Montana Public Employee Retirement Administration
2015 Qualification Bill – HB124
Representative Wendy McKamey, Sponsor

Current Code Section	Proposed Change	Reason	Notes
19-2-504 pp.1-2	Amend statute related to commingling of trust funds to specifically state the types of funds that can be commingled; and the limited purpose to which those funds can be directed	Internal Revenue Service requirement	Lessons learned from other funds' Cycle E filing
19-2-504(3) p.1 19-3-2102 p.9	Include the defined contribution retirement plan's long-term disability plan trust fund in the list of trust funds that can be commingled	MPERA's actuary recently determined the DC plan's long-term disability plan to be an OPEB – Other Post Employment Benefit. The Board of Investments would like to invest these funds in options that will provide a higher return than STIP	An OPEB must be actuarially valued the same as pension trust funds. Allowing commingling of these funds with pension trust funds is permissible and should result in an increase in investment returns, and an actuarially-sound OPEB
19-2-1001(13)(d)(ii)(A)(II) and 19-2-1001(13)(d)(B)(II) and (III) pp.7-8	Amend statute to specifically state the applicable mortality tables to be used in determining various straight life annuity benefits	IRS requirement that tables be specifically identified	MPERA's actuary assured us that the newly identified mortality tables are the tables that have been used when calculating the various straight life annuities.

STATE ADMINISTRATION
Exhibit No. 1
Date 2-4-15
Bill No. HB124

Current Code Section	Proposed Change	Reason	Notes
19-2-1014 pp.8-9	Amend statute to include citation to the updated federal legislation revising the former Heroes Earnings Assistance and Relief Tax Act of 2008 and to use the term "uniformed services" rather than "military service".	IRS requirement	
19-50-101 p.10	Amend definition of "participant" to clarify that a participant is anyone with funds on account in the 457(b) deferred compensation plan, regardless whether they remain employed by a participating employer	Consistent with IRC 457(b) requirements.	Amendment needed to ensure all participants, not just participants employed by a participating employer, may roll funds from other eligible retirement plans into their 457(b) account
19-50-104 pp.10-11	Change normal retirement age for police and firefighters to age 50	Consistent with normal retirement age as defined in MPORS and FURS	Normal retirement age was specifically defined as age 50 in 2013. This statute should have been amended at that time.