

1 HOUSE BILL NO. 90

2 INTRODUCED BY WISEMAN

3 BY REQUEST OF THE COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT SYSTEMS

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT DIRECTING A COMMITTEE DESIGNATED BY THE LEGISLATIVE
6 COUNCIL TO DESIGN A RETIREMENT PLAN TO REPLACE OR MODIFY THE CURRENT PUBLIC
7 EMPLOYEES' RETIREMENT SYSTEM; REQUIRING THAT THE COMMITTEE DEVELOP LEGISLATION AND
8 AN IMPLEMENTATION PLAN FOR THE 56TH LEGISLATURE; PROVIDING AN APPROPRIATION; AND
9 PROVIDING AN EFFECTIVE DATE."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12
13 **NEW SECTION. Section 1. Development and implementation of new or modified public employees'**
14 **retirement system.** (1) A committee designated by the legislative council pursuant to 5-5-211 shall design
15 a public employees' retirement plan to replace or modify the current public employees' retirement system
16 provided for in Title 19, chapter 3.

17 (2) The new or modified retirement plan must be designed to provide for the following:

18 (a) increased portability of contributions;

19 (b) increased flexibility to allow plan members a choice in:

20 (i) selecting, from a group of set amounts, the amount of the member's contribution to the
21 retirement plan;

22 (ii) directing investments; and

23 (iii) selecting the form of the benefit payout; and

24 (c) a retirement plan component that will provide for a specified benefit in retirement.

25 (3) In designing the new or modified retirement plan, the committee shall involve employers,
26 employees, members of the current public employees' retirement system, retirement plan administrators,
27 policymakers, and other interested parties.

28 (4) The committee shall establish an implementation schedule for conversion to the new or modified
29 retirement plan. The retirement plan design and the implementation schedule, including any implementing
30 legislation, must be presented to the 56th legislature. The retirement plan design and implementation

1 schedule must include but is not limited to:

2 (a) how the new or modified retirement plan is to be administered;

3 (b) the costs associated with the conversion;

4 (c) a timetable for implementation; and

5 (d) a preconversion and postconversion education plan for informing policymakers, administrative
6 staffs, executive staffs, interagency staffs, employers, employees, retirement plan members, taxpayers,
7 and other interested parties about the new or modified retirement plan.

8 (5) The committee may contract for consultant services.

9

10 **NEW SECTION.** **Section 2. Appropriation.** There is appropriated from the general fund to the
11 legislative services division \$80,000 for use by the committee designated by the legislative council under
12 [section 1].

13

14 **NEW SECTION.** **Section 3. Coordination instruction.** If ___ Bill No. ___ [LC 0381] is passed and
15 approved and if it repeals the sunset on the committee on public employee retirement systems, then "A
16 committee designated by the legislative council pursuant to 5-5-211" as it appears in [section 1 of this act]
17 and "the committee designated by the legislative council under [section 1]" as it appears in [section 2 of
18 this act] shall read "the committee on public employee retirement systems".

19

20 **NEW SECTION.** **Section 4. Effective date.** [This act] is effective July 1, 1997.

21

-END-

APPROVED BY COM ON
STATE ADMINISTRATION

HOUSE BILL NO. 90

INTRODUCED BY WISEMAN

BY REQUEST OF THE COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT SYSTEMS

A BILL FOR AN ACT ENTITLED: "AN ACT DIRECTING A COMMITTEE DESIGNATED BY THE LEGISLATIVE COUNCIL TO DESIGN A RETIREMENT PLAN TO REPLACE OR MODIFY THE CURRENT PUBLIC EMPLOYEES' RETIREMENT SYSTEM; REQUIRING THAT THE COMMITTEE DEVELOP LEGISLATION AND AN IMPLEMENTATION PLAN FOR THE 56TH LEGISLATURE; PROVIDING AN APPROPRIATION; AND PROVIDING AN EFFECTIVE DATE."

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

NEW SECTION. Section 1. Development and implementation of new or modified public employees' retirement system. (1) A committee designated by the legislative council pursuant to 5-5-211 shall design a public employees' retirement plan to replace or modify the current public employees' retirement system provided for in Title 19, chapter 3.

