

Montana Legislative Services Division

Legal Services Office

TO: State Administration and Veterans' Affairs Interim Committee

FROM: K. Virginia Aldrich **DATE:** October 18, 2013

RE: Legislative Administrative Rule Review Report

Pursuant to 5-5-228, MCA, the State Administration and Veterans' Affairs Interim Committee is responsible for reviewing administrative rules within its jurisdiction. Staff for the State Administration and Veterans' Affairs Interim Committee has prepared this report for informational purposes only. This report does not represent any action or opinion of the State Administration and Veterans' Affairs Interim Committee and does not preclude additional action that may be taken by the State Administration and Veterans' Affairs Interim Committee pursuant to its authority under the Montana Administrative Procedure Act (Title 2, chapter 4, MCA).

MAR NOTICE NUMBER: 2-43-495

AGENCY/BOARD: Public Employees' Retirement Board of the State of Montana

RULE CLASSIFICATION: (e.g. substantive/interpretative/emergency/temporary): Substantive

SUBJECT: Notice of Proposed Amendment - Operation of the Retirement Systems and Plans Administered by the Montana Public Employees' Retirement Board

NOTICE DESCRIPTION: (e.g. proposal notice/adoption notice):

Notice of proposed amendment

SUMMARY OF RULE(S):

The Public Employees' Retirement Board is proposing to amend three rules. First, the Board proposes to specify when it will waive interest on late contributions being collected. The amendments allow MPERA to waive interest due on contributions if the delinquent contributions are paid within 60 days of the original due date.

Second, the Board proposes to delete one statute from a list of implemented statutes under a rule concerning the application process for disability benefits because it was repealed by Chapter 178, L. 2013.

Lastly, the Board proposes to amend a rule relating to employees returning to employment within the same jurisdiction. Under the existing rule, after 960 or more hours of work in a calendar year, a returning employee who was involuntarily terminated and who purchased service under section 19-2-706, MCA, forfeits additional service credit, and the employer is credited for any contributions that exceed the total retirement benefits paid to the member. Chapter 178, L. 2013, amended the relevant statute to require that the employer be reimbursed the proportional amount of retirement benefits related to the additional service purchased under section 19-2-706, MCA, and the proposed rule now reflects that change.

NOTES: (e.g. hearing dates)

No public hearing is contemplated. The public comment period ends on November 14, 2013. Cl0425 3291gafb.