

Montana State Legislature

2015 SESSION

ADDITIONAL DOCUMENTS

May include the following:

Business Page

[Signed by Chairman]

Roll Call

Standing Committee Reports

Tabled Bills

Fiscal Reports

Rolls Call Votes

Proxy Forms

Visitor Registrations

***Any other documents, which were submitted after the committee hearing has ended and/or was submitted late [within 48 hours], regarding information in the committee hearing.**

***Witness Statements that were not presented as exhibits.**

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2015 Legislative

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BUSINESS REPORT

**MONTANA SENATE
64th LEGISLATURE - REGULAR SESSION**

**JOINT HOUSE & SENATE
SUBCOMMITTEE ON STATE ADMINISTRATION**

Date: Friday, March 27, 2015

Place: Capitol

Time: 10:30 A.M.

Room: 303

BILLS and RESOLUTIONS HEARD:

EXECUTIVE ACTION TAKEN:

Comments:

Informational meeting on pensions and recent court decision on GABA:

Presentation by Legislative Fiscal Division
Presentation by Montana Public Employee Retirement Administration
Presentation by Teachers' Retirement System
Presentation by Montana Board of Investments
Update by Office of the Attorney General



SEN. Dee Brown, Chair



The Big Sky Country

MONTANA HOUSE OF REPRESENTATIVES

STATE ADMINISTRATION COMMITTEE

ROLL CALL

DATE: March 27, 2015

NAME	PRESENT	ABSENT/EXCUSED
REP. BILL HARRIS, VICE CHAIRMAN	✓	
REP. CASEY SCHREINER, VICE CHAIRMAN		✓
REP. BRYCE BENNETT	✓	✓
REP. BOB BROWN	✓	
REP. MOFFIE FUNK		✓
REP. FRANK GARNER		✓
REP. EDWARD GREEF	✓	
REP. DENISE HAYMAN	✓	
REP. JESSICA KARJALA		✓
REP. AUSTIN KNUDSEN		✓
REP. DEBRA LAMM	✓	
REP. FORREST MANDEVILLE	✓	
REP. WENDY MCKAMEY	✓	
REP. DALE MORTENSEN	✓	
REP. JEAN PRICE		✓
REP. RAY SHAW	✓	
REP. KATHY SWANSON		✓
REP. SUSAN WEBBER		✓
REP. ART WITTICH		✓
REP. JEFF ESSMANN, CHAIRMAN	✓	

20 MEMBERS

**MONTANA STATE SENATE
Visitors Register
JOINT STATE ADMINISTRATION COMMITTEE**

Friday, March 27, 2015

PRESENTATION ON PENSIONS AND COURT DECISION ON GABA

PLEASE PRINT

Name	Representing	Support	Oppose	Info
Denise Pizzini	TRS			
Matthew Cochenour	Attorney General's Office			
Melanie Symons	MPSA			
Cliff Sheets	MBDI			

Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.

PERS Lawsuit - AMPRE v. State

December 20, 2013

Judge Reynolds granted plaintiffs' request for a preliminary injunction. The opinion keeps the GABA at 3% for current retirees until the lawsuit is ultimately resolved. Judge Reynolds emphasized that the injunction applies to current retirees. However, MPERA adopted a rule (ARM 2.43.1311) that allows us to use a Court-ordered GABA when calculating service purchases, early retirement factors, and option 2, 3 and 4 benefits. Therefore, MPERA will continue to use the 3% GABA for all purposes until the lawsuit is resolved.

Please remember that this is only a preliminary injunction. If the ultimate decision on the merits of the case finds the GABA decrease to be constitutional, corrections to retirement benefits and service purchases may be required.

December 13, 2013

The hearing for a preliminary injunction to prevent the Board from implementing the decrease in GABA under Section 5 of House Bill 454 was held on December 12, 2013. Parties will submit proposed findings of fact, conclusions of law and orders by December 18, 2013 to Judge Reynolds, who will subsequently rule on the preliminary injunction. As soon as we receive his ruling, we will post an update here.

Please note the ruling on the request for a preliminary injunction will be temporary, governing only what GABA is paid this January and each following month until a final decision is issued on the merits of the case. Further, the final decision may differ from the initial decision on the request for a preliminary injunction and will be subject to appeal. In the meantime, if the request for a preliminary injunction is denied, until a final decision is issued, the GABA will be set at 1% for 2014 and paid to eligible retirees beginning in January based on the new law and current funding levels. If the request for a preliminary injunction is granted, until a final decision is issued, the GABA will remain at 3% for eligible retirees and will be paid based on the law prior to the enactment of HB 454.

If you have questions regarding the impact of the ruling on active members' service purchases, early retirement factors or optional benefit calculations, please email mpera@mt.gov.

November 1, 2013

The Association of Montana Retired Public Employees, along with Russell Wrigg, Marlys Hurlbert, Carole Carey and I. Edward Sondeno filed a complaint against the State, the Public Employees Retirement Administration, the Public Employees' Retirement Board, and Governor Bullock in the First Judicial District Court, Lewis and Clark County on October 31, 2013.

The complaint alleges that the 2013 GABA changes to the Public Employees' Retirement System (PERS) implemented by House Bill 454 violate the Montana and the

US Constitutions. The complaint was accompanied by a motion for Preliminary Injunction requesting that defendants be enjoined and restrained from taking any action to implement HB 454 that would reduce the GABA for PERS members and retirees. The State filed a responsive brief and a hearing has been scheduled for December 12, 2013 to address the request for an injunction.

The matter is before Judge Reynolds and the plaintiffs are represented by Leo Berry, Chad Adams and Jessie Luther of Browning, Kaleczyc, Berry & Hoven; the defendants are represented by Mike Black and Stuart Segrest of the Attorney General's Office.