



AN ACT ALLOCATING ADDITIONAL EMPLOYER CONTRIBUTIONS FOR MONTANA UNIVERSITY SYSTEM EMPLOYEES WHO ARE IN POSITIONS COVERED UNDER THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM; AMENDING SECTION 19-21-214, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE.

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

**Section 1.** Section 19-21-214, MCA, is amended to read:

**"19-21-214. Contributions and allocations for employees in positions covered under the public employees' retirement system.** (1) The contribution rates for employees in positions covered under the public employees' retirement system who elect to become program members pursuant to 19-3-2112 are as follows:

(a) the member's contribution rate must be the rate provided in 19-3-315; and

(b) the employer's contribution rate must be the rate provided in 19-3-316.

(2) Subject to subsection (3) and adjustment by the public employees' retirement board as provided in 19-3-2121, of the employer's contribution received under 19-3-316:

(a) an amount equal to:

(i) 4.49% of compensation must be allocated to the participant's program account;

(ii) 2.37% of compensation must be allocated to the defined benefit plan under the public employees' retirement system as the plan choice rate; and

(iii) 0.04% of compensation must be allocated to the education fund pursuant to 19-3-112(1)(b); ~~and~~

(b) on July 1, 2009, continuing until the additional employer contributions terminate pursuant to 19-3-316(4)(b), ~~0.27% of compensation~~ an amount equal to the percentage of compensation specified in subsection (3) of this section must be allocated to the defined benefit plan to eliminate the plan choice rate unfunded actuarial liability; and

(c) on July 1, 2013, continuing until the additional employer contributions terminate pursuant to 19-3-316(4)(b), an amount equal to 1% of compensation must be allocated to the defined benefit plan unfunded

liabilities.

(3) The percentage of compensation to be contributed under subsection (2)(b) is 0.27% for fiscal year 2014 and increases by 0.1% each fiscal year through fiscal year 2024. For fiscal years beginning after June 30, 2024, the percentage of compensation to be contributed under subsection (2)(b) is 1.27%.

~~(3) The allocations under subsection (2) are subject to adjustment by the public employees' retirement board, but only as described in and in a manner consistent with the express provisions of 19-3-2121."~~

**Section 2. Coordination instruction.** If either House Bill No. 107 or Senate Bill No. 42, or both, are passed and approved, then [this act] is void.

**Section 3. Effective date.** [This act] is effective on passage and approval.

**Section 4. Retroactive applicability.** [This act] applies retroactively, within the meaning of 1-2-109, to fiscal years beginning after June 30, 2013.

- END -

I hereby certify that the within bill,  
SB 0074, originated in the Senate.

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Secretary of the Senate

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President of the Senate

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2015.

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Speaker of the House

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2015.

SENATE BILL NO. 74

INTRODUCED BY M. MOE

BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD

AN ACT ALLOCATING ADDITIONAL EMPLOYER CONTRIBUTIONS FOR MONTANA UNIVERSITY SYSTEM EMPLOYEES WHO ARE IN POSITIONS COVERED UNDER THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM; AMENDING SECTION 19-21-214, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE.