



AN ACT REVISING THE BASIS FOR DETERMINING WHETHER THE DISABILITY AND PENSION FUND OF A CITY'S OR TOWN'S FIRE RELIEF ASSOCIATION IS SOUNDLY FUNDED; AMENDING SECTIONS 19-18-503 AND 19-18-504, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

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

Section 1. Section 19-18-503, MCA, is amended to read:

"19-18-503. Fund to be soundly funded. (1) Each disability and pension fund must be soundly funded at fiscal yearend. The fund is soundly funded if, subject to subsection (2):

(a) assets in the fund are maintained at a level equal to at least 0.21% but no more than 0.52% of the total assessed value of taxable property, determined as provided in 15-8-111, within the limits of the city or town three times but no more than five times the benefits paid by the fund in the previous or current fiscal year, whichever is greater; or

(b) funding is maintained at a level determined by an actuarial valuation to be sufficient to keep the fund actuarially sound.

(2) An actuarial valuation may be requested only by a city, town, or association. ~~Once an actuarial valuation has been conducted, funding must continue to be based on actuarial determinations rather than on the total assessed value of taxable property pursuant to subsection (1)(a).~~"

Section 2. Section 19-18-504, MCA, is amended to read:

"19-18-504. Special tax levy for fund required. (1) Whenever The fund shall be reviewed on an annual basis to determine whether the fund is soundly funded pursuant to 19-18-503.

(2) Based on the annual review:

(a) if the fund contains an amount that is less than the minimum amount required to keep the fund soundly funded pursuant to 19-18-503, the city or town council shall, subject to 15-10-420, levy an annual tax on the taxable value of all taxable property within the city or town;

~~(2) When (b) if the fund contains an amount that is less than 0.52% but more than 0.21% of the total assessed value of all taxable property within the city or town~~ the maximum but more than the minimum required to keep the fund soundly funded pursuant to 19-18-503(1)(a), the city or town council may, if authorized by the voters as provided in 15-10-425, levy an annual tax.

(3) All revenue from the tax must be deposited in the fund."

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

- END -

I hereby certify that the within bill,
SB 0016, originated in the Senate.

President of the Senate

Signed this _____ day
of _____, 2017.

Secretary of the Senate

Speaker of the House

Signed this _____ day
of _____, 2017.

SENATE BILL NO. 16

INTRODUCED BY L. JONES

BY REQUEST OF THE STATE ADMINISTRATION AND VETERANS' AFFAIRS INTERIM COMMITTEE

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