member in a witnessed document filed with the board.

(5) "Board" means the public employees' retirement board.

(6) "Creditable service" means the aggregate of all of a member's current and prior service.

(7) "Death benefit" means a monthly annuity or lump-sum payment made to a beneficiary on behalf of a member who dies before retirement.

(8) "Final salary" means the average annual salary received by a member, before any deductions are made and exclusive of maintenance, allowances, and expenses, for any 3 years of continuous service from which contributions were deducted or, in the event that a member has not served 3 years, the total salary earned divided by the number of

1 years served. Lump-sum payments for sick leave and annual
 2 leave paid to an employee upon termination of employment may
 3 be used in the calculation of a retirement allowance only to
 4 the extent that they are used to replace, on a month for
 5 month basis, the normal compensation for a month or months
 6 included in the calculation of the final salary. A lump-sum
 7 payment may not be added to a single month's compensation.

8 (9) "Investigator" means a person who is employed as a
 9 criminal investigator or as a gambling investigator for the
 10 department of justice.

11 (10) "Member" means any person who has accumulated
 12 deductions in the account to his the person's credit.

13 (11) "Member's annuity" means payments for life
 14 derived from contributions made by the member while
 15 employed.

16 (12) "Membership service" means service for which an
 17 amount is deducted from the salary of a member and paid into
 18 the account.

19 (13) "Prior service" means service for which credit
 20 was granted by the public employees' retirement system of
 21 the state of Montana.

22 (14) "Retired sheriff member" means a person
 23 receiving a retirement allowance under this chapter.

24 (15) "Retirement allowance" means the state annuity
 25 plus the member's annuity.

1 (16) "Service" means employment as a sheriff.

2 (17) "Sheriff" means any elected or appointed county
 3 sheriff, undersheriff, or regularly appointed and acting
 4 deputy sheriff.

5 (18) "State annuity" means payments for life derived
 6 from county contributions into the sheriffs' retirement
 7 account, together with any supplemental legislative
 8 appropriations to the account.

9 (19) "Vested retirement" means a retirement not for
 10 cause and before retirement age."

11 **Section 3.** Section 19-7-301, MCA, is amended to read:

12 **"19-7-301. Membership -- exclusions -- allowance**
 13 **reduction. (1) Every sheriff is required to become a member**
 14 **of the sheriffs' retirement system on July 1, 1974, unless**
 15 **he the sheriff was previously a member of the public**
 16 **employees' retirement system on July 1, 1974, in which case**
 17 **he the sheriff may at his the sheriff's option become a**
 18 **member of the sheriffs' retirement system.**

19 (2) An investigator is required to become a member of
 20 the sheriffs' retirement system unless the investigator was
 21 a member of the public employees' retirement system on July
 22 1, 1993, in which case the investigator has the option of
 23 becoming a member of the sheriffs' retirement system.

24 (3) All sheriffs and investigators who become members
 25 of the sheriffs' retirement system must remain members so

long as actively employed in ~~such~~ that capacity, except as provided in subsection ~~(2)~~ (4).

~~(2)~~(4) A retired sheriff member who is employed as--a sheriff in a position covered by the retirement system after retirement for less than 60 working days in a calendar year is excluded from membership. The retirement allowance of a retired sheriff member so employed must be reduced by \$1 for each \$3 earned in excess of \$5,000 in a calendar year."

Section 4. Section 19-7-302, MCA, is amended to read:

"19-7-302. Ineligibility for membership in public employees' retirement system. (1) After July 1, 1974, no a sheriff is not eligible to become a member of the public employees' retirement system and the provisions of The Public Employees' Retirement System Act do not apply to sheriffs, except as provided in 19-7-301.

(2) After July 1, 1993, an investigator is not eligible to become a member of the public employees' retirement system and the provisions of The Public Employees' Retirement System Act do not apply to investigators, except as provided in 19-7-301.

~~(2)~~(3) No A provision of this chapter is not to be construed as to deny any sheriff or investigator any benefits accrued under provisions of the public employees' retirement system prior to ~~July 1, 1974~~ membership in this retirement system."

SECTION 5. SECTION 19-7-404, MCA, IS AMENDED TO READ:

"19-7-404. ~~Counties~~ Employer contributions. (1) The ~~various-counties-of-Montana~~ employer shall pay monthly 7.67% of each ~~sheriff's~~ member's gross salary into the retirement account created by this chapter.

(2) If the required contribution to the retirement system exceeds the funds available to a county from general revenue sources, a county may budget, levy, and collect annually a special tax on the assessable property within the county that is sufficient to raise the amount of revenue needed to meet the county's obligation. This tax may be in addition to the annual rate of taxation allowed by law to be levied by the county."

