



AN ACT TEMPORARILY SUSPENDING EMPLOYER CONTRIBUTIONS TO THE JUDGES' RETIREMENT SYSTEM; PERMANENTLY REVISING THE EMPLOYER CONTRIBUTION RATE TO REDUCE THE SYSTEM'S FUNDING SURPLUS; ESTABLISHING A CONTINGENCY FOR THE REDUCTION; AMENDING SECTION 19-5-404, MCA; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE.

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

Section 1. Section 19-5-404, MCA, is amended to read:

"19-5-404. State employer contribution. (1) ~~Except Beginning July 1, 2023, and except as provided in subsection (2) subsections (2) and (3),~~ the state shall pay as employer contributions ~~25.81%~~ 14.0% of the compensation paid to all of the employer's employees, except those properly excluded from membership.

(2) ~~The Beginning July 1, 2023, and except as provided in subsection (3),~~ the state shall contribute monthly from the natural resources operations state special revenue account, established in 15-38-301, to the judges' pension trust fund an amount equal to ~~25.81%~~ 14.0% of the compensation paid to the chief water court judge. The judiciary shall include in its budget and shall request for legislative appropriation an amount necessary to defray the state's portion of the costs of this section.

(3) If, based on the most recently available actuarial study for the judges' retirement system, the funded ratio of the plan drops below 120% funded, the employer contribution rates in subsections (1) and (2) must be increased to 25.81%.

(4) For the first full pay period of July 2021 through the last full pay period ending June 2023, and except as provided in subsection (5), the state shall pay as employer contributions 0% of the compensation paid to all of the employer's employees, except those properly excluded from membership.

(5) For the first full pay period of July 2021 through the last full pay period ending June 2023, the state shall contribute monthly from the natural resources operations state special revenue account, established in 15-

38-301, to the judges' pension trust fund an amount equal to 0% of the compensation paid to the chief water court judge. The judiciary shall include in its budget and shall request for legislative appropriation an amount necessary to defray the state's portion of the costs of this section."

Section 2. Effective date. [This act] is effective July 1, 2021.

Section 3. Termination. [Section 1(4) and (5)] terminates at the end of the last full pay period ending June 2023.

- END -

I hereby certify that the within bill,
SB 175, originated in the Senate.

Secretary of the Senate

President of the Senate

Signed this _____ day
of _____, 2021.

Speaker of the House

Signed this _____ day
of _____, 2021.

SENATE BILL NO. 175

INTRODUCED BY D. KARY

BY REQUEST OF THE GOVERNOR

AN ACT TEMPORARILY SUSPENDING EMPLOYER CONTRIBUTIONS TO THE JUDGES' RETIREMENT SYSTEM; PERMANENTLY REVISING THE EMPLOYER CONTRIBUTION RATE TO REDUCE THE SYSTEM'S FUNDING SURPLUS; ESTABLISHING A CONTINGENCY FOR THE REDUCTION; AMENDING SECTION 19-5-404, MCA; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE.