

**Public Employees' Retirement Board
February 11, 2016**

**Topic: MAR Notice # 2-43-537
Proposed Amendment of ARM 2.43.3501 to adopt December 2015
Revised DCRP Plan Document**

Recommendation:

Adopt MAR Notice #2-43-537 proposing to amend ARM 2.43.3501 to adopt by reference the December 2015 DCRP Plan Document.

Discussion:

In December 2015, the Board revised the DCRP Plan Document to incorporate changes related to the 2015 Qualification Legislation (HB 124) and HB 107 regarding the redirection of DCRP employer contributions from the Plan Choice Rate UAL to DC members' accounts.

ARM 2.43.3501 must now be amended to adopt by reference the most recent DCRP Plan Document.

Board Motion:

Uphold Staff Recommendation

Other

Moved by

Seconded by

Vote

BEFORE THE PUBLIC EMPLOYEES' RETIREMENT BOARD
OF THE STATE OF MONTANA

In the matter of the amendment of)	NOTICE OF PROPOSED
ARM 2.43.3501 pertaining to the)	AMENDMENT
adoption by reference of the State of)	
Montana Public Employee Defined)	NO PUBLIC HEARING
Contribution Plan Document)	CONTEMPLATED

TO: All Concerned Persons

1. On April 25, 2016, the Public Employees' Retirement Board proposes to amend the above-stated rule.

2. The Public Employees' Retirement Board will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. If you require an accommodation, contact Public Employee Retirement Administration no later than 5:00 p.m. on March 18, 2016, to advise us of the nature of the accommodation that you need. Please contact Kris Vladic, Public Employee Retirement Administration, P.O. Box 200131, Helena, Montana, 59620-0131; telephone (406) 444-2578; fax (406) 444-5428; TDD/Montana Relay Service (406) 444-1421; or e-mail kvladic@mt.gov.

3. The rule as proposed to be amended provides as follows, new matter underlined, deleted matter interlined:

2.43.3501 ADOPTION OF DEFINED CONTRIBUTION PLAN DOCUMENT AND TRUST AGREEMENT (1) remains the same.

(a) State of Montana Public Employee Defined Contribution Plan Document (~~May 2014~~ December 2015 edition) that was approved by the board on ~~May 8, 2014~~ December 22, 2015; and

(b) and (2) remain the same.

AUTH: 19-3-2104, MCA

IMP: 19-3-2102, MCA

REASON: The Public Employees' Retirement Board, as administrator of the Public Employees' Retirement System Defined Contribution Plan (DCRP), determined to revise the Defined Contribution Plan Document to incorporate recent legislative changes. Those changes ensure that the DCRP remains a qualified retirement plan under IRS requirements (HB 124) and that employer contributions will be redirected from the Defined Benefit Plan's Plan Choice Rate Unfunded Actuarial Liability (PCR UAL) to DC members' accounts once the PCR UAL is paid off. The revised plan document was reviewed and approved by the board at its December 22, 2015 meeting.

Because the Public Employees' Retirement Board determined to adopt the original plan document by reference, 2-4-307(4), MCA, requires that changes to the document also be adopted by reference. Therefore, it is necessary to amend the rule that adopts the plan document to indicate the version of the plan document being adopted by reference.

4. Concerned persons may submit their data, views, or arguments concerning the proposed action in writing to: Public Employee Retirement Administration, P.O. Box 200131, Helena, Montana, 59620-0131; telephone (406) 444-3154; fax (406) 444-5428; or e-mail mpera@mt.gov, and must be received no later than 5:00 p.m., March 25, 2016.

5. If persons who are directly affected by the proposed action wish to express their data, views, or arguments orally or in writing at a public hearing, they must make written request for a hearing and submit this request along with any written comments to Kris Vladic at the above address no later than 5:00 p.m., March 25, 2016.

6. If the agency receives requests for a public hearing on the proposed action from either 10 percent or 25, whichever is less, of the persons directly affected by the proposed action; from the appropriate administrative rule review committee of the Legislature; from a governmental subdivision or agency; or from an association having not less than 25 members who will be directly affected, a hearing will be held at a later date. Notice of the hearing will be published in the Montana Administrative Register. Ten percent of those directly affected has been determined to be 209 persons based on 2091 Public Employees' Retirement System Defined Contribution Retirement Plan participants.

7. The Public Employees' Retirement Board maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this agency. Persons who wish to have their name added to the list shall make a written request that includes the name, e-mail, and mailing address of the person to receive notices and specifies for which program the person wishes to receive notices. Notices will be sent by e-mail unless a mailing preference is noted in the request. Such written request may be mailed or delivered to the contact person in 5. above or may be made by completing a request form at any rules hearing held by the Public Employees' Retirement Board.

8. An electronic copy of this proposal notice is available through the Secretary of State's web site at <http://sos.mt.gov/ARM/Register>. The Secretary of State strives to make the electronic copy of this notice conform to the official version of the notice, as printed in the Montana Administrative Register, but advises all concerned persons that in the event of a discrepancy between the official printed text of the notice and the electronic version of the notice, only the official printed text will be considered. In addition, although the Secretary of State works to keep its web site accessible at all times, concerned persons should be aware that the web

site may be unavailable during some periods, due to system maintenance or technical problems.

9. The bill sponsor contact requirements of 2-4-302, MCA, do not apply.

10. With regard to the requirements of 2-4-111, MCA, the Public Employees' Retirement Board has determined that the amendment of the above-referenced rule will not significantly and directly impact small businesses.

/s/ Melanie A. Symons
Melanie A. Symons
Chief Legal Counsel
Rule Reviewer

/s/ Sheena Wilson
Sheena Wilson
President
Public Employees' Retirement Board

Certified to the Secretary of State February 22, 2016.