NEW SECTION. Section 6. Codification instruction -- CODE COMMISSIONER INSTRUCTION. (1) [Section 1] is intended to be codified as an integral part of Title 19, chapter 7, part 3, and the provisions of Title 19, chapter 7, part 3, apply to [section 1].

(2) IN EACH SECTION IN TITLE 19, CHAPTER 7, THE CODE COMMISSIONER SHALL CHANGE THE TERM "SHERIFF" TO "MEMBER" WHEREVER THE TERM IS FOUND, UNLESS THE CONTEXT REQUIRES OTHERWISE.

NEW SECTION. Section 7. Effective date. [This act] is effective July 1, 1993.

-End-

HOUSE BILL NO. 650
INTRODUCED BY STRIZICH

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING INVESTIGATORS EMPLOYED BY THE DEPARTMENT OF JUSTICE ON JULY 1, 1993, TO TRANSFER THEIR MEMBERSHIP FROM THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM TO THE SHERIFFS' RETIREMENT SYSTEM; REQUIRING THAT INVESTIGATORS HIRED AFTER JULY 1, 1993, BECOME MEMBERS OF THE SHERIFFS' RETIREMENT SYSTEM; AMENDING SECTIONS 19-7-101, 19-7-301, AND 19-7-302, AND 19-7-404, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

NEW SECTION. Section 1. Transfer of membership -- qualification of previous service. A person who elects to become a member of the sheriffs' retirement system pursuant to 19-7-301 may transfer the member's creditable service in the public employees' retirement system into the sheriffs' retirement system under the provisions of 19-7-309.

Section 2. Section 19-7-101, MCA, is amended to read:

"19-7-101. Definitions. Unless the context requires otherwise, the following definitions apply in this chapter:

(1) "Account" means the Montana sheriffs' retirement pension trust fund administered by the board.

(2) "Accumulated contributions" or "accumulated

deductions" means the total amount deducted from the salary of a member during a period of membership service plus the total amount deducted during a period of prior service and transferred from the public employees' retirement system standing to the member's credit in the account, together with the accrued interest.

(3) "Actuarial equivalent" means a benefit of equal value when computed upon the basis of the 1971 Group Annuity Mortality Table, with ages set back 4 years and an interest rate of 8% compounded annually.

(4) "Beneficiary" means a person who is nominated by the member in a witnessed document filed with the board.

(5) "Board" means the public employees' retirement board.

(6) "Creditable service" means the aggregate of all of a member's current and prior service.

(7) "Death benefit" means a monthly annuity or lump-sum payment made to a beneficiary on behalf of a member who dies before retirement.

(8) "Final salary" means the average annual salary received by a member, before any deductions are made and exclusive of maintenance, allowances, and expenses, for any 3 years of continuous service from which contributions were deducted or, in the event that a member has not served 3 years, the total salary earned divided by the number of

years served. Lump-sum payments for sick leave and annual leave paid to an employee upon termination of employment may be used in the calculation of a retirement allowance only to the extent that they are used to replace, on a month for month basis, the normal compensation for a month or months included in the calculation of the final salary. A lump-sum payment may not be added to a single month's compensation.

(9) "Investigator" means a person who is employed as a criminal investigator or as a gambling investigator for the department of justice.

(10) "Member" means any person who has accumulated deductions in the account to his the person's credit.

(11) "Member's annuity" means payments for life derived from contributions made by the member while employed.

(12) "Membership service" means service for which an amount is deducted from the salary of a member and paid into the account.

(13) "Prior service" means service for which credit was granted by the public employees' retirement system of the state of Montana.

(14) "Retired sheriff member" means a person receiving a retirement allowance under this chapter.

(15) "Retirement allowance" means the state annuity plus the member's annuity.

(16) "Service" means employment as a sheriff.

(17) "Sheriff" means any elected or appointed county sheriff, undersheriff, or regularly appointed and acting deputy sheriff.

(18) "State annuity" means payments for life derived from county contributions into the sheriffs' retirement account, together with any supplemental legislative appropriations to the account.

(19) "Vested retirement" means a retirement not for cause and before retirement age."

Section 3. Section 19-7-301, MCA, is amended to read:

"19-7-301. **Membership -- exclusions -- allowance reduction.** (1) Every sheriff is required to become a member of the sheriffs' retirement system on July 1, 1974, unless he the sheriff was previously a member of the public employees' retirement system on July 1, 1974, in which case he the sheriff may at his the sheriff's option become a member of the sheriffs' retirement system.

(2) An investigator is required to become a member of the sheriffs' retirement system unless the investigator was a member of the public employees' retirement system on July 1, 1993, in which case the investigator has the option of becoming a member of the sheriffs' retirement system.

