

1 SENATE BILL NO. 210

2 INTRODUCED BY M. WATERMAN

3

4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING EMPLOYEES OF COUNTY HOSPITALS AND REST
5 HOMES IN FIRST- AND SECOND-CLASS COUNTIES TO HAVE THE OPTION TO NOT JOIN THE PUBLIC
6 EMPLOYEES' RETIREMENT SYSTEM; AND AMENDING SECTION 19-3-412, MCA."

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

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10 **Section 1.** Section 19-3-412, MCA, is amended to read:

11 **"19-3-412. Optional membership.** (1) The following employees in covered employment may
12 become members of the retirement system at their option by filing an irrevocable, written application with
13 the board within 180 days of commencement of their employment:

14 (a) elected officials of the state or local governments who are paid on a salary or wage basis rather
15 than on a per diem or other reimbursement basis;

16 (b) employees serving in employment that does not cumulatively exceed a total of 960 hours of
17 covered employment with all employers under this chapter in any fiscal year;

18 (c) employees directly appointed by the governor;

19 (d) employees working 6 months or less for the legislative branch to perform work related to the
20 legislative session;

21 (e) the chief administrative officer of any city or county;

22 (f) employees of county hospitals or rest homes ~~in counties of the third, fourth, fifth, sixth, and~~
23 ~~seventh class.~~

24 (2) Employees and officials described in subsections (1)(a) through (1)(f) who are employees or
25 officials but not members on July 1, 1999, have until December 1, 1999, to file an irrevocable, written
26 application with the board.

27 (3) If an employee declines optional membership, the employee shall execute a statement waiving
28 membership and the employer shall retain the statement. An employee who declines optional membership
29 may not receive membership credit or service credit for the employment for which membership was
30 declined.

1 (4) An employee who declined optional membership but later becomes a member may qualify
2 service credit for the period of time beginning with the date of employment in which membership was
3 declined to the commencement of membership. Qualification of service pursuant to this subsection must
4 comply with 19-3-505.

5 (5) Membership in the retirement system is not optional for an employee who is already a member.
6 Upon employment in a position for which membership is optional:

7 (a) a member who was an active member before the employment remains an active member;

8 (b) a member who was an inactive member before the employment becomes an active member;

9 and

10 (c) a member who was a retired member before the employment is subject to part 11 of this
11 chapter.

12 (6) An employee who declines membership while employed in a position for which membership
13 is optional may not later become a member while still employed in that position. If, after a break in service
14 of 30 days or more an employee who was a member in an optional membership position is reemployed
15 in the same position or is employed in a different position for which membership is optional, the employee
16 shall again choose or decline membership. However, if the break in service is less than 30 days, an
17 employee who declined membership is bound by the employee's original decision to decline membership.

18 (7) An employee accepting a position that requires membership shall become a member even if
19 the employee previously declined membership and did not have a 30-day break in service.

20 (8) If an employee or official fails to file with the board an irrevocable, written application within
21 the time allowed in this section, the employee or official waives membership."

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