

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30

HOUSE BILL NO. 459
Rosten *Christensen*

INTRODUCED BY

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR AN AD HOC EMPLOYER CONTRIBUTION TO PUBLIC EMPLOYEE DEFERRED COMPENSATION PLANS; PROVIDING AN APPROPRIATION; AND PROVIDING AN EFFECTIVE DATE."

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

NEW SECTION. Section 1. Ad hoc employer contribution to deferred compensation plans. (1) (a)

A participant who is enrolled in an eligible deferred compensation plan on or before January 1, 1998, is eligible to receive the employer contribution provided under subsection (2).

(b) A public employee who is not a participant in an eligible deferred compensation plan, as defined in this chapter, but who on or before January 1, 1998, is a participant in a deferred compensation plan under section 403(b) of the Internal Revenue Code (26 U.S.C. 403(b)), is also eligible to receive the employer contribution provided in this section.

(2) Between [the effective date of this act] and January 15, 1998, an employer of an eligible employee under subsection (1) may elect, by written notice to the department on a form prescribed by the department, to make a matching contribution to an eligible deferred compensation plan. The amount of the contribution must be calculated as provided in subsection (3).

(3) (a) The department shall determine the amount of each employer's contribution under this section by totaling the total number of eligible employees identified by employers pursuant to subsection (2) and dividing the total amount of money appropriated for employer contributions under [section 2] so that each eligible employee receives an employer contribution amount that is proportional to the amount that the employee is deferring each month up to 25% of the monthly amount being deferred by the employee.

(b) The department shall disperse the appropriate total dollar amount to each employer, and each employer shall make the contribution to each eligible deferred compensation plan by no later than February 1, 1998.

(4) Contributions made under this section are subject to the deferred compensation limitations

1 established under the applicable sections of the Internal Revenue Code.

2 (5) An eligible employee may decline the employer contribution.

3

4 **NEW SECTION. Section 2. Appropriation.** There is appropriated from the state general fund \$1
5 million to the department of administration for employer contributions to deferred compensation plans as
6 provided in [section 1].

7

8 **NEW SECTION. Section 3. Codification instruction.** [Section 1] is intended to be codified as an
9 integral part of Title 19, chapter 50, and the provisions of Title 19, chapter 50, apply to [section 1].

10

11 **NEW SECTION. Section 4. Effective date.** [This act] is effective July 1, 1997.

12

-END-