

SENATE BILL NO. 239
INTRODUCED BY MANGAN

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR A CONTINUATION OF EMPLOYER OR RETIREE CONTRIBUTIONS TO THE STATE GROUP HEALTH INSURANCE PLAN AS A RETIREMENT INCENTIVE FOR STATE EMPLOYEES; AND PROVIDING AN ~~IMMEDIATE~~ EFFECTIVE DATE."

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

NEW SECTION. Section 1. Retirement incentive -- continuation of health insurance. A UPON TERMINATION OF EMPLOYMENT BETWEEN JULY 1, 2003, AND OCTOBER 1, 2003, A state employee who is eligible for normal retirement, ~~terminates employment~~ BY HAVING REACHED NORMAL RETIREMENT AGE, AS DEFINED IN 19-2-303, and WHO is eligible, pursuant to 2-18-704, to remain on the state group health insurance plan is entitled to a continuation of the employer contributions under 2-18-703 OR PAYMENT OF THE RETIREE-ONLY PREMIUM, WHICHEVER IS LESS, for a time period equal to 1 year for every 5 years of the employee's public service OR UNTIL THE EMPLOYEE IS ELIGIBLE FOR MEDICARE UNDER THE FEDERAL HEALTH INSURANCE FOR THE AGED ACT, 42 U.S.C. 1395, ET SEQ., OR MEETS OTHER PROVISIONS OF 2-28-704 (1)(A).

NEW SECTION. SECTION 2. LEGISLATIVE INTENT. THE LEGISLATURE INTENDS THAT THE RETIREMENT INCENTIVE PROVIDED UNDER [SECTION 1] BE OFFSET BY VACANCY SAVINGS WITHIN EACH AGENCY OF STATE GOVERNMENT, AS DEFINED IN 2-18-101, AND THE MONTANA UNIVERSITY SYSTEM, AND THAT A POSITION THAT BECOMES VACANT UNDER THE RETIREMENT INCENTIVE MUST BE FILLED AT THE ENTRY-LEVEL SALARY FOR THAT POSITION, PURSUANT TO 2-18-303(1)(B), UNLESS THE POSITION IS FILLED BY A PERSON WHO TRANSFERS Laterally AT THE SAME GRADE AND LONGEVITY LEVEL.

NEW SECTION. SECTION 3. CONTINGENT VOIDNESS. IF [THIS ACT] AND HOUSE BILL NO. 2 ARE BOTH PASSED AND APPROVED AND IF THE APPROPRIATIONS CONTAINED IN HOUSE BILL NO. 2 ARE NOT ACCOMPANIED BY A NARRATIVE STATING THAT APPROPRIATED AMOUNTS FOR PERSONAL SERVICES REFLECT REDUCTIONS TOTALING AT LEAST THE COST OF THE INCENTIVE PROJECTED FOR [THIS ACT], THEN [THIS ACT] IS VOID.

NEW SECTION. Section 4. Codification instruction. [Section 1] is intended to be codified as an

integral part of Title 2, chapter 18, part 8, and the provisions of Title 2, chapter 18, part 8, apply to [section 1].

NEW SECTION. **Section 5. Effective date.** [This act] is effective ~~on passage and approval~~ JULY 1, 2003.

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