

HOUSE BILL NO. 65

INTRODUCED BY COCCHIARELLA, BIANCHI  
BY REQUEST OF THE JOINT INTERIM SUBCOMMITTEE ON  
PUBLIC EMPLOYEE RETIREMENT SYSTEMS

IN THE HOUSE

DECEMBER 23, 1992	INTRODUCED AND REFERRED TO COMMITTEE ON STATE ADMINISTRATION.
JANUARY 4, 1993	FIRST READING.
JANUARY 8, 1993	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
JANUARY 11, 1993	PRINTING REPORT.
JANUARY 12, 1993	SECOND READING, DO PASS.  ON MOTION, REREFERRED TO COMMITTEE ON APPROPRIATIONS.
JANUARY 13, 1993	ENGROSSING REPORT.
MARCH 16, 1993	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
MARCH 17, 1993	PRINTING REPORT.
MARCH 25, 1993	SECOND READING, DO PASS AS AMENDED.  ON MOTION, RULES SUSPENDED TO PLACE ON THIRD READING THIS DAY.  THIRD READING, PASSED. AYES, 85; NOES, 12.  TRANSMITTED TO SENATE.
MARCH 26, 1993	ENGROSSING REPORT.

IN THE SENATE

MARCH 26, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON STATE ADMINISTRATION.  FIRST READING.
APRIL 8, 1993	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.

APRIL 12, 1993

SECOND READING, NOT CONCURRED IN.

SECOND READING, INDEFINITELY  
POSTPONED.

APRIL 13, 1993

ON MOTION, PREVIOUS ACTION  
RECONSIDERED.

IN THE HOUSE

APRIL 14, 1993

RETURNED TO SENATE AT SENATE'S REQUEST  
FOR FURTHER CONSIDERATION.

IN THE SENATE

APRIL 15, 1993

ON MOTION, BILL PRINTED AND PLACED  
ON SECOND READING.

SECOND READING, CONCURRED IN AS  
AMENDED.

THIRD READING, CONCURRED IN.  
AYES, 38; NOES, 11.

RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

APRIL 16, 1993

SECOND READING, AMENDMENTS  
CONCURRED IN.

APRIL 19, 1993

THIRD READING, AMENDMENTS  
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

## HOUSE BILL NO. 65

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BY REQUEST OF THE JOINT INTERIM SUBCOMMITTEE ON  
PUBLIC EMPLOYEE RETIREMENT SYSTEMS

A BILL FOR AN ACT ENTITLED: "AN ACT CREATING A STATUTORY  
LEGISLATIVE COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT SYSTEMS;  
APPROPRIATING FUNDS FOR THE COMMITTEE; AND PROVIDING AN  
IMMEDIATE EFFECTIVE DATE."

WHEREAS, it is necessary to establish consistency in the  
review of retirement legislation requests in order to better  
understand and control the costs of such legislation; and

WHEREAS, it is necessary to establish uniform policies  
for approving changes of benefits, postretirement  
adjustments, and funding; and

WHEREAS, the establishment of a statutory legislative  
committee to analyze the state's public employee retirement  
systems on an ongoing basis and to make recommendations for  
legislative action would enhance the uniformity and  
consistency of public employee retirement legislation.

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

NEW SECTION. Section 1. Committee on public employee  
retirement systems -- appointment. (1) There is a committee

on public employee retirement systems.

(2) The committee consists of four members of the  
senate appointed by the committee on committees and four  
members of the house of representatives appointed by the  
speaker of the house.

(a) No more than two of the committee members from each  
house may be members of the same political party.

(b) At least two committee members from each house  
shall serve on the standing committee to which retirement  
bills are regularly assigned during a regular session. One  
senate member shall serve on the senate finance and claims  
committee. One house member shall serve on the house  
appropriations committee.

NEW SECTION. Section 2. Terms of members -- officers  
-- vacancies. (1) Appointments to the committee on public  
employee retirement systems are for 2 years and must be made  
before the final adjournment of a regular legislative  
session. Each member of the committee shall serve until the  
member's term of office as a legislator ends or until the  
member's successor is appointed, whichever occurs first.