(2) The new or modified retirement plan must be designed to provide for the following:

(a) increased portability of contributions;

(b) increased flexibility to allow plan members a choice in:

(i) selecting, from a group of set amounts, the amount of the member's contribution to the retirement plan;

(ii) directing investments; and

(iii) selecting the form of the benefit payout; and

(c) a retirement plan component that will provide for a specified benefit in retirement.

(3) In designing the new or modified retirement plan, the committee shall involve employers, employees, members of the current public employees' retirement system, retirement plan administrators, policymakers, and other interested parties.

(4) The committee shall establish an implementation schedule for conversion to the new or modified retirement plan. The retirement plan design and the implementation schedule, including any implementing legislation, must be presented to the 56th legislature. The retirement plan design and implementation

1 schedule must include but is not limited to:

2 (a) how the new or modified retirement plan is to be administered;

3 (b) the costs associated with the conversion;

4 (c) a timetable for implementation; and

5 (d) a preconversion and postconversion education plan for informing policymakers, administrative
6 staffs, executive staffs, interagency staffs, employers, employees, retirement plan members, taxpayers,
7 and other interested parties about the new or modified retirement plan.

8 (5) The committee may contract for consultant services.

9

10 **NEW SECTION. Section 2. Appropriation.** There is appropriated from the general fund to the
11 legislative services division \$80,000 for use by the committee designated by the legislative council under
12 [section 1].

13

14 **NEW SECTION. Section 3. Coordination instruction.** If ___ Bill No. ___ [LC 0381] is passed and
15 approved and if it repeals **OR EXTENDS** the sunset on the committee on public employee retirement
16 systems, then "A committee designated by the legislative council pursuant to 5-5-211" as it appears in
17 [section 1 of this act] and "the committee designated by the legislative council under [section 1]" as it
18 appears in [section 2 of this act] shall read "the committee on public employee retirement systems".

19

20 **NEW SECTION. Section 4. Effective date.** [This act] is effective July 1, 1997.

21

-END-

1 HOUSE BILL NO. 90

2 INTRODUCED BY WISEMAN

3 BY REQUEST OF THE COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT SYSTEMS
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT DIRECTING A COMMITTEE DESIGNATED BY THE LEGISLATIVE
6 COUNCIL TO DESIGN A RETIREMENT PLAN TO REPLACE OR MODIFY THE CURRENT PUBLIC
7 EMPLOYEES' RETIREMENT SYSTEM; REQUIRING THAT THE COMMITTEE DEVELOP LEGISLATION AND
8 AN IMPLEMENTATION PLAN FOR THE 56TH LEGISLATURE; PROVIDING AN APPROPRIATION; AND
9 PROVIDING AN EFFECTIVE DATE."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
12

13 **NEW SECTION. Section 1. Development and implementation of new or modified public employees'**
14 **retirement system.** (1) A committee designated by the legislative council pursuant to 5-5-211 shall design
15 a public employees' retirement plan to replace or modify the current public employees' retirement system
16 provided for in Title 19, chapter 3.

17 (2) The new or modified retirement plan must be designed to provide for the following:

18 (a) increased portability of contributions;

19 (b) increased flexibility to allow plan members a choice in:

20 (i) selecting, from a group of set amounts, the amount of the member's contribution to the
21 retirement plan;

22 (ii) directing investments; and

23 (iii) selecting the form of the benefit payout; and

24 (c) a retirement plan component that will provide for a specified benefit in retirement.

25 (3) (A) In designing the new or modified retirement plan, the committee shall involve employers,
26 employees, members of the current public employees' retirement system, retirement plan administrators,
27 policymakers, and other interested parties.

28 (B) THE COMMITTEE SHALL ALSO GATHER AND ANALYZE INFORMATION ON THE AMOUNT OF
29 STATE INCOME TAX REVENUE COLLECTED FROM THE STATE'S TAXATION OF RETIREMENT BENEFITS.
30 CONSIDER THIS INFORMATION IN DEVELOPING NEW OR MODIFIED RETIREMENT BENEFITS, AND

1 REPORT THE COMMITTEE'S FINDINGS TO THE 56TH LEGISLATURE.

2 (4) The committee shall establish an implementation schedule for conversion to the new or modified
3 retirement plan. The retirement plan design and the implementation schedule, including any implementing
4 legislation, must be presented to the 56th legislature. The retirement plan design and implementation
5 schedule must include but is not limited to:

6 (a) how the new or modified retirement plan is to be administered;

7 (b) the costs associated with the conversion;

8 (c) a timetable for implementation; and

9 (d) a preconversion and postconversion education plan for informing policymakers, administrative
10 staffs, executive staffs, interagency staffs, employers, employees, retirement plan members, taxpayers,
11 and other interested parties about the new or modified retirement plan.

