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HOUSE BILL NO. 761 INTRODUCED BY J. FRENCH

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING CREDITABLE SERVICE IN THE TEACHERS' RETIREMENT SYSTEM FOR MEMBERS DEPLOYED TO AFGHANISTAN OR IRAQ; AMENDING SECTION 19-20-404, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 19-20-404, MCA, is amended to read:

"19-20-404. Creditable service for active service in military, red cross, or merchant marine. (1) (a) A member who has at least 5 years or more of creditable service in the retirement system may receive up to 4 years of creditable service, without cost, for active service in the armed forces of the United States, which includes the army, navy, marine corps, air force, and coast guard, during as follows:

- (i) during the Korean war between June 1, 1950, and January 31, 1955, and;
- (ii) during the Vietnam conflict between December 22, 1961, and May 7, 1975, dates inclusive, if the member has 5 years or more of creditable service in the retirement system;
 - (iii) in Afghanistan during operation enduring freedom; and
 - (iv) in Iraq during operation Iraqi freedom.
- (b) To receive credit for this service, a member shall submit to the board a written application and proper certification of the member's military service.
- (2) If a member is ineligible for service credit under subsection (1), the member may apply under the provisions of this subsection for creditable service in the retirement system for active service in the armed forces of the United States, which includes the army, navy, marine corps, air force, and coast guard, or in the American red cross or merchant marine. The person must be awarded creditable service, conditional upon the person's completing 5 years of active membership in Montana, for the number of years, not exceeding 2, that the retirement board determines to be creditable service, if the person contributes to the retirement system an amount equal to the combined employer and employee contributions for the person's first full year's teaching salary earned in Montana following the active service in the armed forces of the United States, the American red cross, or the merchant marine for each year of creditable service plus interest at the rate the contribution would have earned had the contribution been in the person's account upon completion of 5 years of membership service in

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Montana. The contribution rate is that rate in effect at the time the person is eligible for the service.

(3) The contribution required under subsection (2) may be made in a lump-sum payment or in installments as agreed between the person and the retirement board."

<u>NEW SECTION.</u> **Section 2. Effective date.** [This act] is effective on passage and approval.

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