(2) The committee shall elect one of its members as  
presiding officer and another, who must be from the opposite  
political party, as vice presiding officer. The committee  
shall elect other officers it considers necessary.

(3) A vacancy that occurs when the legislature is not

in session must be filled by the selection of a member from the same house and political party by the remaining members of the committee. An appointment to the committee under this subsection is for the unexpired term of the original member.

**NEW SECTION. Section 3. Meetings -- compensation. (1)**

The committee on public employee retirement systems shall meet as often as the presiding officer considers necessary during and between legislative sessions.

(2) Committee members are entitled to receive compensation and expenses as provided in 5-2-302.

**NEW SECTION. Section 4. Staff assistance. (1)**

The legislative council shall provide staff assistance to the committee on public employee retirement systems. On behalf of the committee, the legislative council has the same authority of investigation and examination under 5-11-106 and the same authority to hold hearings under 5-11-107 as it has for other committees.

(2) The committee may request personnel from state agencies, political subdivisions, or the state public employee retirement systems to furnish any information and render any assistance that the committee may request.

**NEW SECTION. Section 5. Duties of committee --**

**committee review and report. (1)** The committee on public employee retirement systems shall:

(a) consider the fiscal soundness of the state's public

employee retirement systems, based on reports from the teachers' retirement board and the public employees' retirement board, and study and evaluate the equity and benefit structure of the state's public employee retirement systems;

(b) establish principles of sound fiscal and public policy as guidelines;

(c) as necessary, develop legislation to keep the retirement systems consistent with sound policy principles;

(d) solicit and review proposed statutory changes to any of the state's public employee retirement systems;

(e) report to the legislature on each legislative proposal reviewed by the committee. The report must include but is not limited to:

(i) a summary of the fiscal implications of the proposal;

(ii) an analysis of the effect that the proposal may have on other public employee retirement systems;

(iii) an analysis of the soundness of the proposal as a matter of public policy;

(iv) any amendments proposed by the committee; and

(v) the committee's recommendation on whether the proposal should be enacted by the legislature.

(f) attach the committee's report to any proposal that the committee considered and that is or has been introduced

1 as a bill during a legislative session; and

2 (g) publish, for legislators' use, an information book  
3 on the state's public employee retirement systems.

4 (2) A proposal subject to review under subsection  
5 (1)(d) must be submitted to the committee at least 45 days  
6 before the first day of the next regular legislative session  
7 unless this time limitation is waived by a majority vote of  
8 the committee.

9 NEW SECTION. **Section 6.** Appropriation. There is  
10 appropriated for the biennium ending June 30, 1995, \$7,200  
11 from the general fund to the legislative council for use by  
12 the committee on public employee retirement systems  
13 established in [section 1].

14 NEW SECTION. **Section 7.** Codification instruction.  
15 [Sections 1 through 5] are intended to be codified as an  
16 integral part of Title 5, and the provisions of Title 5  
17 apply to [sections 1 through 5].

18 NEW SECTION. **Section 8.** Effective date. [This act] is  
19 effective on passage and approval.

-End-

APPROVED BY COMMITTEE  
ON STATE ADMINISTRATION

## HOUSE BILL NO. 65

INTRODUCED BY COCCHIARELLA, BIANCHI

BY REQUEST OF THE JOINT INTERIM SUBCOMMITTEE ON

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LEGISLATIVE COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT SYSTEMS;  
APPROPRIATING FUNDS FOR THE COMMITTEE; AND PROVIDING AN  
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WHEREAS, it is necessary to establish consistency in the  
review of retirement legislation requests in order to better  
understand and control the costs of such legislation; and

WHEREAS, it is necessary to establish uniform policies  
for approving changes of benefits, postretirement  
adjustments, and funding; and

WHEREAS, the establishment of a statutory legislative  
committee to analyze the state's public employee retirement  
systems on an ongoing basis and to make recommendations for  
legislative action would enhance the uniformity and  
consistency of public employee retirement legislation.

