



AN ACT REVISING WORKING RETIREE PROVISIONS UNDER THE TEACHERS' RETIREMENT SYSTEM; AMENDING SECTION 19-20-732, MCA; AMENDING SECTION 4, CHAPTER 307, LAWS OF 2019, AND SECTION 4, CHAPTER 135, LAWS OF 2023; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE."

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

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

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

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

(i) the retired member completed 27 or more years of creditable service prior to retirement;

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

(iii) each year, prior to employing a retired member, the employer certifies to the office of public instruction and to the retirement board that after having advertised the position for that year the employer has been unable to fill the position because the employer either has received no qualified applications or has not received an acceptance of an offer of employment made to a nonretired teacher, specialist, or administrator. The office of public instruction shall verify that the employer has advertised the position as required under this subsection (1)(a)(iii).

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

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

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

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

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

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

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

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

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

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

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

19-20-732. (Effective July 1, 2027 2029) Reemployment of certain retired teachers, specialists, and administrators -- procedure -- definitions. (1) Subject to the provisions of this section:

(a) a teacher, specialist, or administrator who has been receiving a retirement allowance for no less than 2 months, except a disability retirement allowance pursuant to part 9 of this chapter, may be employed on a full-time basis by an employer for a maximum of 3 years during the lifetime of the retired

member without the loss or interruption of any payments or retirement benefits if:

- (i) the retired member completed 30 or more years of creditable service prior to retirement;
 - (ii) the retired member holds a valid certificate pursuant to the provisions of 20-4-106; and
 - (iii) each year, prior to employing a retired member, the employer certifies to the office of public instruction and to the retirement board that after having advertised the position for that year the employer has been unable to fill the position because the employer either has received no qualified applications or has not received an acceptance of an offer of employment made to a nonretired teacher, specialist, or administrator;
- (b) the employer certification required by this section must include the retired member's name and social security number and a copy of the proposed contract of employment for the retired member;
- (c) upon receipt of the employer's certification and of the proposed contract of employment, the retirement board shall verify whether the retired member meets the requirements of subsection (1)(a)(i) and shall notify the employer and the retired member of its findings;
- (d) a retired member reemployed under this section is ineligible for active membership under 19-20-302 and is ineligible to receive service credit under any retirement system identified in Title 19; and
- (e) the retirement board shall report to the education interim committee and the state administration and veterans' affairs interim committee in accordance with 5-11-210 regarding the implementation of and results arising from this section.
- (2) An employer employing a retired member pursuant to this section shall contribute monthly to the retirement system an amount equal to the sum of the contribution rates required by 19-20-602, 19-20-604, 19-20-605, 19-20-607, 19-20-608, and 19-20-609.
- (3) A retired member reemployed pursuant to this section is exempt from the earnings and employment limits provided in 19-20-731.
- (4) If reemployed in a position covered by a collective bargaining agreement pursuant to Title 39, chapter 31, the retired member is subject to all the terms and conditions of the agreement and is entitled to all the benefits and protections of the agreement.
- (5) The board may adopt rules to implement this section.
- (6) As used in this section, the following definitions apply:
- (a) "Employer" means a school district as defined in 20-6-101 and 20-6-701.

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

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

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

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

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

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

Section 4. Effective date. [This act] is effective July 1, 2025.

Section 5. Termination. [Section 1] terminates June 30, 2029.

- END -

I hereby certify that the within bill,
HB 158, originated in the House.

Chief Clerk of the House

Speaker of the House

Signed this _____ day
of _____, 2025.

President of the Senate

Signed this _____ day
of _____, 2025.

HOUSE BILL NO. 158

INTRODUCED BY M. NIKOLAKAKOS, D. EMRICH, J. KASSMIER, G. LAMMERS, F. MANDEVILLE, W. MCKAMEY, J. TREBAS, J. WINDY BOY, B. BARKER, D. BEDEY, M. BERTOGLIO, E. BUTTREY, L. DEMING, S. ESSMANN, J. ETCHART, P. FIELDER, S. FITZPATRICK, R. GREGG, C. HINKLE, L. JONES, J. KARLEN, C. KEOGH, B. LER, E. MATTHEWS, R. MINER, B. MITCHELL, V. MOORE, G. NIKOLAKAKOS, G. PARRY, L. REKSTEN, M. ROMANO, S. ROSENZWEIG, C. SCHOMER, C. SPRUNGER, M. THANE, E. TILLEMAN, K. ZOLNIKOV

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