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House BILL NO. 471

INTRODUCED BY Stephens Beck  
BY REQUEST OF THE COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT SYSTEMS

A BILL FOR AN ACT ENTITLED: "AN ACT 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; AMENDING SECTION 5-21-105, MCA, AND SECTION 9, CHAPTER 549, LAWS OF 1993; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

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

**"5-21-105. (Temporary) 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

- 1 (v) the committee's recommendation on whether the proposal should be enacted by the legislature.
- 2 (f) attach the committee's report to any proposal that the committee considered and that is or has
- 3 been introduced as a bill during a legislative session; and
- 4 (g) publish, for legislators' use, an information book on the state's public employee retirement
- 5 systems.
- 6 ~~(2) A proposal subject to review under subsection (1)(d) must be submitted to the committee at~~
- 7 ~~least 45 days before the first day of the next regular legislative session unless this time limitation is waived~~
- 8 ~~by a majority vote of the committee. The committee may specify in its study plan, which may be adopted~~
- 9 ~~and amended by a majority vote of committee members, the date by which proposals affecting a retirement~~
- 10 ~~system must be submitted to the committee. (Terminates June 30, 1995--sec. 9, Ch. 549, L. 1993.)~~

11

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

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

14

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

16

-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:

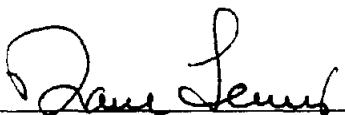
Expenditures:

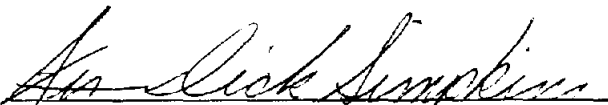
<b>Legislative Council:</b>	<u>1997 Biennium</u>
	<u>Difference</u>
Personal Services	3,000
Operating Expenses	<u>10,800</u>
Total	13,800

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.

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

  
 DICK SIMPKINS, PRIMARY SPONSOR      DATE

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

House BILL NO. 471

1  
 2 INTRODUCED BY Sumpters Burk

3 BY REQUEST OF THE COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT SYSTEMS  
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 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  
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24 (e) report to the legislature on each legislative proposal reviewed by the committee. The report  
 25 must include but is not limited to:

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4 (g) publish, for legislators' use, an information book on the state's public employee retirement  
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6 (2) ~~A proposal subject to review under subsection (1)(d) must be submitted to the committee at~~  
 7 ~~least 45 days before the first day of the next regular legislative session unless this time limitation is waived~~  
 8 ~~by a majority vote of the committee~~ The committee may specify in its study plan, which may be adopted  
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16 -END-

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

21 (2) THERE IS APPROPRIATED FROM THE STATE SPECIAL REVENUE FUND TO THE LEGISLATIVE  
22 COUNCIL FOR THE BIENNIUM ENDING JUNE 30, 1997, UP TO \$10,000 IN CONTRIBUTIONS RECEIVED  
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24

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

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