

SENATE BILL NO. 350  
INTRODUCED BY STIMATZ  
BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD

IN THE SENATE

February 2, 1981	Introduced and referred to Committee on State Administration.
	Fiscal note requested.
February 5, 1981	Fiscal note returned.
February 9, 1981	Committee recommend bill do pass as amended. Report adopted.
February 10, 1981	Bill printed and placed on members' desks.
February 11, 1981	Second reading, do pass.
February 12, 1981	Correctly engrossed.
February 13, 1981	Third reading, passed. Ayes, 50; Noes, 0. Transmitted to House.

## IN THE HOUSE

February 14, 1981	Introduced and referred to Committee on State Administration.
March 13, 1981	Committee recommend bill be concurred in. Report adopted.
March 21, 1981	Second reading, concurred in.
March 24, 1981	Third reading, concurred in. Ayes, 92; Noes, 4.

IN THE SENATE

March 25, 1981

Returned from House. Con-  
curred in. Sent to enrolling.

Reported correctly enrolled.

Senate BILL NO. 350

1                   2 INTRODUCED BY Stoney  
3                   4 BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD

5                   6 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR THE  
7                   8 DISTRIBUTION OF ADMINISTRATIVE EXPENSES OF THE PUBLIC  
9                   10 EMPLOYEES' RETIREMENT DIVISION OF THE DEPARTMENT OF  
11                   12 ADMINISTRATION AMONG THE JUDGES', HIGHWAY PATROL, SHERIFFS',  
13                   14 GAME WARDENS', AND MUNICIPAL POLICE RETIREMENT SYSTEMS;  
15                   16 AMENDING SECTIONS 19-5-202, 19-6-203, 19-7-202, 19-8-203,  
17                   18 AND 19-9-203, MCA."

19                   20 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

21                   22 Section 1. Section 19-5-202, MCA, is amended to read:  
23                   24 "19-5-202. Administrative expenses. (1) The expense of  
25                   26 the administration of this chapter, exclusive of the payment  
27                   28 of retirement allowances and other benefits, ~~shall~~ may be  
28                   29 paid from the fund.

29                   30 (2) Before July 15 of each year, the board ~~shall~~ may compute  
31                   32 the administrative costs for the immediately preceding  
33                   34 fiscal year and transfer that amount from the fund  
34                   35 to the public employees' retirement system account in the  
35                   36 agency fund."

36                   37 Section 2. Section 19-6-203, MCA, is amended to read:  
37                   38 "19-6-203. Administrative expenses. 111 The expense of

1                   2 the administration of this chapter, exclusive of the payment  
2                   3 of retirement allowances and other benefits, ~~shall~~ may be  
3                   4 paid ~~by-the-state-of-Montana-by--appropriation--out--of--the~~  
4                   5 general--fund--made-on-the-basis-of-budgets-submitted-by-the  
5                   6 board ~~from the fund~~.

6                   7 (2) Before July 15 of each year, the board may compute  
7                   8 the administrative costs for the immediately preceding  
8                   9 fiscal year and transfer that amount from the fund to the  
9                   10 public employees' retirement system account in the agency  
10                   11 fund."

11                   12 Section 3. Section 19-7-202, MCA, is amended to read:  
12                   13 "19-7-202. Expenses of administration. 111 The expense  
13                   14 of the administration of this chapter, exclusive of the  
14                   15 payment of retirement allowances and other benefits, ~~shall~~ may be  
15                   16 paid ~~by-the-state-of-Montana from the fund~~.

16                   17 (2) Before July 15 of each year, the board may compute  
17                   18 the administrative costs for the immediately preceding  
18                   19 fiscal year and transfer that amount from the fund to the  
19                   20 public employees' retirement system account in the agency  
20                   21 fund."

21                   22 Section 4. Section 19-8-203, MCA, is amended to read:  
22                   23 "19-8-203. Expenses of administration. 111 The expense  
23                   24 of the administration of this chapter, exclusive of the  
24                   25 payment of retirement allowances and other benefits, may be  
25                   26 paid ~~from the fund~~.

1       121. Before July 15 of each year, the board may compute  
2       the administrative costs for the immediately preceding  
3       fiscal year and transfer that amount from the fund to the  
4       public employees' retirement system account in the agency  
5       fund.

