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18 (5) [Section 5] is intended to be codified as an integral part of Title 19, chapter 13, part 4, and the
19 provisions of Title 19, chapter 13, part 4, apply to [section 5].

20
21 **NEW SECTION. Section 7. Effective date.** [This act] is effective on passage and approval.

22 -END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0324, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

An act providing that a member of the Judges', Highway Patrol Officers', Game Wardens', Municipal Police Officers', or Firefighters' Unified Retirement System may purchase additional service for the purpose of calculating retirement benefits; and providing an immediate effective date.

ASSUMPTIONS:

1. The cost of purchasing service credits would be equivalent to the actuarial cost of additional retirement benefits.

FISCAL IMPACT:

There would be no net change to the actuarial position of the affected retirement funds.

Dave Lewis 1-30-95
DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

Dick Simpkins
DICK SIMPKINS, PRIMARY SPONSOR DATE

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HOUSE BILL NO. 324

INTRODUCED BY Simpkins

BY REQUEST OF THE COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT SYSTEMS

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT A MEMBER OF THE JUDGES', HIGHWAY PATROL OFFICERS', GAME WARDENS', MUNICIPAL POLICE OFFICERS', OR FIREFIGHTERS' UNIFIED RETIREMENT SYSTEM MAY PURCHASE ADDITIONAL SERVICE FOR THE PURPOSE OF CALCULATING RETIREMENT BENEFITS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

WHEREAS, allowing public employees to purchase additional service for the purpose of calculating their retirement benefits is a valuable benefit to persons wishing to enhance their retirement benefits; and

WHEREAS, the public employees', teachers', and sheriffs' retirement systems have provisions that allow for the purchase of additional service for the purpose of calculating retirement benefits; and

WHEREAS, the Committee on Public Employee Retirement Systems was created by the Legislature to help promote fair and consistent retirement policy for all of Montana's public employees; and

WHEREAS, members of the judges', highway patrol officers', game wardens', municipal police officers', and firefighters' unified retirement systems who purchase additional service under the provisions of this bill are required to pay the full cost of the service based on the most recent actuarial valuation of the system; and

WHEREAS, the service purchased may not be counted in the total years required to qualify a member for retirement.

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

NEW SECTION. **Section 1. Election to purchase additional service.** (1) At any time before retirement, a member may make a written election with the board to purchase additional service credit for the purpose of calculating the member's retirement benefit. Except as provided in subsection (3), the member may purchase 1 year of additional service credit for every 5 years of membership service that the member has qualified under the retirement system.

(2) For each year of service credit purchased under this section, a member shall contribute to the

1 pension trust fund an amount equal to the actuarial cost of granting the service, based on the most recent
2 actuarial valuation of the system as determined by the board. Contributions may be made in a lump-sum
3 payment or by making additional contributions in installments as agreed upon by the member and the board.

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8 eligible for normal service retirement.

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1 HOUSE BILL NO. 324

2 INTRODUCED BY SIMPKINS

3 BY REQUEST OF THE COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT SYSTEMS

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6 PATROL OFFICERS', GAME WARDENS', MUNICIPAL POLICE OFFICERS', OR FIREFIGHTERS' UNIFIED
7 RETIREMENT SYSTEM MAY PURCHASE ADDITIONAL SERVICE FOR THE PURPOSE OF CALCULATING
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10 WHEREAS, allowing public employees to purchase additional service for the purpose of calculating
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16 WHEREAS, members of the judges', highway patrol officers', game wardens', municipal police
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