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

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on public employee retirement systems.

(2) The committee consists of four members of the  
senate appointed by the committee on committees and four  
members of the house of representatives appointed by the  
speaker of the house.

(a) No more than two of the committee members from each  
house may be members of the same political party.

(b) At least two committee members from each house  
shall serve on the standing committee to which retirement  
bills are regularly assigned during a regular session. One  
senate member shall serve on the senate finance and claims  
committee. One house member shall serve on the house  
appropriations committee.

(C) NO MORE THAN TWO MEMBERS APPOINTED FROM EACH HOUSE  
MAY BE PUBLIC EMPLOYEES ASIDE FROM THEIR LEGISLATIVE  
SERVICE.

NEW SECTION. **Section 2.** Terms of members -- officers  
-- vacancies. (1) Appointments to the committee on public  
employee retirement systems are for 2 years and must be made  
before the final adjournment of a regular legislative  
session. Each member of the committee shall serve until the  
member's term of office as a legislator ends or until the  
member's successor is appointed, whichever occurs first.

(2) The committee shall elect one of its members as  
presiding officer and another, who must be from the opposite

political party, as vice presiding officer. The committee shall elect other officers it considers necessary.

(3) A vacancy that occurs when the legislature is not in session must be filled by the selection of a member from the same house and political party by the remaining members of the committee. An appointment to the committee under this subsection is for the unexpired term of the original member.

**NEW SECTION. Section 3. Meetings -- compensation.** (1)

The committee on public employee retirement systems shall meet as often as the presiding officer considers necessary during and between legislative sessions.

(2) Committee members are entitled to receive compensation and expenses as provided in 5-2-302.

**NEW SECTION. Section 4. Staff assistance.** (1) The

legislative council shall provide staff assistance to the committee on public employee retirement systems. On behalf of the committee, the legislative council has the same authority of investigation and examination under 5-11-106 and the same authority to hold hearings under 5-11-107 as it has for other committees.

(2) The committee may request personnel from state agencies, political subdivisions, or the state public employee retirement systems to furnish any information and render any assistance that the committee may request.

**NEW SECTION. Section 5. Duties of committee --**

**committee review and report.** (1) The committee on public employee retirement systems shall:

(a) consider the fiscal soundness of the state's public employee retirement systems, based on reports from the teachers' retirement board and the public employees' retirement board, and study and evaluate the equity and benefit structure of the state's public employee retirement systems;

(b) establish principles of sound fiscal and public policy as guidelines;

(c) as necessary, develop legislation to keep the retirement systems consistent with sound policy principles;

(d) solicit and review proposed statutory changes to any of the state's public employee retirement systems;

(e) report to the legislature on each legislative proposal reviewed by the committee. The report must include but is not limited to:

(i) a summary of the fiscal implications of the proposal;

(ii) an analysis of the effect that the proposal may have on other public employee retirement systems;

(iii) an analysis of the soundness of the proposal as a matter of public policy;

(iv) any amendments proposed by the committee; and

(v) the committee's recommendation on whether the

proposal should be enacted by the legislature.

(f) attach the committee's report to any proposal that the committee considered and that is or has been introduced as a bill during a legislative session; and

(g) publish, for legislators' use, an information book on the state's public employee retirement systems.

(2) A proposal subject to review under subsection (1)(d) must be submitted to the committee at least 45 days before the first day of the next regular legislative session unless this time limitation is waived by a majority vote of the committee.

**NEW SECTION. Section 6. Appropriation.** There is appropriated for the biennium ending June 30, 1995, \$7,200 from the general fund to the legislative council for use by the committee on public employee retirement systems established in [section 1].

**NEW SECTION. Section 7. Codification instruction.** [Sections 1 through 5] are intended to be codified as an integral part of Title 5, and the provisions of Title 5 apply to [sections 1 through 5].