6       131. In addition to the amount provided in subsection  
7       121, the board may assess and the department of  
8       administration shall may collect a fee from the department  
9       of fish, wildlife, and parks for the purpose of defraying  
10      the expenses of administering this chapter. The fee may not  
11      exceed 0.3% of the total of all members' salaries."

12      Section 5. Section 19-9-203, MCA, is amended to read:

13      "19-9-203. Administrative expenses. 111 The expense of  
14      administration of this chapter, exclusive of amounts  
15      required to be paid as benefits to or on behalf of a member,  
16      shall may be borne by the state and shall be in addition to  
17      the amounts required of it as contributions paid from the  
18      fund.

19       121. Before July 15 of each year, the board may compute  
20       the administrative costs for the immediately preceding  
21       fiscal year and transfer that amount from the fund to the  
22       public employees' retirement system account in the agency  
23       fund."

STATE OF MONTANA

REQUEST NO. 291-81

FISCAL NOTE

Form BD-15

In compliance with a written request received February 3, 19 81, there is hereby submitted a Fiscal Note for Senate Bill 350 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA). Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

Description of Proposed Legislation

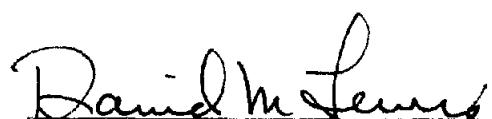
To provide for the distribution of the administrative expenses of the Public Employees' Retirement Division among the various systems administered.

Assumptions

The administrative expenses of the Retirement Division are about \$600,000 per year. Under current law, these expenses are funded by interest earnings.

Fiscal Impact

None.



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-5-81

Approved by Committee  
on State Administration

## 1                   SENATE BILL NO. 350

2                   INTRODUCED BY STIMATZ

3                   BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD

4  
5                   A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR THE  
6                   DISTRIBUTION OF ADMINISTRATIVE EXPENSES OF THE PUBLIC  
7                   EMPLOYEES' RETIREMENT DIVISION OF THE DEPARTMENT OF  
8                   ADMINISTRATION AMONG THE JUDGES', HIGHWAY PATROL, SHERIFFS',  
9                   GAME WARDENS', AND MUNICIPAL POLICE RETIREMENT SYSTEMS;  
10                  AMENDING SECTIONS 19-5-202, 19-6-203, 19-7-202, 19-8-203,  
11                  AND 19-9-203, MCA."

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

13                  Section 1. Section 19-5-202, MCA, is amended to read:  
14                  "19-5-202. Administrative expenses. (1) The expense of  
15                  the administration of this chapter, exclusive of the payment  
16                  of retirement allowances and other benefits, ~~shall~~ may be  
17                  paid from the fund.

18                  (2) Before July 15 of each year, the board ~~shall~~ may compute  
19                  the administrative costs for the immediately preceding  
20                  fiscal year and transfer that amount from the fund  
21                  to the public employees' retirement system account in the  
22                  agency fund."

23                  Section 2. Section 19-6-203, MCA, is amended to read:  
24                  "19-6-203. Administrative expenses. (1) The expense of

1                  the administration of this chapter, exclusive of the payment  
2                  of retirement allowances and other benefits, ~~shall~~ may be  
3                  paid ~~by-the-state-of-Montana-by--appropriation--out--of--the~~  
4                  general--fund--made-on-the-basis-of-budgets-submitted-by-the  
5                  board from the fund.

6                  (2) Before July 15 of each year, the board may compute  
7                  the administrative costs for the immediately preceding  
8                  fiscal year and transfer that amount from the fund to the  
9                  public employees' retirement system account in the agency  
10                 fund."

11                  Section 3. Section 19-7-202, MCA, is amended to read:  
12                  "19-7-202. Expenses of administration. (1) The expense  
13                  of the administration of this chapter, exclusive of the  
14                  payment of retirement allowances and other benefits, ~~shall~~  
15                  may be paid by-the-state-of-Montana from the fund.

16                  (2) Before July 15 of each year, the board may compute  
17                  the administrative costs for the immediately preceding  
18                  fiscal year and transfer that amount from the fund to the  
19                  public employees' retirement system account in the agency  
20                 fund."