12 (5) The committee may contract for consultant services.

13

14 NEW SECTION. Section 2. Appropriation. There is appropriated from the general fund to the
15 legislative services division \$80,000 for use by the committee designated by the legislative council under
16 [section 1].

17

18 NEW SECTION. Section 3. Coordination instruction. If ___ Bill No. ___ [LC 0381] is passed and
19 approved and if it repeals OR EXTENDS the sunset on the committee on public employee retirement
20 systems, then "A committee designated by the legislative council pursuant to 5-5-211" as it appears in
21 [section 1 of this act] and "the committee designated by the legislative council under [section 1]" as it
22 appears in [section 2 of this act] shall read "the committee on public employee retirement systems".

23

24 NEW SECTION. Section 4. Effective date. [This act] is effective July 1, 1997.

25

-END-

1 HOUSE BILL NO. 90

2 INTRODUCED BY WISEMAN

3 BY REQUEST OF THE COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT SYSTEMS
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT DIRECTING A COMMITTEE DESIGNATED BY THE LEGISLATIVE
6 COUNCIL TO DESIGN A RETIREMENT PLAN TO REPLACE OR MODIFY THE CURRENT PUBLIC
7 EMPLOYEES' RETIREMENT SYSTEM; REQUIRING THAT THE COMMITTEE DEVELOP LEGISLATION AND
8 AN IMPLEMENTATION PLAN FOR THE 56TH LEGISLATURE; PROVIDING AN APPROPRIATION; AND
9 PROVIDING AN EFFECTIVE DATE."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
12

13 **NEW SECTION. Section 1. Development and implementation of new or modified public employees'**
14 **retirement system.** (1) A committee designated by the legislative council pursuant to 5-5-211 shall design
15 a public employees' retirement plan to replace or modify the current public employees' retirement system
16 provided for in Title 19, chapter 3.

17 (2) The new or modified retirement plan must be designed to provide for the following:

18 (a) increased portability of contributions;

19 (b) increased flexibility to allow plan members a choice in:

20 (i) selecting, from a group of set amounts, the amount of the member's contribution to the
21 retirement plan;

22 (ii) directing investments; and

23 (iii) selecting the form of the benefit payout; and

24 (c) a retirement plan component that will provide for a specified benefit in retirement.

25 (3) (A) In designing the new or modified retirement plan, the committee shall involve employers,
26 employees, members of the current public employees' retirement system, retirement plan administrators,
27 policymakers, and other interested parties.28 **(B) THE COMMITTEE SHALL ALSO GATHER AND ANALYZE INFORMATION ON THE AMOUNT OF**
29 **STATE INCOME TAX REVENUE COLLECTED FROM THE STATE'S TAXATION OF RETIREMENT BENEFITS,**
30 **CONSIDER THIS INFORMATION IN DEVELOPING NEW OR MODIFIED RETIREMENT BENEFITS, AND**

1 REPORT THE COMMITTEE'S FINDINGS TO THE 56TH LEGISLATURE.

2 (4) The committee shall establish an implementation schedule for conversion to the new or modified
3 retirement plan. The retirement plan design and the implementation schedule, including any implementing
4 legislation, must be presented to the 56th legislature. The retirement plan design and implementation
5 schedule must include but is not limited to:

6 (a) how the new or modified retirement plan is to be administered;

7 (b) the costs associated with the conversion;

8 (c) a timetable for implementation; and

9 (d) a preconversion and postconversion education plan for informing policymakers, administrative
10 staffs, executive staffs, interagency staffs, employers, employees, retirement plan members, taxpayers,
11 and other interested parties about the new or modified retirement plan.

12 (5) The committee may contract for consultant services.

