

SENATE BILL NO. 56

INTRODUCED BY M. CUFFE

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

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING SUPPLEMENTAL EMPLOYER CONTRIBUTIONS TO RETIREMENT SYSTEMS; EXTENDING AND INCREASING THE SUPPLEMENTAL EMPLOYER CONTRIBUTION RATE FOR THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM; ADDING SUPPLEMENTAL EMPLOYER CONTRIBUTION RATES FOR THE HIGHWAY PATROL OFFICERS' RETIREMENT SYSTEM, THE SHERIFFS' RETIREMENT SYSTEM, AND THE GAME WARDENS' AND PEACE OFFICERS' RETIREMENT SYSTEM; AMENDING SECTIONS 19-3-316, 19-6-404, 19-7-404, AND 19-8-504, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

**Section 1.** Section 19-3-316, MCA, is amended to read:

**"19-3-316. Employer contribution rates.** (1) Each employer shall contribute to the system. Except as provided in subsection (2), the employer shall pay as employer contributions 6.9% of the compensation paid to all of the employer's employees plus any additional contribution under subsection (3), except for those employees properly excluded from membership. Of employer contributions made under this subsection for both defined benefit plan and defined contribution plan members, a portion must be allocated for educational programs as provided in 19-3-112. Employer contributions for members under the defined contribution plan must be allocated as provided in 19-3-2117.

(2) Local government and school district employer contributions must be the total employer contribution rate provided in subsection (1) minus the state contribution rates under 19-3-319.

(3) (a) Subject to subsection (4), each employer shall contribute to the system an additional employer contribution equal to the percentage specified in subsection (3)(b) of the compensation paid to all of the employer's employees, except for those employees properly excluded from membership.

(b) The percentage of compensation to be contributed under subsection (3)(a) is 1.27% for fiscal

**Amendment - 1st Reading/2nd House-blue - Requested by: Llew Jones - (H) Appropriations**

- 2025

69th Legislature 2025

Drafter: Rebecca Power,

SB0056.002.002

(a) "Contemporary unfunded liability" means the plan's annual fiscal year actuarial gains and losses smoothed over 5 years starting with the fiscal year ending June 30, 2019.

(b) "Legacy unfunded liability" means the unfunded liability of the plan as of June 30, 2023."

COORDINATION SECTION. **Section 5. Coordination instruction.** If either Senate Bill No. 287 or House Bill No. 924, or both, and [this act] are passed and approved, and if either or both and [this act] contain a section that amends 19-3-316, then the sections amending 19-3-316 in Senate Bill No. 287 and House Bill No. 924 are void.

NEW SECTION. **Section 6. Effective date.** [This act] is effective July 1, 2025.

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