21                  Section 4. Section 19-8-203, MCA, is amended to read:  
22                  "19-8-203. Expenses of administration. (1) The expense  
23                  of the administration of this chapter, exclusive of the  
24                  payment of retirement allowances and other benefits, may be  
25                  paid from the fund."

1       (2) Before July 15 of each year, the board may compute  
2       the administrative costs for the immediately preceding  
3       fiscal year and transfer that amount from the fund to the  
4       public employees' retirement system account in the agency  
5       fund.

6       (3) In addition to the amount provided in subsection  
7       (2), the board may assess and the department of  
8       administration shall ~~may~~ collect a fee from the department  
9       of Fish, Wildlife, and Parks for the purpose of defraying  
10       the expenses of administering this chapter. The fee may not  
11       exceed 0.3% of the total of all members' salaries."

12       Section 5. Section 19-9-203, MCA, is amended to read:  
13       "19-9-203. Administrative expenses. (1) The expense of  
14       administration of this chapter, exclusive of amounts  
15       required to be paid as benefits to or on behalf of a member,  
16       shall ~~may~~ be borne by the state and shall be in addition to  
17       the amounts required of it as contributions paid from the  
18       fund.

19       (2) Before July 15 of each year, the board may compute  
20       the administrative costs for the immediately preceding  
21       fiscal year and transfer that amount from the fund to the  
22       public employees' retirement system account in the agency  
23       fund."

-End-

SENATE BILL NO. 350

INTRODUCED BY STIMATZ

BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD

5 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR THE  
6 DISTRIBUTION OF ADMINISTRATIVE EXPENSES OF THE PUBLIC  
7 EMPLOYEES' RETIREMENT DIVISION OF THE DEPARTMENT OF  
8 ADMINISTRATION AMONG THE JUDGES\*, HIGHWAY PATROL, SHERIFFS\*,  
9 GAME WARDENS\*, AND MUNICIPAL POLICE RETIREMENT SYSTEMS;  
10 AMENDING SECTIONS 19-5-202, 19-6-203, 19-7-202, 19-8-203,  
11 AND 19-9-203, MCA."

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

14           Section 1. Section 19-5-202, MCA, is amended to read:

15           "19-5-202. Administrative expenses. (1) The expense of

16       the administration of this chapter, exclusive of the payment

17       of retirement allowances and other benefits, ~~shall~~ may be

18       paid from the fund.

24 Section 2. Section 19-6-203, MCA, is amended to read:

25 **"19-6-203. Administrative expenses. (1) The expense of**

1 the administration of this chapter, exclusive of the payment  
2 of retirement allowances and other benefits, shall may be  
3 paid by the state of Montana by appropriation out of the  
4 general fund made on the basis of budgets submitted by the  
5 board from the fund.

6                   (2) Before July 15 of each year, the board may compute  
7                   the administrative costs for the immediately preceding  
8                   fiscal year and transfer that amount from the fund to the  
9                   public employees' retirement system account in the agency  
10                  fund."

11           Section 3. Section 19-7-202, MCA, is amended to read:  
12           "19-7-202. Expenses of administration. (1) The expense  
13 of the administration of this chapter, exclusive of the  
14 payment of retirement allowances and other benefits, shall  
15 may be paid by the state of Montana from the fund.

21       Section 4. Section 19-8-203, MCA, is amended to read:

22       "19-8-203. Expenses of administration. (1) The expense

23 of the administration of this chapter, exclusive of the

24 payment of retirement allowances and other benefits, may be

25 paid from the fund.

1       (2) Before July 15 of each year, the board may compute  
2       the administrative costs for the immediately preceding  
3       fiscal year and transfer that amount from the fund to the  
4       public employees' retirement system account in the agency  
5       funds.

6       (3) In addition to the amount provided in subsection  
7       (2), the board may assess and the department of  
8       administration shall may collect a fee from the department  
9       of fish, wildlife, and parks for the purpose of defraying  
10      the expenses of administering this chapter. The fee may not  
11      exceed 0.3% of the total of all members' salaries."

