

HOUSE JOINT RESOLUTION NO. 4

INTRODUCED BY NORDTVEDT

IN THE HOUSE

January 18, 1983

Introduced and referred to  
Select Committee on Economic  
Development.

April 15, 1983

Committee recommend bill do  
not pass. Report adopted.

April 18, 1983

On motion taken from adverse  
committee report and referred  
to second reading.

Second reading, do pass.

On motion rules suspended and  
bill placed on third reading  
this day.

Third reading, passed.  
Transmitted to Senate.

IN THE SENATE

April 19, 1983

Introduced and referred to  
Committee on State  
Administration.

April 20, 1983

Committee recommend bill be  
concurrent in. Report adopted.

Second reading, concurred in.

April 21, 1983

Third reading, concurred in.  
Ayes, 44; Noes, 6.

IN THE HOUSE

April 21, 1983

Returned to House. Sent to  
enrolling.

Reported correctly enrolled.

1 House JOINT RESOLUTION NO. 4  
2 INTRODUCED BY Waltwell  
3  
4 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF  
5 REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN  
6 INTERIM STUDY OF OPTIONS AND ALTERNATIVES FOR INVESTING  
7 STATE RETIREMENT FUNDS, COAL TAX TRUST FUNDS, AND OTHER CASH  
8 FUNDS; REQUIRING A REPORT OF THE STUDY FINDINGS TO THE 49TH  
9 LEGISLATURE.

10  
11 WHEREAS, inflation distorts the measurement of real  
12 yields on investments; and

13 WHEREAS, inflation increases future commitments of  
14 state retirement funds; and

15 WHEREAS, inflation may result in an inability of  
16 retirement funds to fund benefits for public employees,  
17 creating pressure on the general fund; and

18 WHEREAS, the permanent coal tax trust fund created by  
19 Article IX, section 5, of the Montana Constitution should be  
20 maintained in true purchasing power for future Montanans;  
21 and

22 WHEREAS, the Montana Board of Investments manages  
23 substantial public assets benefiting public employees, the  
24 general fund, and future Montanans.

1 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE  
2 OF REPRESENTATIVES OF THE STATE OF MONTANA:

3 (1) That an appropriate interim committee be assigned  
4 to study options and alternatives for investing state  
5 retirement funds, coal tax trust funds, and other cash  
6 funds.

7 (2) That the committee compare the costs of  
8 maintaining the Board of Investments to other states'  
9 investment systems and to private sector management of  
10 trusts and similar investment pools.

11 (3) That the committee examine the list of permissible  
12 investments in 17-6-211 and make recommendations for  
13 expanding or amending those permitted.

14 (4) That the committee examine the management of  
15 Montana's investment pool and consider the effects of  
16 inflation on the pool.

17 (5) That the committee study the flow of funds within  
18 the several retirement systems, giving special consideration  
19 to the effects of inflation on the funds, on retirement tax  
20 rates, and on benefits.

21 (6) That the committee closely examine the assumptions  
22 made in actuarial studies of state retirement funds,  
23 including a review of the studies by independent  
24 professional actuaries.

25 (7) That the committee report its findings and

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- 1 recommendations to the 49th Legislature and, if necessary,
- 2 draft legislation to implement the recommendations.

-End-

Committee  
on Economic Development  
Recommend do not pass

House JOINT RESOLUTION NO. 4  
INTRODUCED BY W. H. H. H.

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN INTERIM STUDY OF OPTIONS AND ALTERNATIVES FOR INVESTING STATE RETIREMENT FUNDS, COAL TAX TRUST FUNDS, AND OTHER CASH FUNDS; REQUIRING A REPORT OF THE STUDY FINDINGS TO THE 49TH LEGISLATURE.

WHEREAS, inflation distorts the measurement of real yields on investments; and

WHEREAS, inflation increases future commitments of state retirement funds; and

WHEREAS, inflation may result in an inability of retirement funds to fund benefits for public employees, creating pressure on the general fund; and

WHEREAS, the permanent coal tax trust fund created by Article IX, section 5, of the Montana Constitution should be maintained in true purchasing power for future Montanans; and

WHEREAS, the Montana Board of Investments manages substantial public assets benefiting public employees, the general fund, and future Montanans.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

(1) That an appropriate interim committee be assigned to study options and alternatives for investing state retirement funds, coal tax trust funds, and other cash funds.

(2) That the committee compare the costs of maintaining the Board of Investments to other states' investment systems and to private sector management of trusts and similar investment pools.

(3) That the committee examine the list of permissible investments in 17-6-211 and make recommendations for expanding or amending those permitted.

(4) That the committee examine the management of Montana's investment pool and consider the effects of inflation on the pool.

(5) That the committee study the flow of funds within the several retirement systems, giving special consideration to the effects of inflation on the funds, on retirement tax rates, and on benefits.

(6) That the committee closely examine the assumptions made in actuarial studies of state retirement funds, including a review of the studies by independent professional actuaries.

(7) That the committee report its findings and

On motion rules suspended,  
-2- yellow printing dispensed

1. recommendations to the 49th Legislature and, if necessary,
2. draft legislation to implement the recommendations.

-End-

REFERENCE BILL

MISSING