

SB 15      INTRODUCED BY NEUMAN  
EXEMPT BOARD OF INVESTMENTS STAFF POSITIONS FROM  
EMPLOYEE CLASSIFICATION

1/05    INTRODUCED  
1/05    REFERRED TO STATE ADMINISTRATION  
1/06    FISCAL NOTE REQUESTED  
1/07    FISCAL NOTE RECEIVED  
2/13    HEARING  
2/13    TABLED IN COMMITTEE

SENATE BILL NO. 15

INTRODUCED BY NEUMAN

A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW FIVE ADDITIONAL STAFF POSITIONS OF THE BOARD OF INVESTMENTS TO BE EXEMPT FROM THE STATE EMPLOYEE CLASSIFICATION PLAN; AMENDING SECTIONS 2-15-1005 AND 2-18-103, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1. Section 2-18-103, MCA, is amended to read:

"2-18-103. Officers and employees excepted. Parts 1 and 2 do not apply to the following positions in state government:

- (1) elected officials;
- (2) county assessors and their chief deputy;
- (3) officers and employees of the legislative branch;
- (4) judges and employees of the judicial branch;
- (5) members of boards and commissions appointed by the governor, appointed by the legislature, or appointed by other elected state officials;
- (6) officers or members of the militia;
- (7) agency heads appointed by the governor;
- (8) academic and professional administrative personnel with individual contracts under the authority of the board

of regents of higher education;

(9) academic and professional administrative personnel and live-in houseparents who have entered into individual contracts with the state school for the deaf and blind under the authority of the state board of public education;

(10) teachers under the authority of the department of institutions;

(11) investment officer, and assistant investment officer, and five professional investment staff positions of the board of investments; and

(12) four professional staff positions under the board of oil and gas conservation."

Section 2. Section 2-15-1005, MCA, is amended to read:

"2-15-1005. Board of investments -- allocation -- composition -- quasi-judicial. (1) There is a board of investments.

(2) Except as otherwise provided in this subsection, the board is allocated to the department for administrative purposes only as prescribed in 2-15-121. However, the board may hire its own personnel and is not subject to 2-15-121(2)(d). The board may employ an investment officer and assistant investment officer, who will have general responsibility for management of the board's staff and directing investment activity, and five professional investment staff members. The investment officer, and

1 assistant investment officer, and five professional  
2 investment staff members serve at the pleasure of the board,  
3 and the board may prescribe the duties and annual salary of  
4 both each.

5 (3) The board is composed of seven members, appointed  
6 by the governor as prescribed in 2-15-124.

7 (a) The governor shall appoint five members who are  
8 informed and experienced in the subject of investments.

9 (b) The governor shall appoint one member from the  
10 public employees' retirement board provided for in 2-15-1009  
11 and one member from the teachers' retirement board provided  
12 for in 2-15-1010.

13 (c) If a member appointed to the board of investments  
14 under subsection (3)(b) ceases to be a member of the  
15 retirement board, a vacancy is created on the board of  
16 investments, which the governor shall fill, in accordance  
17 with 2-15-124, from the members of the retirement board  
18 concerned.

19 (4) The board is designated as a quasi-judicial board  
20 for the purposes of 2-15-124."

21 NEW SECTION. Section 3. Effective date. This act is  
22 effective July 1, 1987.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB015, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

A bill to allow five additional staff positions of the Board of Investments to be exempt from the State Employee Classification Plan; amending sections 2-15-1005 and 2-18-103, MCA; and providing an effective date.

ASSUMPTIONS:

1. The expenditure estimate includes benefit and insurance costs.
2. The five staff positions have not been specifically identified.
3. General fund makes up 12% of the interest earnings and non-general fund monies make up 88% of the interest earnings.

FISCAL IMPACT:

<u>Expenditures:</u>	<u>FY88</u>	<u>FY89</u>
Proprietary Fund	\$125,000	\$125,000

Revenues:

Reduce general fund revenue by 12% of the annual expenditure increase or \$15,000 and reduce non-general fund revenue by 88% or \$110,000.

EFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

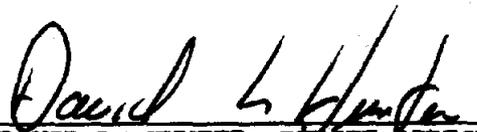
N/A

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

The expenditures would be an annual cost.

TECHNICAL OR MECHANICAL DEFECTS IN PROPOSED LEGISLATION OR CONFLICTS WITH EXISTING LEGISLATION:

N/A

 DATE 1/5/87  
DAVID L. HUNTER, BUDGET DIRECTOR  
Office of Budget and Program Planning

 DATE 7 Jan 87  
TED NEUMAN, PRIMARY SPONSOR

Fiscal Note for SB015, as introduced.