13

14 NEW SECTION. Section 2. Appropriation. There is appropriated from the general fund to the
15 legislative services division \$80,000 for use by the committee designated by the legislative council under
16 [section 1].

17

18 NEW SECTION. Section 3. Coordination instruction. If ___ Bill No. ___ [LC 0381] is passed and
19 approved and if it repeals OR EXTENDS the sunset on the committee on public employee retirement
20 systems, then "A committee designated by the legislative council pursuant to 5-5-211" as it appears in
21 [section 1 of this act] and "the committee designated by the legislative council under [section 1]" as it
22 appears in [section 2 of this act] shall read "the committee on public employee retirement systems".

23

24 NEW SECTION. Section 4. Effective date. [This act] is effective July 1, 1997.

25

-END-

HOUSE BILL NO. 90

INTRODUCED BY WISEMAN

BY REQUEST OF THE COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT SYSTEMS

A BILL FOR AN ACT ENTITLED: "AN ACT DIRECTING A COMMITTEE DESIGNATED BY THE LEGISLATIVE COUNCIL TO DESIGN A RETIREMENT PLAN TO REPLACE OR MODIFY THE CURRENT PUBLIC EMPLOYEES' RETIREMENT SYSTEM; REQUIRING THAT THE COMMITTEE DEVELOP LEGISLATION AND AN IMPLEMENTATION PLAN FOR THE 56TH LEGISLATURE; PROVIDING AN APPROPRIATION; AND PROVIDING AN EFFECTIVE DATE."

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

NEW SECTION. Section 1. Development and implementation of new or modified public employees' retirement system. (1) A committee designated by the legislative council pursuant to 5-5-211 shall design a public employees' retirement plan to replace or modify the current public employees' retirement system provided for in Title 19, chapter 3.

(2) The new or modified retirement plan must be designed to provide for the following:

(a) increased portability of contributions;

(b) increased flexibility to allow plan members a choice in:

(i) selecting, from a group of set amounts, the amount of the member's contribution to the retirement plan;

(ii) directing investments; and

(iii) selecting the form of the benefit payout; and

(c) a retirement plan component that will provide for a specified benefit in retirement.

(3) ~~(A)~~ In designing the new or modified retirement plan, the committee shall involve employers, employees, members of the current public employees' retirement system, retirement plan administrators, policymakers, and other interested parties.

(B) THE COMMITTEE SHALL ALSO GATHER AND ANALYZE INFORMATION ON THE AMOUNT OF STATE INCOME TAX REVENUE COLLECTED FROM THE STATE'S TAXATION OF RETIREMENT BENEFITS, CONSIDER THIS INFORMATION IN DEVELOPING NEW OR MODIFIED RETIREMENT BENEFITS, AND

1 REPORT THE COMMITTEE'S FINDINGS TO THE 56TH LEGISLATURE.

2 (4) The committee shall establish an implementation schedule for conversion to the new or modified
3 retirement plan. The retirement plan design and the implementation schedule, including any implementing
4 legislation, must be presented to the 56th legislature. The retirement plan design and implementation
5 schedule must include but is not limited to:

6 (a) how the new or modified retirement plan is to be administered;

7 (b) the costs associated with the conversion;

8 (c) a timetable for implementation; and

9 (d) a preconversion and postconversion education plan for informing policymakers, administrative
10 staffs, executive staffs, interagency staffs, employers, employees, retirement plan members, taxpayers,
11 and other interested parties about the new or modified retirement plan.

12 (5) The committee may contract for consultant services.

13

14 NEW SECTION. Section 2. Appropriation. There is appropriated from the general fund to the
15 legislative services division \$80,000 for use by the committee designated by the legislative council under
16 [section 1].

17

18 NEW SECTION. Section 3. Coordination instruction. If ___ Bill No. ___ [LC 0381] is passed and
19 approved and if it repeals OR EXTENDS the sunset on the committee on public employee retirement
20 systems, then "A committee designated by the legislative council pursuant to 5-5-211" as it appears in
21 [section 1 of this act] and "the committee designated by the legislative council under [section 1]" as it
22 appears in [section 2 of this act] shall read "the committee on public employee retirement systems".

23

24 NEW SECTION. Section 4. Effective date. [This act] is effective July 1, 1997.

25

-END-