

1 HOUSE BILL NO. 158

2 INTRODUCED BY M. NIKOLAKAKOS, R. GREGG, C. SCHOMER, V. MOORE, S. ROSENZWEIG, E.
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9 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING WORKING RETIREE PROVISIONS UNDER THE
10 TEACHERS' RETIREMENT SYSTEM; AMENDING SECTION 19-20-732, MCA; AMENDING SECTION 4,
11 CHAPTER 307, LAWS OF 2019, AND SECTION 4, CHAPTER 135, LAWS OF 2023; AND PROVIDING AN
12 EFFECTIVE DATE AND A TERMINATION DATE."

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

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16 **Section 1.** Section 19-20-732, MCA, is amended to read:

17 **"19-20-732. (Temporary) Reemployment of certain retired teachers, specialists, and**
18 **administrators -- procedure -- definitions.** (1) Subject to the provisions of this section:

19 (a) a teacher, specialist, or administrator who has been receiving a retirement allowance for no
20 less than 2 months, except a disability retirement allowance pursuant to part 9 of this chapter, may be
21 employed on a full-time basis by an employer for a maximum of ~~3 years~~ 5 years during the lifetime of the retired
22 member without the loss or interruption of any payments or retirement benefits if:

- 23 (i) the retired member completed 27 or more years of creditable service prior to retirement;
24 (ii) the retired member holds a valid certificate pursuant to the provisions of 20-4-106; and
25 (iii) each year, prior to employing a retired member, the employer certifies to the office of public
26 instruction and to the retirement board that after having advertised the position for that year the employer has
27 been unable to fill the position because the employer either has received no qualified applications or has not
28 received an acceptance of an offer of employment made to a nonretired teacher, specialist, or administrator.

1 The office of public instruction shall verify that the employer has advertised the position as required under this
2 subsection (1)(a)(iii).

3 (b) the employer certification required by this section must include the retired member's name and
4 social security number and a copy of the proposed contract of employment for the retired member;

5 (c) upon receipt of the employer's certification and of the proposed contract of employment, the
6 retirement board shall verify whether the retired member meets the requirements of subsection (1)(a)(i) and
7 shall notify the employer and the retired member of its findings;

8 (d) a retired member reemployed under this section is ineligible for active membership under 19-
9 20-302 and is ineligible to receive service credit under any retirement system identified in Title 19; and

10 (e) the retirement board shall report to the education interim committee and the state
11 administration and veterans' affairs interim committee, as provided in 5-11-210, regarding the implementation of
12 and results arising from this section.

13 (2) An employer employing a retired member pursuant to this section shall contribute monthly to
14 the retirement system an amount equal to the sum of the contribution rates required by 19-20-602, 19-20-604,
15 19-20-605, 19-20-607, 19-20-608, and 19-20-609.

16 (3) A retired member reemployed pursuant to this section is exempt from the earnings and
17 employment limits provided in 19-20-731.

18 (4) If reemployed in a position covered by a collective bargaining agreement pursuant to Title 39,
19 chapter 31, the retired member is subject to all the terms and conditions of the agreement and is entitled to all
20 the benefits and protections of the agreement.

21 (5) The board may adopt rules to implement this section.

22 (6) As used in this section, the following definitions apply:

23 (a) "Employer" means a school district as defined in 20-6-101 and 20-6-701 that employs a retired
24 member and is a second-class or third-class elementary district under 20-6-201 or a second-class or third-class
25 high school district under 20-6-301.

26 (b) "Year" means all or any part of a school year. (Terminates June 30, 2027 ~~2029~~—sec. 4, Ch.
27 135, L. 2023.)

28 **19-20-732. (Effective July 1, 2027 2029) Reemployment of certain retired teachers, specialists,**

1 **and administrators -- procedure -- definitions.** (1) Subject to the provisions of this section:

2 (a) a teacher, specialist, or administrator who has been receiving a retirement allowance for no
3 less than 2 months, except a disability retirement allowance pursuant to part 9 of this chapter, may be
4 employed on a full-time basis by an employer for a maximum of 3 years during the lifetime of the retired
5 member without the loss or interruption of any payments or retirement benefits if:

6 (i) the retired member completed 30 or more years of creditable service prior to retirement;

7 (ii) the retired member holds a valid certificate pursuant to the provisions of 20-4-106; and

8 (iii) each year, prior to employing a retired member, the employer certifies to the office of public
9 instruction and to the retirement board that after having advertised the position for that year the employer has
10 been unable to fill the position because the employer either has received no qualified applications or has not
11 received an acceptance of an offer of employment made to a nonretired teacher, specialist, or administrator;

12 (b) the employer certification required by this section must include the retired member's name and
13 social security number and a copy of the proposed contract of employment for the retired member;

14 (c) upon receipt of the employer's certification and of the proposed contract of employment, the
15 retirement board shall verify whether the retired member meets the requirements of subsection (1)(a)(i) and
16 shall notify the employer and the retired member of its findings;

17 (d) a retired member reemployed under this section is ineligible for active membership under 19-
18 20-302 and is ineligible to receive service credit under any retirement system identified in Title 19; and

19 (e) the retirement board shall report to the education interim committee and the state
20 administration and veterans' affairs interim committee in accordance with 5-11-210 regarding the
21 implementation of and results arising from this section.

22 (2) An employer employing a retired member pursuant to this section shall contribute monthly to
23 the retirement system an amount equal to the sum of the contribution rates required by 19-20-602, 19-20-604,
24 19-20-605, 19-20-607, 19-20-608, and 19-20-609.

25 (3) A retired member reemployed pursuant to this section is exempt from the earnings and
26 employment limits provided in 19-20-731.

27 (4) If reemployed in a position covered by a collective bargaining agreement pursuant to Title 39,
28 chapter 31, the retired member is subject to all the terms and conditions of the agreement and is entitled to all

1 the benefits and protections of the agreement.

2 (5) The board may adopt rules to implement this section.

3 (6) As used in this section, the following definitions apply:

4 (a) "Employer" means a school district as defined in 20-6-101 and 20-6-701.

5 (b) "Year" means all or any part of a school year."

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7 **Section 2.** Section 4, Chapter 307, Laws of 2019, is amended to read:

8 **"Section 4. Termination.** [This act] terminates June 30, 2025 2029."

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10 **Section 3.** Section 4, Chapter 135, Laws of 2023, is amended to read:

11 **"Section 4.** Section 4, Chapter 307, Laws of 2019, is amended to read:

12 **"Section 4. Termination.** [This act] terminates June 30, 2025 2027 2029."

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14 NEW SECTION. **Section 4. Effective date.** [This act] is effective July 1, 2025.

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16 NEW SECTION. **Section 5. Termination.** [Section 1] terminates June 30, 2029.

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