

PUBLIC EMPLOYEES' RETIREMENT BOARD
100 N Park, Rm 218
Helena MT 59620

Board Legislative Committee Minutes
Tuesday, April 19, 2011
12:30 pm

Committee Members (present via telephone):

Dianna Porter, Chair
John Nielsen

Excused: Terrence Smith

Other Board Members (present via telephone):

Darcy Halpin
Timm Twardoski

Staff:

Roxanne Minnehan
Melanie Symons
Barbara Quinn
Patricia Davis
Renaë Justice
Jenny Weigand
Flora Sebens
Mike O'Connor

I. Roll Call

II. Public/Member Comment – No public comment.

III. Approval of April 12, 2011 Legislative Committee Meeting Minutes

The minutes of the Board Legislative Committee meeting of April 12, 2011, were presented.

Motion: Member John Nielsen moved to approve the minutes of the April 12, 2011, Board Legislative Committee with corrections.

Second: Chairwoman Dianna Porter

Vote: 2/0

IV. Legislation Requiring Board Position

There was nothing new to report.

V. Legislation Update

A. **HB 585** – *Require public disclosure of contracts with outside counsel for state agencies – Rep Gerald (Jerry) Bennett*

This bill was signed by the Speaker on April 18, 2011.

- B. **HB 587** – *Provide option for associate water court judge*
This bill was sent to enrolling on April 18, 2011.
- C. **HB 632** – *Use spendable portion of coal severance tax to pay down UAL in the PERS, TRS and SRS – Rep Janna Taylor*
House Bill 632 was indefinitely postponed on second reading in the Senate on April 12, 2011. Chairwoman Dianna Porter asked for clarification on the contingency amendment by Senator Balyeat that was mentioned at last week's Legislative Committee meeting. Ms. Minnehan stated that House Bill 122 and Senate Bill 154 did not have any contingencies attached to them; only House Bill 632 did. If House Bill 122 and Senate Bill 154 did not pass, then House Bill 632 would be void. All three bills have to pass in order for any system to receive money.
- D. **HJ 38** – *Interim study of local fire protection, firefighters, and EMTs – Rep Kris Hansen*
The hearing for House Joint 38 is scheduled in Senate Local Government today.
- E. **SB 120** – *Publishing of Appointed Members to all State Agency Boards – Rep John Brenden*
This bill was transmitted to the Governor on April 11, 2011.
- F. **SB 223** – *Revise Volunteer Firefighter Pensions – Sen Ryan Zinke*
This bill was signed by the Governor on April 18, 2011.
- G. **SB 229** – *Revise Laws Relating to State-Tribal Coop Agreements Act and PERS – Jon Sonju*
Senate Bill 229 is scheduled for second reading today. Ms. Melanie Symons, Chief Legal Counsel, reported that the Governor executed an amendatory veto on this bill because it was special legislation for just one entity, which is unconstitutional. Ms. Symons had been working to amend the bill with the Governor's legal counsel and attorneys from the Department of Justice. The amendment now states that once an entity is created as a governmental entity then the people that are working for that entity must be engaged in government related work and not commercialized work. This amendment is being considered on the Floor today.
- H. **SR 6** – *Confirm certain Governor's appointees – Rep Jim Shockley*
Senate Resolution 6 was signed by the President on the April 18, 2011.

VI. PERB Legislation

- A. **HB 122** – *PERS Funding Bill – Rep Sue Malek*
The Conference Committee for House Bill 122 met briefly this morning. However, because they were appointed as a Conference Committee and not a Free Conference Committee they could not open the bill up for discussion on the original amendment. They motioned to dissolve the Conference Committee and recommended that a Free Conference Committee be appointed. They scheduled a meeting for the Free Conference Committee for 9:00 a.m. or upon adjournment of the House and Senate, whichever is later. Senator Balyeat initially had concerns about a Free Conference Committee because he did not want the bill to be completely opened up. The Committee members assured him that they were only interested in reviewing and correcting the first amendment because it was drafted in error. Chairwoman Dianna Porter asked if the same people who were on the

Conference Committee were going to be on the Free Conference Committee. Ms. Minnehan responded that she thought that would be the case, but it would ultimately be up to the House and Senate leadership. Ms. Minnehan will keep the Legislative Committee members abreast on what happens with this bill as it progresses.

Discussion Items

VII. Other Retirement Legislation Information

Ms. Minnehan mentioned that the schedule posted on LAWS shows that the remaining four days of the Legislative Session have not been scheduled yet, so it is still unclear at this time when the session will be finished. It was agreed that the Legislative Committee would meet next Tuesday, April 26, 2011, and in the event that there was nothing new to report at this meeting it would then be cancelled.

House Bill 13 – State employee pay plan – Cynthia Hiner

Board member Timm Twardoski asked about the status of House Bill 13. Ms. Minnehan reported that it had passed out of the House of Appropriations and is scheduled for second reading today. Member Twardoski mentioned that he had heard that it looked like a deal had been made and that the Republican votes had been secured to get it out of Committee. He speculated that the 1% and 3% raises were going to pass. Board Member Darcy Halpin asked when these raises would go into effect. Member Twardoski responded that the agreement was that if the raises were approved by the Legislature then the 1% raise would be given in January 2012, and the 3% raise would be given in January 2013.

VIII. The meeting was adjourned at 12:50 p.m. by Chairwoman Dianna Porter. The next meeting will be on Tuesday, April 26, 2011, at 10:30 a.m.