**NEW SECTION. Section 8. Effective date.** [This act] is effective on passage and approval.

-End-



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3 senate appointed by the committee on committees and four  
4 members of the house of representatives appointed by the  
5 speaker of the house.

6 (a) No more than two of the committee members from each  
7 house may be members of the same political party.

8 (b) At least two committee members from each house  
9 shall serve on the standing committee to which retirement  
10 bills are regularly assigned during a regular session. One  
11 senate member shall serve on the senate finance and claims  
12 committee. One house member shall serve on the house  
13 appropriations committee.

14 (C) NO MORE THAN TWO MEMBERS APPOINTED FROM EACH HOUSE  
15 MAY BE PUBLIC EMPLOYEES ASIDE FROM THEIR LEGISLATIVE  
16 SERVICE.

17 NEW SECTION. Section 2. Terms of members -- officers  
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22 member's term of office as a legislator ends or until the  
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(g) publish, for legislators' use, an information book on the state's public employee retirement systems.

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**NEW SECTION. Section 7. Codification instruction.** [Sections 1 through 5] are intended to be codified as an integral part of Title 5, and the provisions of Title 5 apply to [sections 1 through 5].

**NEW SECTION. Section 8. Effective date.** [This act] is effective on passage and approval.

-End-

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3 BY REQUEST OF THE JOINT INTERIM SUBCOMMITTEE ON

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9 IMMEDIATE EFFECTIVE DATE."

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13 understand and control the costs of such legislation; and

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17 WHEREAS, the establishment of a statutory legislative  
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8 (b) At least two committee members from each house  
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11 senate member shall serve on the senate finance and claims  
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14 (C) NO MORE THAN TWO MEMBERS APPOINTED FROM EACH HOUSE  
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17 NEW SECTION. Section 2. Terms of members -- officers  
18 -- vacancies. (1) Appointments to the committee on public  
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political party, as vice presiding officer. The committee shall elect other officers it considers necessary.

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NEW SECTION. Section 3. Meetings -- compensation. (1) The committee on public employee retirement systems shall meet as often as the presiding officer considers necessary during and between legislative sessions.

(2) Committee members are entitled to receive compensation and expenses as provided in 5-2-302.

NEW SECTION. Section 4. Staff assistance -- CONTRIBUTIONS. (1) The legislative council shall provide staff assistance to the committee on public employee retirement systems. On behalf of the committee, the legislative council has the same authority of investigation and examination under 5-11-106 and the same authority to hold hearings under 5-11-107 as it has for other committees.

(2) The committee may request personnel from state agencies, political subdivisions, or the state public employee retirement systems to furnish any information and render any assistance that the committee may request.

(3) THE COMMITTEE MAY ACCEPT FROM THE RETIREMENT

SYSTEMS AND PUBLIC EMPLOYEE AND RETIREE ORGANIZATIONS  
MONETARY CONTRIBUTIONS FOR LEGISLATIVE RETIREMENT STUDIES.  
THE CONTRIBUTIONS MUST BE DEPOSITED IN THE STATE SPECIAL  
REVENUE FUND FOR APPROPRIATION BY THE LEGISLATURE.

NEW SECTION. Section 5. Duties of committee --  
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(a) consider the fiscal soundness of the state's public employee retirement systems, based on reports from the teachers' retirement board and the public employees' retirement board, and study and evaluate the equity and benefit structure of the state's public employee retirement systems;

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1 have on other public employee retirement systems;

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12 (2) A proposal subject to review under subsection  
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14 before the first day of the next regular legislative session  
15 unless this time limitation is waived by a majority vote of  
16 the committee.

17 NEW SECTION. Section 6. Appropriation. APPROPRIATIONS.

18 (1) There is appropriated for the biennium ending June 30,  
19 1995, \$7,200 from the general fund to the legislative  
20 council for use by the committee on public employee  
21 retirement systems established in [section 1].