12      Section 5. Section 19-9-203, MCA, is amended to read:  
13      "19-9-203. Administrative expenses. (1) The expense of  
14      administration of this chapter, exclusive of amounts  
15      required to be paid as benefits to or on behalf of a member,  
16      shall may be borne by the state and shall be in addition to  
17      the amounts required of it as contributions paid from the  
18      fund.

19       (2) Before July 15 of each year, the board may compute  
20       the administrative costs for the immediately preceding  
21       fiscal year and transfer that amount from the fund to the  
22       public employees' retirement system account in the agency  
23       funds."

-End-

SENATE BILL NO. 350

INTRODUCED BY STIMATZ

BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD

5 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR THE  
6 DISTRIBUTION OF ADMINISTRATIVE EXPENSES OF THE PUBLIC  
7 EMPLOYEES' RETIREMENT DIVISION OF THE DEPARTMENT OF  
8 ADMINISTRATION AMONG THE JUDGES', HIGHWAY PATROL, SHERIFFS',  
9 GAME WARDENS', AND MUNICIPAL POLICE RETIREMENT SYSTEMS;  
10 AMENDING SECTIONS 19-5-202, 19-6-203, 19-7-202, 19-8-203,  
11 AND 19-9-203, MCA."

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

14           Section 1. Section 19-5-202, MCA, is amended to read:

15           "19-5-202. Administrative expenses. (1) The expense of

16       the administration of this chapter, exclusive of the payment

17       of retirement allowances and other benefits, shall may be

18       paid from the fund.

19 (2) Before July 15 of each year, the board shall may  
20 compute the administrative costs for the immediately  
21 preceding fiscal year and transfer that amount from the fund  
22 to the public employees' retirement system account in the  
23 agency fund."

24 Section 2. Section 19-6-203, MCA, is amended to read:

25 "19-6-203. Administrative expenses. (1) The expense of

1 the administration of this chapter, exclusive of the payment  
2 of retirement allowances and other benefits, shall may be  
3 paid by the state of Montana by --appropriation--out--of--the  
4 general--fund--made--on--the--basis--of--budgets--submitted--by--the  
5 board from the fund.

6                   (2) Before July 15 of each year, the board may compute  
7                   the administrative costs for the immediately preceding  
8                   fiscal year and transfer that amount from the fund to the  
9                   public employees' retirement system account in the agency  
10                  fund."

11           Section 3. Section 19-7-202, MCA, is amended to read:  
12           "19-7-202. Expenses of administration. (1) The expense  
13 of the administration of this chapter, exclusive of the  
14 payment of retirement allowances and other benefits, shall  
15 may be paid by the state of Montana from the fund.

16           (2) Before July 15 of each year, the board may compute  
17           the administrative costs for the immediately preceding  
18           fiscal year and transfer that amount from the fund to the  
19           public employees' retirement system account in the agency  
20           fund."

21           Section 4. Section 19-8-203, MCA, is amended to read:

22           "19-8-203. Expenses of administration. (1) The expense

23 of the administration of this chapter, exclusive of the

24 payment of retirement allowances and other benefits, may be

25 paid from the fund.

1        (2) Before July 15 of each year, the board may compute  
2        the administrative costs for the immediately preceding  
3        fiscal year and transfer that amount from the fund to the  
4        public employees' retirement system account in the agency  
5        fund.

6        (3) In addition to the amount provided in subsection  
7        (2), the board may assess and the department of  
8        administration shall ~~may~~ collect a fee from the department  
9        of fish, wildlife, and parks for the purpose of defraying  
10       the expenses of administering this chapter. The fee ~~may not~~  
11       ~~exceed 8 1/2% of the total of all members' salaries."~~

12       Section 5. Section 19-9-203, MCA, is amended to read:  
13       "19-9-203. Administrative expenses. (1) The expense of  
14       administration of this chapter, exclusive of amounts  
15       required to be paid as benefits to or on behalf of a member,  
16       shall ~~may be borne by the state and shall be in addition to~~  
17       ~~the amounts required of it as contributions paid from the~~  
18       fund.

19       (2) Before July 15 of each year, the board may compute  
20       the administrative costs for the immediately preceding  
21       fiscal year and transfer that amount from the fund to the  
22       public employees' retirement system account in the agency  
23       fund."

-End-