

HOUSE BILL NO. 351

INTRODUCED BY SCHULTZ

BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD

IN THE HOUSE

January 22, 1985	Introduced and referred to Committee on State Administration.
February 5, 1985	Committee recommend bill do pass as amended. Report adopted.
February 6, 1985	Bill printed and placed on members' desks.
February 8, 1985	Second reading, do not pass. On motion, previous action reconsidered.
February 9, 1985	Second reading, do pass as amended. Correctly engrossed.
February 11, 1985	Third reading, passed. Transmitted to Senate.

IN THE SENATE

February 12, 1985	Introduced and referred to Committee on State Administration.
March 13, 1985	Committee recommend bill be concurred in. Report adopted.
March 15, 1985	Second reading, concurred in.

March 18, 1985

Third reading, concurred in.
Ayes, 49; Noes, 0.

Returned to House.

IN THE HOUSE

March 19, 1985

Received from Senate.

Sent to enrolling.

Reported correctly enrolled.

1 HOUSE BILL NO. 351
 2 INTRODUCED BY J. Shively
 3 BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD

4
 5 A BILL FOR AN ACT ENTITLED: "AN ACT EXEMPTING EMPLOYMENT OF
 6 AN ACTUARY BY THE PUBLIC RETIREMENT BOARDS FROM LAWS
 7 GOVERNING EMPLOYMENT OF CONSULTANTS BY STATE AGENCIES;
 8 DEFINING THE MANNER BY WHICH THE PUBLIC EMPLOYEES'
 9 RETIREMENT BOARD MAY RETAIN AN ACTUARY; AMENDING SECTIONS
 10 18-8-103 AND 19-3-305, MCA."

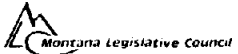
11
 12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 13 Section 1. Section 18-8-103, MCA, is amended to read:
 14 "18-8-103. Exemptions. This part does not apply to
 15 employment of:

- 16 (1) registered professional engineers, surveyors, real
- 17 estate appraisers, or registered architects;
- 18 (2) physicians, dentists, or other medical, dental, or
- 19 health-care providers; and
- 20 (3) expert witnesses hired for use in litigation,
- 21 hearings officers hired in rulemaking and contested case
- 22 proceedings under the Montana Administrative Procedure Act,
- 23 or attorneys as specified by executive order of the
- 24 governor; or
- 25 (4) consulting actuaries to the public retirement

1 boards."
 2 Section 2. Section 19-3-305, MCA, is amended to read:
 3 "19-3-305. Employment of actuary -- biennial
 4 investigation and valuation. (1) The board shall retain, on
 5 a full-time basis, a competent actuary who is a member of
 6 the American academy of actuaries and who is familiar with
 7 public systems of pensions. The actuary shall be the
 8 technical advisor of the board on matters regarding the
 9 operation of the system. Biennially he shall make an
 10 actuarial investigation into the suitability of the
 11 actuarial tables used by the system and an actuarial
 12 valuation of the assets and liabilities of the retirement
 13 system. From time to time, he shall also determine the rate
 14 of interest being earned on the retirement fund. He shall
 15 report his findings to the board.

16 (2) The board may retain an actuary in a manner it
 17 considers to be in the best interests of the state and may
 18 contract for a period not to exceed 10 years. Payment and
 19 performance obligations for those bienniums following the
 20 biennium in which a contract is made are subject to the
 21 availability and appropriation of funds therefor."

22 NEW SECTION. Section 3. Extension of authority. Any
 23 existing authority of the public employees' retirement board
 24 to make rules on the subject of the provisions of this act
 25 is extended to the provisions of this act.



APPROVED BY COMMITTEE
ON STATE ADMINISTRATION

HOUSE BILL NO. 351

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BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD

A BILL FOR AN ACT ENTITLED: "AN ACT EXEMPTING EMPLOYMENT OF AN ACTUARY BY THE PUBLIC RETIREMENT BOARDS FROM LAWS GOVERNING EMPLOYMENT OF CONSULTANTS BY STATE AGENCIES; DEFINING THE MANNER BY WHICH THE PUBLIC---EMPLOYEES+ RETIREMENT--BOARD BOARDS MAY RETAIN AN ACTUARY; AMENDING SECTIONS 18-8-103 AND, 19-3-305, AND 19-4-203, MCA."

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

Section 1. Section 18-8-103, MCA, is amended to read:

"18-8-103. Exemptions. This part does not apply to employment of:

(1) registered professional engineers, surveyors, real estate appraisers, or registered architects;

(2) physicians, dentists, or other medical, dental, or health-care providers; and

(3) expert witnesses hired for use in litigation, hearings officers hired in rulemaking and contested case proceedings under the Montana Administrative Procedure Act, or attorneys as specified by executive order of the governor; or

(4) consulting actuaries to the public retirement

boards."

Section 2. Section 19-3-305, MCA, is amended to read:

"19-3-305. Employment of actuary -- biennial investigation and valuation. (1) The board shall retain, on a full-time basis, a competent actuary who is a member of the American academy of actuaries and who is familiar with public systems of pensions. The actuary shall be the technical advisor of the board on matters regarding the operation of the system. Biennially he shall make an actuarial investigation into the suitability of the actuarial tables used by the system and an actuarial valuation of the assets and liabilities of the retirement system. From time to time, he shall also determine the rate of interest being earned on the retirement fund. He shall report his findings to the board.

(2) The board may retain an actuary in a manner it considers to be in the best interests of the state and may contract for a period not to exceed 10 years. Payment and performance obligations for those bienniums following the biennium in which a contract is made are subject to the availability and appropriation of funds therefor."

