

1 \_\_\_\_\_ BILL NO. \_\_\_\_\_

2 INTRODUCED BY \_\_\_\_\_  
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING CONTRIBUTIONS TO THE SHERIFFS' RETIREMENT  
5 SYSTEM; AMENDING SECTION 19-7-403, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

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9 **Section 1.** Section 19-7-403, MCA, is amended to read:

10 **"19-7-403. Member's contributions deducted.** (1) (a) Each member's contribution is ~~9.245%~~ 9.535%  
11 of the member's compensation.

12 (b) In addition to the contribution under subsection (1)(a), each member shall contribute another 0.58%  
13 of the member's compensation until the additional employer contribution under 19-7-404(3) terminates pursuant  
14 to 19-7-404(4).

15 (2) Each employer, pursuant to section 414(h)(2) of the federal Internal Revenue Code of 1954, as  
16 amended and applicable on July 1, 1985, shall pick up and pay the contributions that would be payable by the  
17 member under subsection (1) for service rendered after June 30, 1985.

18 (3) The member's contributions picked up by the employer must be designated for all purposes of the  
19 retirement system as the member's contributions, except for the determination of a tax upon a distribution from  
20 the retirement system. These contributions must become part of the member's accumulated contributions but  
21 must be accounted for separately from those previously accumulated.

22 (4) The member's contributions picked up by the employer must be payable from the same source as  
23 is used to pay compensation to the member and must be included in the member's wages, as defined in  
24 19-1-102, and salary as used to define the member's highest average compensation in 19-7-101. The employer  
25 shall deduct from the member's compensation an amount equal to the amount of the member's contributions  
26 picked up by the employer and remit the total of the contributions to the board."

27  
28 NEW SECTION. **Section 2. Effective date.** [This act] is effective July 1, 2015.

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