

HOUSE BILL NO. 44  
INTRODUCED BY F. SMITH

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT A MEMBER OF THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM WITH AT LEAST 10 YEARS OF SERVICE MAY PURCHASE MILITARY SERVICE FOR AN AMOUNT BASED ON THE MEMBER'S SALARY AND CONTRIBUTIONS RATHER THAN ON THE ACTUARIAL COST OF THE SERVICE; AND AMENDING SECTION 19-3-503, MCA."

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

**Section 1.** Section 19-3-503, MCA, is amended to read:

**"19-3-503. Application to purchase military service.** (1) (a) Except as provided in subsection (2) and subject to 19-3-514, a member with at least 10 years of service credit may, at any time prior to retirement, file a written application with the board to purchase service credit for up to 5 years of the member's active service in the armed forces of the United States, including the first special service force or the American merchant marine in oceangoing service during the period of armed conflict, December 7, 1941, to August 15, 1945.

(b) To purchase this service, the member shall ~~pay the actuarial cost of the member's military service, based on the system's most recent actuarial valuation~~ contribute to the pension trust fund the amount determined by the board to be due based on the member's compensation and regular contribution rate as of the member's 11th year of service and as many succeeding years as required to qualify this service, with regular interest from the date on which the member becomes eligible for this benefit to the date on which the member contributes. The member may not purchase more of this service than the member has service credits in excess of 10 years.

(2) A member is not eligible to purchase military service under this section if the member:

(a) has retired from active duty in the armed forces of the United States, including the first special service force or the American merchant marine in oceangoing service during the period of armed conflict, December 7, 1941, to August 15, 1945, with a military service retirement benefit based on that military service;

(b) is eligible, pursuant to 19-2-707, to receive credit in the system for that service; or

(c) is eligible to receive credit for that service in any other retirement system or plan."

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