

HOUSE JOINT RESOLUTION NO. 47

3/29 Introduced
3/29 Referred to State Administration
4/09 Hearing
4/09 Committee Report-Bill Pass As Amended
4/10 2nd Reading Pass
4/12 3rd Reading Pass

Transmitted to Senate

4/15 Referred to State Administration
4/17 Hearing
4/18 Adverse Committee Report
4/18 Resolution Killed

1 HOUSE ^{Harcia} JOINT RESOLUTION NO. 47 ^{Moore}
 2 INTRODUCED BY ^{Harkin, Sales, Jenkins, Nelson, C. Smith}
 3 ^{Miller, Gray, Jerns, Kitchin, Gilbert, Winkler, Jones}
 4 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF ^{Peterson}
 5 REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN ^{Embury}
 6 INTERIM STUDY ON CONSOLIDATION OF THE PUBLIC EMPLOYEES' AND ^{Salant}
 7 TEACHERS' RETIREMENT DIVISIONS; REQUIRING A REPORT OF THE ^{Moore}
 8 FINDINGS OF THE STUDY TO THE 50TH LEGISLATURE. ^{Robert O'Connell}
 9 ^{Harris, P. Hain, Zachary, Zehnder, Hain, Hain}
 10 WHEREAS, Montana has nine state-administered public ^{Moore}
 11 employee retirement systems; and ^{Wickens}
 12 WHEREAS, eight of these retirement systems (Public
 13 Employees', Judges', Highway Patrolmen's, Sheriffs', Game
 14 Wardens', Municipal Police Officers', and Firefighters'
 15 Unified Retirement Systems and the Volunteer Firefighters'
 16 Pension Plan) are administered by the Public Employees'
 17 Retirement Division while one (Teachers' Retirement System)
 18 is administered by the Teachers' Retirement Division; and
 19 WHEREAS, both retirement divisions are attached to the
 20 Department of Administration, and each is governed by an
 21 appointed board; and
 22 WHEREAS, both divisions contract with the same
 23 actuarial firm; and
 24 WHEREAS, the Board of Investments invests the
 25 retirement funds for both divisions; and

1 WHEREAS, the statutory provisions governing the Public
 2 Employees' Retirement System closely parallel those
 3 governing the Teachers' Retirement System; and
 4 WHEREAS, the numerous similarities in the structure and
 5 operation of the Public Employees' and Teachers' Retirement
 6 Divisions could facilitate the merging of the administration
 7 of the retirement systems; and
 8 WHEREAS, consolidation of the retirement divisions
 9 could eliminate unnecessary duplication of effort and
 10 provide dollar savings through efficiencies of size.
 11
 12 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE
 13 OF REPRESENTATIVES OF THE STATE OF MONTANA:
 14 That an appropriate interim committee be assigned to
 15 study the possible consolidation of the Public Employees'
 16 and Teachers' Retirement Divisions by:
 17 (1) comparing the administration of the retirement
 18 divisions and identifying similarities and differences;
 19 (2) determining potential advantages and disadvantages
 20 of consolidating the divisions;
 21 (3) conducting a cost analysis of maintaining two
 22 divisions compared to a single consolidated division;
 23 (4) consulting with division administrators,
 24 retirement system members, and other interested parties;
 25 (5) reporting its findings and recommendations to the



LC 1932/01

1 50th Legislature; and
2 (6) if necessary, drafting legislation to implement
3 its recommendations.

-End-

APPROVED BY COMMITTEE
ON STATE ADMINISTRATION

1 HOUSE JOINT RESOLUTION NO. 47
2 INTRODUCED BY HARBIN, SALES, JENKINS, NELSON, C. SMITH,
3 WALLIN, ASAY, IVERSON, KITSELMAN, GILBERT, SIMON,
4 DRISCOLL, RANEY, PATTERSON, DARKO, WINSLOW, JONES,
5 PETERSON, PECK, J. HAMMOND, EUDAILY, PAVLOVICH, GARCIA,
6 JANET MOORE, O'CONNELL, KENNERLY, MANUEL, HOLLIDAY,
7 ADDY, HART, FRITZ, O'HARA, BARDANOUVE, ZABROCKI, HARPER
8
9 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF
10 REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN
11 INTERIM STUDY ON CONSOLIDATION OF THE PUBLIC EMPLOYEES' AND
12 TEACHERS' RETIREMENT DIVISIONS AND ON PROPOSALS FOR MAKING
13 THE RETIREMENT SYSTEMS ADMINISTERED BY THE DIVISIONS MORE
14 UNIFORM; REQUIRING A REPORT OF THE FINDINGS OF THE STUDY TO
15 THE 50TH LEGISLATURE.

