



ADMINISTRATIVE RULES OF MONTANA



2.43.2105 BASIC PERIOD OF SERVICE

- (1) The month is the basic period for the awarding of service credit and membership service for all retirement systems.
 - (a) Except as otherwise specified by rule or statute, 160 hours of service or 240 hours of service in a three-paycheck month for members who are paid biweekly will equal one month of service credit, regardless of the calendar period during which the service credit was earned.
 - (b) Except as otherwise specified by rule or statute, 12 months of service credit will equal one year of service credit, regardless of the calendar period during which the service credit was earned.
 - (c) Service credit granted for any fiscal year may not be greater than one year.
- (2) Except as provided in (3), service credit of less than 160 hours in a calendar month constitutes part-time service.
- (3) If the regularly established work schedule of a full-time employee who works at least 2,080 nonovertime hours in a fiscal year results in their employer reporting the employee to the Montana Public Employee Retirement Administration as working less than 160 hours in any month or months during that fiscal year, the employee shall receive one year of service credit.
- (4) Upon retirement, MPERA will adjust the service credit for members who work less than full time.
 - (a) For a member initially hired prior to July 1, 2011, the service earned during the member's normal work year will be the total service earned during the period of the "highest average compensation" or "final average compensation" divided by three.
 - (b) For a member initially hired on or after July 1, 2011, in a PERS, SRS, or GWPORS-covered position, the service earned during the member's normal work year will be the total service earned during the period of the "highest average compensation" divided by five.
 - (c) The member must be granted proportional service credit for each fiscal year of employment on the basis of the member's normal work year.
 - (d) The proportion will be equal to the number of documented hours for which compensation during a calendar month was reported for the employee, divided by the average number of hours worked each month during the period of the "highest average compensation" or "final average compensation" times 12, but may not be greater than 1.

Implementing statute(s): 19-2-701, 19-3-108, 19-3-904, 19-5-502, 19-6-502, 19-7-101, 19-7-503, 19-8-101, 19-8-603, 19-9-804, 19-13-704, MCA

History: NEW, 1986 MAR p. 1454, Eff. 8/29/86; AMD, 1987 MAR p. 1338, Eff. 8/14/87; AMD, 1990 MAR p. 994A, Eff. 7/1/90; AMD, 1997 MAR p. 1660, Eff. 9/23/97; AMD, 2001 MAR p. 2219, Eff. 11/9/01; AMD & TRANS, from ARM 2.43.406, 2008 MAR p. 2467, Eff. 12/1/08; AMD, 2011 MAR p. 643, Eff. 4/29/11; AMD, 2011 MAR p. 1678, Eff. 8/26/11; AMD, 2024 MAR p. 1577, Eff. 7/6/24.