

1 _____ BILL NO. _____

2 INTRODUCED BY _____
3 (Primary Sponsor)

4 BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD

5
6 A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE TRANSFER OF CERTAIN PUBLIC SAFETY
7 COMMUNICATIONS OFFICERS, ALSO KNOWN AS DISPATCHERS, FROM THE PUBLIC EMPLOYEES'
8 RETIREMENT SYSTEM TO THE SHERIFFS' RETIREMENT SYSTEM; AMENDING SECTIONS 19-7-101,
9 19-7-301, AND 19-7-302, MCA; AND PROVIDING A DELAYED EFFECTIVE DATE."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12
13 **Section 1.** Section 19-7-101, MCA, is amended to read:

14 **"19-7-101. Definitions.** Unless the context requires otherwise, the following definitions apply in this
15 chapter:

16 (1) (a) "Compensation" means remuneration paid from funds controlled by an employer for the member's
17 services or for time during which the member is excused from work because the member has taken
18 compensatory leave, sick leave, annual leave, or a leave of absence before any pretax deductions allowed by
19 state or federal law are made.

20 (b) Compensation does not include:

21 (i) maintenance, allowances, and expenses; or

22 (ii) bonuses provided after July 1, 2013, that are one-time, temporary payments in addition to and not
23 considered part of base pay.

24 (2) "Detention officer" means any detention officer who is hired by a sheriff, employed in a detention
25 center, and acting as a detention officer for the sheriff and who has received or is expected to receive training
26 to meet the employment standards set for detention officers by the Montana public safety officer standards and
27 training council established in 2-15-2029.

28 (3) (a) "Highest average compensation" means:

29 (i) for members hired prior to July 1, 2011, the member's highest average monthly compensation during
30 any 36 consecutive months of membership service;

1 (ii) for members hired on or after July 1, 2011, the highest average compensation during any 60
2 consecutive months of membership service; or

3 (iii) if a member has not served the minimum specified period of membership service as applicable in
4 subsection (3)(a)(i) or (3)(a)(ii), the total compensation earned divided by the number of months of service.

5 (b) Lump-sum payments for severance pay, including payment for compensatory leave, sick leave, and
6 annual leave, paid to the member upon termination of employment may be used in the calculation of a retirement
7 benefit only to the extent that they are used to replace, on a month-for-month basis, the normal compensation
8 for a month or months included in the calculation of the highest average compensation. A lump-sum payment may
9 not be added to a single month's compensation.

10 (c) Excess earnings limits must be applied to the calculation of the highest average compensation
11 pursuant to 19-2-1005(2).

12 (4) "Investigator" means a person who is employed by the department of justice as a criminal investigator
13 or as a gambling investigator.

14 (5) "Public safety communications officer" means a public safety communications officer as defined in
15 7-31-201.

16 ~~(5)(6)~~ "Sheriff" means any elected or appointed county sheriff or undersheriff or any appointed, lawfully
17 trained, appropriately salaried, and regularly acting deputy sheriff with the requisite professional certification and
18 licensing."

19

20 **Section 2.** Section 19-7-301, MCA, is amended to read:

21 **"19-7-301. Membership -- inactive vested members -- inactive nonvested members.** (1) (a) Except
22 as provided in subsection (1)(b), each sheriff shall become a member of the sheriffs' retirement system.

23 (b) A sheriff who was a member of the public employees' retirement system on July 1, 1974, may remain
24 a public employees' retirement system member or elect to become a member of the sheriffs' retirement system
25 by filing a written election with the board at any time before retirement.

26 (2) (a) Except as provided in subsection (2)(b), an investigator shall become a member of the sheriffs'
27 retirement system.

28 (b) An investigator who was a member of the public employees' retirement system on July 1, 1993, may
29 remain in the public employees' retirement system or elect to become a member of the sheriffs' retirement system
30 by filing a written election with the board at any time before retirement.

1 (3) (a) Except as provided in subsection (3)(b), a detention officer shall become a member of the sheriffs'
2 retirement system.

3 (b) A detention officer who was a member of the public employees' retirement system on July 1, 2005,
4 may remain in the public employees' retirement system or elect to become a member of the sheriffs' retirement
5 system by filing a written election with the board before May 1, 2006.

6 ~~(4) (a) Except as provided in subsection (4)(b), a public safety communications officer shall become a~~
7 ~~member of the sheriffs' retirement system.~~

8 ~~(b) A public safety communications officer who was a member of the public employees' retirement~~
9 ~~system on January 1, 2016, may remain in the public employees' retirement system or elect to become a member~~
10 ~~of the sheriffs' retirement system by filing a written election with the board no later than April 1, 2016.~~

11 ~~(4)(5)~~ A member of the public employees' retirement system who begins employment in a position
12 covered by the sheriffs' retirement system may remain in the public employees' retirement system or may elect
13 to become a member of the sheriffs' retirement system by filing a written election with the board no later than 30
14 days after beginning the employment.

15 ~~(5)(6)~~ A sheriff, investigator, ~~or~~ detention officer, or public safety communications officer who elects to
16 become a member of the sheriffs' retirement system must be an active member as long as actively employed in
17 an eligible capacity, except as provided in 19-7-1101(2).

18 ~~(6)(7)~~ (a) An inactive member of the sheriffs' retirement system with at least 5 years of membership
19 service is an inactive vested member and retains the right to purchase service credit and to receive a retirement
20 benefit under the provisions of this chapter.

21 (b) If an inactive vested member chooses to take a lump-sum payment rather than a retirement benefit,
22 the lump-sum payment consists of only the member's accumulated contributions and not the employer's
23 contributions.

24 ~~(7)(8)~~ (a) An inactive member with less than 5 years of membership service is an inactive nonvested
25 member and is not eligible for any benefits from the retirement system.

26 (b) An inactive nonvested member is eligible only for a refund of the member's accumulated
27 contributions."

28

29 **Section 3.** Section 19-7-302, MCA, is amended to read:

30 **"19-7-302. Ineligibility for membership in public employees' retirement system.** (1) After July 1,

1 1974, a sheriff may not become a member of the public employees' retirement system and the provisions of The
2 Public Employees' Retirement System Act do not apply to sheriffs.

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

6 (3) After July 1, 2005, a detention officer is not eligible to become a member of the public employees'
7 retirement system and the provisions of The Public Employees' Retirement System Act do not apply to detention
8 officers, except as provided in 19-7-301.

9 (4) After January 1, 2016, a public safety communications officer is not eligible to become a member of
10 the public employees' retirement system and the provisions of The Public Employees' Retirement System Act do
11 not apply to public safety communications officers, except as provided in 19-7-301.

12 ~~(4)(5)~~ This chapter may not be construed to deny ~~any a~~ sheriff, investigator, ~~or~~ detention officer, ~~or public~~
13 safety communications officer any benefits accrued under provisions of the public employees' retirement system
14 prior to membership in this retirement system."
15

16 NEW SECTION. Section 4. Effective date. [This act] is effective January 1, 2016.

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