

HOUSE BILL NO. 602

INTRODUCED BY J. WHITAKER

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A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING CERTAIN PUBLIC EMPLOYERS THE OPTION OF PARTICIPATING IN THE FIREFIGHTERS' UNIFIED RETIREMENT SYSTEM; AND AMENDING SECTIONS 19-13-104 AND 19-13-210, MCA."

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

**Section 1.** Section 19-13-104, MCA, is amended to read:

**"19-13-104. Definitions.** Unless the context requires otherwise, the following definitions apply in this chapter:

(1) Any reference to "city" or "town" includes those jurisdictions that, before the effective date of a county-municipal consolidation, were incorporated municipalities, subsequent districts created for urban firefighting services, or the entire county included in the county-municipal consolidation.

(2) "Compensation" means:

(a) for a full-paid firefighter, the regular remuneration, excluding overtime, holiday payments, shift differential payments, compensatory time payments, and payments in lieu of sick leave, paid for the firefighter's service as a firefighter out of funds controlled by an employer before any pretax deductions allowed under the Internal Revenue Code have been made;

(b) for a part-paid firefighter employed by a city of the second class:

(i) 15% of the regular remuneration, excluding overtime, holiday payments, shift differential payments, compensatory time payments, and payments in lieu of sick leave, paid on July 1 of each year to a newly confirmed, full-paid firefighter of the city that employs the part-paid firefighter; or

(ii) if that city does not employ a full-paid firefighter, 15% of the average regular remuneration, excluding overtime, holiday payments, shift differential payments, compensatory time payments, and payments in lieu of sick leave, paid on July 1 of each year to all newly confirmed, full-paid firefighters employed by cities of the second class.

(3) "Dependent child" means a child of a deceased member who is:

(a) unmarried and under age 18; or



1 (b) unmarried, under age 24, and attending an accredited postsecondary educational institution  
2 as a full-time student in anticipation of receiving a certificate or degree.

3 (4) "Employer" means any city that is of the first or second class or that elects to join this  
4 retirement system under 19-13-211.

5 (5) "Final average compensation" means the monthly compensation of a member averaged over  
6 the last 36 months of the member's active service or, if the member has not been a member that long,  
7 over the period of the member's service. Lump-sum payments for annual leave paid to the member upon  
8 termination of service may be used to replace, on a month-for-month basis, the normal compensation for  
9 a month or months included in the calculation of final average compensation.

10 (6) "Firefighter" means a person employed as a full-paid or part-paid firefighter by an employer.

11 (7) "Full-paid firefighter" means a person appointed as a firefighter under 7-33-4106.

12 (8) "Minimum retirement date" means the first day of the month coinciding with or immediately  
13 following, if none coincides, the date on which a member becomes both age 50 or older and completes  
14 5 or more years of membership service.

15 (9) "Part-paid firefighter" means a person employed under 7-33-4109 who receives compensation  
16 in excess of \$300 a year for service as a firefighter.

17 (10) "Prior plan" means the fire department relief association plan of a city that elects to join the  
18 retirement system under 19-13-211 or the fire department relief association plan of a city of the first or  
19 second class.

20 (11) "Retirement date" means the date on which the first payment of benefits is payable.

21 (12) "Retirement system" means the firefighters' unified retirement system provided for in this  
22 chapter.

23 (13) "Surviving spouse" means the spouse married to a member at the time of the member's  
24 death."

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26 **Section 2.** Section 19-13-210, MCA, is amended to read:

27 **"19-13-210. Participation in retirement system by first- and second-class cities.** (1) Cities of the  
28 first and second class that employ full-paid firefighters shall participate in the retirement system. If a city  
29 of the first or second class is reduced to a city of the third class or a town under 7-1-4118, it shall  
30 continue to participate in the retirement system as long as it has retired firefighters or survivors eligible

1 to receive retirement benefits.

2 (2) (a) The governing body of a city fire department or rural fire district that is not covered under  
3 subsection (1) may elect to participate in the retirement system.

4 (b) An election to participate in the retirement system under the provisions of this subsection (2)  
5 must be made through the governing body's adoption of a resolution stating that the governing body  
6 agrees to be bound by the provisions of the retirement system. The resolution must specify the effective  
7 date of the governing body's election. The provisions of the retirement system become applicable on the  
8 effective date specified in the adopted resolution. A certified copy of the resolution must be provided to  
9 the board.

10 (c) A governing body's election under the provisions of this subsection (2) may apply only to  
11 firefighters hired on or after the effective date of the election."

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