(3) All sheriffs and investigators who become members of the sheriffs' retirement system must remain members so

long as actively employed in such that capacity, except as provided in subsection ~~(2)~~ (4).

~~(2)~~(4) A retired sheriff member who is employed as--a sheriff in a position covered by the retirement system after retirement for less than 60 working days in a calendar year is excluded from membership. The retirement allowance of a retired sheriff member so employed must be reduced by \$1 for each \$3 earned in excess of \$5,000 in a calendar year."

Section 4. Section 19-7-302, MCA, is amended to read:

"19-7-302. Ineligibility for membership in public employees' retirement system. (1) After July 1, 1974, no a sheriff is not eligible to become a member of the public employees' retirement system and the provisions of The Public Employees' Retirement System Act do not apply to sheriffs, except as provided in 19-7-301.

(2) After July 1, 1993, an investigator is not eligible to become a member of the public employees' retirement system and the provisions of The Public Employees' Retirement System Act do not apply to investigators, except as provided in 19-7-301.

~~(2)~~(3) No A provision of this chapter is not to be construed as to deny any sheriff or investigator any benefits accrued under provisions of the public employees' retirement system prior to July-17-1974 membership in this retirement system."

SECTION 5. SECTION 19-7-404, MCA, IS AMENDED TO READ:

"19-7-404. Counties' Employer contributions. (1) The various-counties-of-Montana employer shall pay monthly 7.67% of each sheriff's member's gross salary into the retirement account created by this chapter.

(2) If the required contribution to the retirement system exceeds the funds available to a county from general revenue sources, a county may budget, levy, and collect annually a special tax on the assessable property within the county that is sufficient to raise the amount of revenue needed to meet the county's obligation. This tax may be in addition to the annual rate of taxation allowed by law to be levied by the county."

NEW SECTION. Section 6. Codification instruction -- CODE COMMISSIONER INSTRUCTION. (1) [Section 1] is intended to be codified as an integral part of Title 19, chapter 7, part 3, and the provisions of Title 19, chapter 7, part 3, apply to [section 1].

(2) IN EACH SECTION IN TITLE 19, CHAPTER 7, THE CODE COMMISSIONER SHALL CHANGE THE TERM "SHERIFF" TO "MEMBER" WHEREVER THE TERM IS FOUND, UNLESS THE CONTEXT REQUIRES OTHERWISE.

NEW SECTION. Section 7. Effective date. [This act] is effective July 1, 1993.

-End-

1 HOUSE BILL NO. 650

2 INTRODUCED BY STRIZICH

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4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING INVESTIGATORS
5 EMPLOYED BY THE DEPARTMENT OF JUSTICE ON JULY 1, 1993, TO
6 TRANSFER THEIR MEMBERSHIP FROM THE PUBLIC EMPLOYEES'
7 RETIREMENT SYSTEM TO THE SHERIFFS' RETIREMENT SYSTEM;
8 REQUIRING THAT INVESTIGATORS HIRED AFTER JULY 1, 1993,
9 BECOME MEMBERS OF THE SHERIFFS' RETIREMENT SYSTEM; AMENDING
10 SECTIONS 19-7-101, 19-7-301, AND 19-7-302, AND 19-7-404,
11 MCA; AND PROVIDING AN EFFECTIVE DATE."
12

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

14 NEW SECTION. Section 1. Transfer of membership --
15 qualification of previous service. A person who elects to
16 become a member of the sheriffs' retirement system pursuant
17 to 19-7-301 may transfer the member's creditable service in
18 the public employees' retirement system into the sheriffs'
19 retirement system under the provisions of 19-7-309.

20 **Section 2.** Section 19-7-101, MCA, is amended to read:

21 "19-7-101. Definitions. Unless the context requires
22 otherwise, the following definitions apply in this chapter:

23 (1) "Account" means the Montana sheriffs' retirement
24 pension trust fund administered by the board.

25 (2) "Accumulated contributions" or "accumulated

1 deductions" means the total amount deducted from the salary
2 of a member during a period of membership service plus the
3 total amount deducted during a period of prior service and
4 transferred from the public employees' retirement system
5 standing to the member's credit in the account, together
6 with the accrued interest.

7 (3) "Actuarial equivalent" means a benefit of equal
8 value when computed upon the basis of the 1971 Group Annuity
9 Mortality Table, with ages set back 4 years and an interest
10 rate of 8% compounded annually.

11 (4) "Beneficiary" means a person who is nominated by
12 the member in a witnessed document filed with the board.

13 (5) "Board" means the public employees' retirement
14 board.

15 (6) "Creditable service" means the aggregate of all of
16 a member's current and prior service.

17 (7) "Death benefit" means a monthly annuity or lump-sum
18 payment made to a beneficiary on behalf of a member who dies
19 before retirement.

