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House BILL NO. 471

2 INTRODUCED BY Simpson, Beck

3 BY REQUEST OF THE COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT SYSTEMS

4

5 A BILL FOR AN ACT ENTITLED: "AN ACT EXTENDING THE TERMINATION DATE OF THE COMMITTEE ON  
6 PUBLIC EMPLOYEE RETIREMENT SYSTEMS; PROVIDING THAT THE COMMITTEE MAY SPECIFY THE DATE  
7 BY WHICH RETIREMENT PROPOSALS MUST BE SUBMITTED TO THE COMMITTEE FOR REVIEW;  
8 AMENDING SECTION 5-21-105, MCA, AND SECTION 9, CHAPTER 549, LAWS OF 1993; AND PROVIDING  
9 AN IMMEDIATE EFFECTIVE DATE."

10

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

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13 Section 1. Section 5-21-105, MCA, is amended to read:

14 **"5-21-105. (Temporary) Duties of committee -- committee review and report.** (1) The committee  
15 on public employee retirement systems shall:

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

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

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

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

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

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

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

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

30 (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 introduced as a bill during a legislative session; and

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

(2) A proposal subject to review under subsection (1)(d) must be submitted to the committee at 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. The committee may specify in its study plan, which may be adopted by a majority vote of committee members, the date by which proposals affecting a retirement must be submitted to the committee. (Terminates June 30, 1995--sec. 9, Ch. 549, L. 1993.)"

**Section 2.** Section 9, Chapter 549, Laws of 1993, is amended to read:

"Section 9. Termination. [This act] terminates June 30, 1995 1997."

**NEW SECTION.** **Section 3. Effective date.** [This act] is effective on passage and approval.

-END-



STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0471, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

A bill extending the termination date of the Committee on Public Employee Retirement Systems; providing that the Committee may specify the date by which retirement proposals must be submitted to the Committee for review.

ASSUMPTIONS:

1. The Committee will conduct four to six 1-day meetings in Helena between July 1, 1995 and September 15, 1996 (the committee met three times in the 1995 biennium). The salary and expenses of Committee members will be reimbursed as allowed in 5-2-302. Any appropriation would be consistent with the appropriations provided for the 1995 biennium.
2. If the members of the Legislative Council choose to displace other assigned work and assign existing staff to support the Committee, no additional resources over current level would be anticipated. However, if other work assigned to the Legislative Council maximally utilizes staff resources, additional staff resources would be required, either through contracted services or by the temporary (18-months) employment of an entry level legislative researcher, including incidental expenses associated with the employee.
3. Section 4 of HB65 of the 1993 Session (Ch. 549, L. 1993) provides that the Committee may accept certain monetary contributions from the retirement systems for committee activities. As of this date, no such contributions have been considered within the administrative budgets of the state's retirement systems. Such contributions are not obligatory and none are currently anticipated.

FISCAL IMPACT:

Expenditures:

Legislative Council:	<u>1997 Biennium</u>
	<u>Difference</u>
Personal Services	3,000
Operating Expenses	<u>10,800</u>
Total	13,800

Funding:

General Fund (01)	7,200
Retirement System Contributions (02)	<u>6,600</u>
Total	13,800

As discussed in assumption #2 above, depending on the workload assigned to the Legislative Council, an additional \$50,000 general fund could be required.

*Dave Lewis* 2-13-95  
DAVE LEWIS, BUDGET DIRECTOR DATE  
Office of Budget and Program Planning

*Dick Simpkins*  
DICK SIMPKINS, PRIMARY SPONSOR DATE

Fiscal Note for HB0471, as introduced

*HB 471*

TAKEN FROM TABLE IN  
APPROPRIATIONS  
ON MOTION, PRINTED AND  
PLACED ON SECOND READING

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(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~~ The committee may specify in its study plan, which may be adopted

and amended by a majority vote of committee members, the date by which proposals affecting a retirement

system must be submitted to the committee. (Terminates June 30, 1995--sec. 9, Ch. 549, L. 1993.)"

**Section 2.** Section 9, Chapter 549, Laws of 1993, is amended to read:

"Section 9. Termination. [This act] terminates June 30, 1995 1997."

**NEW SECTION.** **Section 3. Effective date.** [This act] is effective on passage and approval.

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**Section 2.** Section 9, Chapter 549, Laws of 1993, is amended to read:

"Section 9. Termination. [This act] terminates June 30, 1995 1997."

NEW SECTION. SECTION 3. APPROPRIATIONS. (1) THERE IS A BIENNIAL APPROPRIATION NOT EXCEED \$13,800 TO THE LEGISLATIVE COUNCIL FROM THE PENSION TRUST FUNDS FOR THE COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT SYSTEMS. OF THE TOTAL APPROPRIATION, 37% BE MADE FROM THE TEACHERS' RETIREMENT PENSION FUND. THE REMAINING 63% MUST BE FROM THE VARIOUS PENSION TRUST FUNDS ADMINISTERED BY THE PUBLIC EMPLOYEES' RETIREMENT BOARD IN PROPORTION TO THE MEMBERSHIP OF EACH SYSTEM.

(2) THERE IS APPROPRIATED FROM THE STATE SPECIAL REVENUE FUND TO THE LEGISLATIVE COUNCIL FOR THE BIENNIAL ENDING JUNE 30, 1997, UP TO \$10,000 IN CONTRIBUTIONS RECEIVED FOR THE COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT SYSTEMS PURSUANT TO 5-21-104(3).

**NEW SECTION.** **Section 4. Effective date.** [This act] is effective on passage and approval.

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

(2) A proposal subject to review under subsection (1)(d) must be submitted to the committee at 5 days before the first day of the next regular legislative session unless this time limitation is waived by a majority vote of the committee. The committee may specify in its study plan, which may be adopted by a majority vote of committee members, the date by which proposals affecting a retirement must be submitted to the committee. (Terminates June 30, 1995--sec. 9, Ch. 549, L. 1993.)"

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