22 (2) THERE IS APPROPRIATED FOR THE BIENNIUM ENDING JUNE  
23 30, 1995, AN AMOUNT NOT TO EXCEED \$14,400 TO THE LEGISLATIVE  
24 COUNCIL FROM MONEY CONTRIBUTED TO THE COMMITTEE ON PUBLIC  
25 EMPLOYEE RETIREMENT SYSTEMS PURSUANT TO [SECTION 4(3)].

1 NEW SECTION. Section 7. Codification instruction.

2 [Sections 1 through 5] are intended to be codified as an  
3 integral part of Title 5, and the provisions of Title 5  
4 apply to [sections 1 through 5].

5 NEW SECTION. Section 8. Effective date. [This act] is  
6 effective on passage and approval.

-End-

SENATE COMMITTEE OF THE WHOLE AMENDMENT

April 15, 1993 11:19 am

Mr. Chairman: I move to amend House Bill No. 65 (third reading copy -- blue).

ADOPT

REJECT

Signed: \_\_\_\_\_

Senator J. D. Lynch

That such amendments read:

1. Title, line 9.

Following: "DATE"

Insert: "AND A TERMINATION DATE"

2. Page 6, following line 6.

Insert: " NEW SECTION. Section 9. Termination. [This act]  
terminates June 30, 1995."

-END-

HB 65  
SENATE

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**NEW SECTION. Section 5. Duties of committee --**  
committee review and report. (1) The committee on public employee retirement systems shall:

(a) consider the fiscal soundness of the state's public employee retirement systems, based on reports from the teachers' retirement board and the public employees' retirement board, and study and evaluate the equity and benefit structure of the state's public employee retirement systems;

(b) establish principles of sound fiscal and public policy as guidelines;

(c) as necessary, develop legislation to keep the retirement systems consistent with sound policy principles;

(d) solicit and review proposed statutory changes to any of the state's public employee retirement systems;

(e) report to the legislature on each legislative proposal reviewed by the committee. The report must include but is not limited to:

(i) a summary of the fiscal implications of the proposal;

(ii) an analysis of the effect that the proposal may

1 have on other public employee retirement systems;  
 2 (iii) an analysis of the soundness of the proposal as a  
 3 matter of public policy;  
 4 (iv) any amendments proposed by the committee; and  
 5 (v) the committee's recommendation on whether the  
 6 proposal should be enacted by the legislature.  
 7 (f) attach the committee's report to any proposal that  
 8 the committee considered and that is or has been introduced  
 9 as a bill during a legislative session; and  
 10 (g) publish, for legislators' use, an information book  
 11 on the state's public employee retirement systems.  
 12 (2) A proposal subject to review under subsection  
 13 (1)(d) must be submitted to the committee at least 45 days  
 14 before the first day of the next regular legislative session  
 15 unless this time limitation is waived by a majority vote of  
 16 the committee.

17 NEW SECTION. Section 6. APPROPRIATION. APPROPRIATIONS.  
 18 {1} There is appropriated for the biennium ending June 30,  
 19 1995, \$7,200 from the general fund to the legislative  
 20 council for use by the committee on public employee  
 21 retirement systems established in [section 1].  
 22 {2} THERE IS APPROPRIATED FOR THE BIENNIUM ENDING JUNE  
 23 30, 1995, AN AMOUNT NOT TO EXCEED \$14,400 TO THE LEGISLATIVE  
 24 COUNCIL FROM MONEY CONTRIBUTED TO THE COMMITTEE ON PUBLIC  
 25 EMPLOYEE RETIREMENT SYSTEMS PURSUANT TO [SECTION 4(3)].

1 NEW SECTION. Section 7. Codification instruction.  
 2 [Sections 1 through 5] are intended to be codified as an  
 3 integral part of Title 5, and the provisions of Title 5  
 4 apply to [sections 1 through 5].  
 5 NEW SECTION. Section 8. Effective date. [This act] is  
 6 effective on passage and approval.  
 7 NEW SECTION. SECTION 9. TERMINATION. [THIS ACT]  
 8 TERMINATES JUNE 30, 1995.

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