SECTION 3. SECTION 19-4-203, MCA, IS AMENDED TO READ:

"19-4-203. Officers and employees of retirement board. It is the duty of the retirement board to:

(1) elect a chairman from its membership;

1 (2) appoint a secretary who may be one of its members;
 2 (3) employ technical or administrative employees who
 3 are necessary for the transaction of the business of the
 4 retirement system;
 5 (4) when the retirement board considers it necessary,
 6 designate a medical board to be composed of three physicians
 7 who are not eligible to participate in the retirement system
 8 to investigate and report to the retirement board on all
 9 medical matters related to the administration of the
 10 retirement system;
 11 (5) designate an actuary to assist the retirement
 12 board with the technical actuarial aspects of the operation
 13 of the retirement system, which includes establishing
 14 mortality and service tables and making an actuarial
 15 investigation at least once every 5 years into the
 16 mortality, service, and compensation experience of the
 17 members and beneficiaries of the retirement system. The
 18 retirement board may retain an actuary in a manner it
 19 considers to be in the best interests of the state and may
 20 contract for a period not to exceed 10 years. Payment and
 21 performance obligations for those bienniums following the
 22 biennium in which a contract is made are subject to the
 23 availability and appropriation of funds therefor."
 24 NEW SECTION. Section 4. Extension of authority. Any
 25 existing authority of the public employees' AND TEACHERS'

1 retirement ~~board~~ BOARDS to make rules on the subject of the
 2 provisions of this act is extended to the provisions of this
 3 act.

-End-

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 2 INTRODUCED BY SCHULTZ
 3 BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD
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 6 AN ACTUARY BY THE PUBLIC RETIREMENT BOARDS FROM LAWS
 7 GOVERNING EMPLOYMENT OF CONSULTANTS BY STATE AGENCIES;
 8 ~~DEFINING THE MANNER BY WHICH THE PUBLIC EMPLOYEES'~~
 9 ~~RETIREMENT BOARD~~ BOARDS ~~MAY RETAIN AN ACTUARY;~~ AMENDING
 10 ~~SECTIONS SECTION 18-8-103 AND, 19-3-305, AND 19-4-203, MCA."~~

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- 19 health-care providers; and
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- 21 hearings officers hired in rulemaking and contested case
- 22 proceedings under the Montana Administrative Procedure Act,
- 23 or attorneys as specified by executive order of the
- 24 governor; or
- 25 (4) consulting actuaries to the public retirement

1 boards."
 2 ~~Section 2. Section 19-3-305, MCA, is amended to read:~~
 3 ~~"19-3-305. Employment of actuary-----biennial~~
 4 ~~investigation and valuation. (1) The board shall retain,~~
 5 ~~on a full-time basis, a competent actuary who is a member of~~
 6 ~~the American academy of actuaries and who is familiar with~~
 7 ~~public systems of pensions. The actuary shall be the~~
 8 ~~technical advisor of the board on matters regarding the~~
 9 ~~operation of the system. Biennially he shall make an~~
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 12 ~~valuation of the assets and liabilities of the retirement~~
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 14 ~~of interest being earned on the retirement fund. He shall~~
 15 ~~report his findings to the board.~~
 16 ~~(2) The board may retain an actuary in a manner it~~
 17 ~~considers to be in the best interests of the state and may~~
 18 ~~contract for a period not to exceed 10 years. Payment and~~
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 22 ~~SECTION 3. SECTION 19-4-203, MCA, IS AMENDED TO READ:~~
 23 ~~"19-4-203. Officers and employees of retirement board.~~
 24 ~~It is the duty of the retirement board to:~~
 25 ~~(1) elect a chairman from its membership;~~



1 †2) --appoint-a-secretary-who-may-be-one-of-its-members;
 2 †3) --employ--technical--or-administrative-employees-who
 3 are-necessary-for-the-transaction-of--the--business--of--the
 4 retirement-system;

5 †4) --when--the-retirement-board-considers-it-necessary,
 6 designate-a-medical-board-to-be-composed-of-three-physicians
 7 who-are-not-eligible-to-participate-in-the-retirement-system
 8 to-investigate-and-report-to-the--retirement--board--on--all
 9 medical---matters--related--to--the--administration--of--the
 10 retirement-system;

11 †5) --designate-an--actuary--to--assist--the--retirement
 12 board--with-the-technical-actuarial-aspects-of-the-operation
 13 of--the--retirement--system--which--includes---establishing
 14 mortality---and--service--tables--and--making--an--actuarial
 15 investigation--at--least--once--every--5--years---into---the
 16 mortality,--service,--and--compensation--experience--of--the
 17 members-and-beneficiaries--of--the--retirement--system.--The
 18 retirement--board--may--retain--an--actuary--in--a-manner-it
 19 considers-to-be-in-the-best-interests-of-the-state--and--may
 20 contract--for--a--period-not-to-exceed-10-years--Payment-and
 21 performance-obligations-for-those--bienniums--following--the
 22 biennium--in--which--a--contract--is-made-are-subject-to-the
 23 availability-and-appropriation-of-funds-therefor."

24 NEW SECTION. Section 2. Extension of authority. Any
 25 existing authority of the public employees' AND TEACHERS'

1 retirement board BOARDS to make rules on the subject of the
 2 provisions of this act is extended to the provisions of this
 3 act.

-End-

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11 ~~(5)--designate-an--actuary--to--assist--the--retirement~~
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