16
17 WHEREAS, Montana has nine state-administered public
18 employee retirement systems; and

19 WHEREAS, eight of these retirement systems (Public
20 Employees', Judges', Highway Patrolmen's, Sheriffs', Game
21 Wardens', Municipal Police Officers', and Firefighters'
22 Unified Retirement Systems and the Volunteer Firefighters'
23 Pension Plan) are administered by the Public Employees'
24 Retirement Division while one (Teachers' Retirement System)
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9 Employees' Retirement System closely parallel those
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12 operation of the Public Employees' and Teachers' Retirement
13 Divisions could facilitate the merging of the administration
14 of the retirement systems; and

15 WHEREAS, consolidation of the retirement divisions
16 could eliminate unnecessary duplication of effort and
17 provide dollar savings through efficiencies of size; AND

18 WHEREAS, ALTHOUGH THE STATUTORY PROVISIONS GOVERNING
19 THE TWO LARGEST RETIREMENT SYSTEMS (PUBLIC EMPLOYEES' AND
20 TEACHERS') ARE SIMILAR, MUCH DIVERSITY EXISTS BETWEEN THESE
21 SYSTEMS AND THE LAW ENFORCEMENT AND PUBLIC SAFETY RETIREMENT
22 SYSTEMS; AND

23 WHEREAS, THIS DIVERSITY IS A SOURCE OF CONFUSION,
24 RESULTS IN UNEVEN TREATMENT OF PUBLIC EMPLOYEES, AND
25 ENCOURAGES LEAPFROGGING IN BENEFITS AMONG THE SYSTEMS.

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

4 That an appropriate interim committee be assigned to
5 study the possible consolidation of the Public Employees'
6 and Teachers' Retirement Divisions by:

7 (1) comparing the administration of the retirement
8 divisions and identifying similarities and differences;

9 (2) determining potential advantages and disadvantages
10 of consolidating the divisions;

11 (3) conducting a cost analysis of maintaining two
12 divisions compared to a single consolidated division; AND

13 (4) consulting with division administrators,
14 retirement system members, and other interested parties;

15 ~~(5) reporting its findings and recommendations to the~~
16 ~~50th legislature; and~~

17 ~~(6) if necessary, drafting legislation to implement~~
18 ~~its recommendations.~~

19 BE IT FURTHER RESOLVED, THAT THE COMMITTEE:

20 (1) COMPARE THE STATUTORY PROVISIONS GOVERNING THE
21 STATE-ADMINISTERED PUBLIC EMPLOYEE RETIREMENT SYSTEMS;

22 (2) IDENTIFY THE DIFFERENCES AMONG THE SYSTEMS IN SUCH
23 AREAS AS RETIREMENT ELIGIBILITY, CONTRIBUTION RATES, BENEFIT
24 LEVELS, FUNDING SOURCES, AND POSTRETIREMENT ADJUSTMENTS;

25 (3) EXAMINE THE RATIONALE FOR THESE DIFFERENCES AND

1 DETERMINE WHETHER THE DIFFERENCES ARE WARRANTED; AND
2 (4) CONSIDER PROPOSALS FOR MAKING THE SYSTEMS MORE
3 UNIFORM.
4 BE IT FURTHER RESOLVED, THAT THE COMMITTEE REPORT ITS
5 FINDINGS TO THE 50TH LEGISLATURE AND, IF NECESSARY, DRAFT
6 LEGISLATION TO IMPLEMENT ITS RECOMMENDATIONS.

-End-

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 10 REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN
 11 INTERIM STUDY ON CONSOLIDATION OF THE PUBLIC EMPLOYEES' AND
 12 TEACHERS' RETIREMENT DIVISIONS AND ON PROPOSALS FOR MAKING
 13 THE RETIREMENT SYSTEMS ADMINISTERED BY THE DIVISIONS MORE
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14 retirement system members, and other interested parties;

15 ~~{5}--reporting--its-findings-and-recommendations-to-the~~
16 ~~50th-legislature;-and~~

17 ~~{6}--if-necessary;-drafting--legislation--to--implement~~
18 ~~its-recommendations.~~

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-End-