

SENATE BILL NO. 316

INTRODUCED BY D. ZOLNIKOV

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING DISABILITY RETIREMENT BENEFIT PROVISIONS FOR THE MUNICIPAL POLICE OFFICERS' RETIREMENT SYSTEM AND THE FIREFIGHTERS' UNIFIED RETIREMENT SYSTEM; AMENDING SECTIONS 19-2-406, 19-9-903, AND 19-13-803, MCA; AND PROVIDING ~~A DELAYED~~ AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."

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

Section 1. Section 19-2-406, MCA, is amended to read:

"19-2-406. Disability retirement -- application -- determination -- benefit conversion -- rules. (1)

(a) An active or inactive member may apply for disability retirement in a manner prescribed by the board.

However, an application may also be filed on the member's behalf by the head of the office or department in which the member is or was last employed, by any other individual, or by the board.

(b) The application must be filed within 4 months after the member's termination from employment unless the member is disabled continuously from the date of termination from employment to the date of the application.

(2) The board shall determine whether a member has become disabled. In the discharge of its duty regarding determinations, the board, any member of the board, or any authorized representative of the board may order medical examinations, conduct hearings, administer oaths and affirmations, take depositions, certify to official acts and records, and issue subpoenas to compel the attendance of witnesses and the production of books, papers, correspondence, memoranda, and other records considered necessary as evidence in connection with a claim for disability retirement. Subpoenas must be issued and enforced pursuant to 2-4-104 of the Montana Administrative Procedure Act.

(3) The board shall adopt rules requiring employers to identify and explain the essential elements of a member's position, any accommodations that were or can be made in compliance with the Americans With

Disabilities Act of 1990 (42 U.S.C. 12101, et seq.), and the effectiveness of the accommodations.

(4) The board shall retain medical personnel to advise it in assessing the nature and extent of disabling conditions while reviewing claims for disability retirement.

(5) ~~The disability retirement benefit paid to a member of the defined benefit plan must be converted to a service retirement benefit, without recalculation of the monthly benefit amount, when the member has attained normal retirement age. The board shall notify the member in writing as to the change in status~~ The disability retirement benefit paid to a member of the defined benefit plans provided for in Title 19, chapters 9 and 13, remains a disability retirement benefit when the member attains normal retirement age, but the disability retirement benefit is no longer subject to a medical examination of the member."

Section 2. Section 19-9-903, MCA, is amended to read:

"19-9-903. Amount of disability retirement benefit -- continuation of benefit after death of member. (1) A member who becomes disabled:

(a) before completing 20 years of membership service must receive a disability retirement benefit equal to one-half the member's final average compensation; or

(b) after completing 20 years or more of membership service must receive a disability retirement benefit equal to 2.5% of the member's final average compensation for each year of service credit.

(2) A member who becomes disabled as a direct result of the member's service in the line of duty:

(a) before completing 20 years of membership service must receive a line of duty disability retirement benefit equal to one-half of the member's final average compensation; or

(b) after completing 20 years or more of membership service must receive a line of duty disability retirement benefit equal to 2.5% of the member's final average compensation for each year of service credit.

~~(2)(3)~~ Upon the death of a member receiving a disability retirement benefit under this section, the member's surviving spouse or dependent child is eligible for benefits as provided in 19-9-804."

Section 3. Section 19-13-803, MCA, is amended to read:

"19-13-803. Amount of disability retirement benefit. (1) A member who becomes disabled:

(a) before completing 20 years of membership service must receive a disability retirement benefit

equal to one-half the member's highest average compensation;

(b) after completing 20 years or more of membership service must receive a disability retirement benefit equal to 2.5% of the member's highest average compensation for each year of service credit, but no less than one-half of the member's highest average compensation.

(2) A member who becomes disabled as a direct result of the member's service in the line of duty:

(a) before completing 20 years of membership service must receive a line of duty disability retirement benefit equal to one-half of the member's highest average compensation; or
(b) after completing 20 years or more of membership service must receive a line of duty disability retirement benefit equal to 2.5% of the member's highest average compensation for each year of service credit but no less than one-half of the member's highest average compensation.

~~(2)(3)~~ Upon the death of a member receiving a disability retirement benefit under this section, the member's surviving spouse or dependent child is eligible for the benefits provided pursuant to 19-13-704(3)."

NEW SECTION. Section 4. Effective date. [This act] is effective ~~January 1, 2026~~ ON PASSAGE AND APPROVAL.

NEW SECTION. SECTION 5. RETROACTIVE APPLICABILITY. [THIS ACT] APPLIES RETROACTIVELY, WITHIN THE MEANING OF 1-2-109, TO MEMBERS OF THE MUNICIPAL POLICE OFFICERS' RETIREMENT SYSTEM AND THE FIREFIGHTERS' UNIFIED RETIREMENT SYSTEM WHO BECOME DISABLED AS A DIRECT RESULT OF THE MEMBER'S SERVICE IN THE LINE OF DUTY ON OR BEFORE JANUARY 1, 2025.

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