20 (8) "Final salary" means the average annual salary
21 received by a member, before any deductions are made and
22 exclusive of maintenance, allowances, and expenses, for any
23 3 years of continuous service from which contributions were
24 deducted or, in the event that a member has not served 3
25 years, the total salary earned divided by the number of

years served. Lump-sum payments for sick leave and annual leave paid to an employee upon termination of employment may be used in the calculation of a retirement allowance only to the extent that they are used to replace, on a month for month basis, the normal compensation for a month or months included in the calculation of the final salary. A lump-sum payment may not be added to a single month's compensation.

(9) "Investigator" means a person who is employed as a criminal investigator or as a gambling investigator for the department of justice.

(9)(10) "Member" means any person who has accumulated deductions in the account to his the person's credit.

(10)(11) "Member's annuity" means payments for life derived from contributions made by the member while employed.

(11)(12) "Membership service" means service for which an amount is deducted from the salary of a member and paid into the account.

(12)(13) "Prior service" means service for which credit was granted by the public employees' retirement system of the state of Montana.

(13)(14) "Retired sheriff member" means a person receiving a retirement allowance under this chapter.

(14)(15) "Retirement allowance" means the state annuity plus the member's annuity.

(15)(16) "Service" means employment as a sheriff.

(16)(17) "Sheriff" means any elected or appointed county sheriff, undersheriff, or regularly appointed and acting deputy sheriff.

(17)(18) "State annuity" means payments for life derived from county contributions into the sheriffs' retirement account, together with any supplemental legislative appropriations to the account.

(18)(19) "Vested retirement" means a retirement not for cause and before retirement age."

Section 3. Section 19-7-301, MCA, is amended to read:

"19-7-301. **Membership -- exclusions -- allowance reduction.** (1) Every sheriff is required to become a member of the sheriffs' retirement system ~~on July 17, 1974,~~ unless he the sheriff was previously a member of the public employees' retirement system on July 1, 1974, in which case he the sheriff may at his the sheriff's option become a member of the sheriffs' retirement system.

(2) An investigator is required to become a member of the sheriffs' retirement system unless the investigator was a member of the public employees' retirement system on July 1, 1993, in which case the investigator has the option of becoming a member of the sheriffs' retirement system.

(3) All sheriffs and investigators who become members of the sheriffs' retirement system must remain members so

long as actively employed in such that capacity, except as provided in subsection ~~(2)~~ (4).

~~(2)~~(4) A retired sheriff member who is employed as--a sheriff in a position covered by the retirement system after retirement for less than 60 working days in a calendar year is excluded from membership. The retirement allowance of a retired sheriff member so employed must be reduced by \$1 for each \$3 earned in excess of \$5,000 in a calendar year."

Section 4. Section 19-7-302, MCA, is amended to read:

"19-7-302. Ineligibility for membership in public employees' retirement system. (1) After July 1, 1974, no a sheriff is not eligible to become a member of the public employees' retirement system and the provisions of The Public Employees' Retirement System Act do not apply to sheriffs, except as provided in 19-7-301.

(2) After July 1, 1993, an investigator is not eligible to become a member of the public employees' retirement system and the provisions of The Public Employees' Retirement System Act do not apply to investigators, except as provided in 19-7-301.

~~(2)~~(3) No A provision of this chapter is not to be construed as to deny any sheriff or investigator any benefits accrued under provisions of the public employees' retirement system prior to ~~July 1, 1974~~ membership in this retirement system."

SECTION 5. SECTION 19-7-404, MCA, IS AMENDED TO READ:

"19-7-404. ~~Counties~~^A Employer contributions. (1) The ~~various counties of Montana~~ employer shall pay monthly 7.67% of each ~~sheriff's~~ member's gross salary into the retirement account created by this chapter.

(2) If the required contribution to the retirement system exceeds the funds available to a county from general revenue sources, a county may budget, levy, and collect annually a special tax on the assessable property within the county that is sufficient to raise the amount of revenue needed to meet the county's obligation. This tax may be in addition to the annual rate of taxation allowed by law to be levied by the county."

NEW SECTION. Section 6. Codification instruction -- **CODE COMMISSIONER INSTRUCTION.** (1) [Section 1] is intended to be codified as an integral part of Title 19, chapter 7, part 3, and the provisions of Title 19, chapter 7, part 3, apply to [section 1].

(2) IN EACH SECTION IN TITLE 19, CHAPTER 7, THE CODE COMMISSIONER SHALL CHANGE THE TERM "SHERIFF" TO "MEMBER" WHEREVER THE TERM IS FOUND, UNLESS THE CONTEXT REQUIRES OTHERWISE.

NEW SECTION. Section 7. Effective date. [This act] is effective July 1, 1993.

-End-