

SENATE BILL NO. 67

INTRODUCED BY K. VAN DYK

BY REQUEST OF THE STATE ADMINISTRATION AND VETERANS' AFFAIRS INTERIM COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING STATUTORY REQUIREMENTS FOR AGENCY REPORTING TO THE STATE ADMINISTRATION AND VETERANS' AFFAIRS INTERIM COMMITTEE AND THE LEGISLATURE; REVISING REPORTING BY THE CAPITOL COMPLEX ADVISORY COUNCIL, THE DEPARTMENT OF ADMINISTRATION REGARDING THE EMPLOYEE INCENTIVE PROGRAM, THE MONTANA VETERANS' AFFAIRS DIVISION, THE SECRETARY OF STATE REGARDING SECURED TRANSACTIONS, THE PUBLIC EMPLOYEES' RETIREMENT ADMINISTRATION, THE TEACHERS' RETIREMENT SYSTEM, AND THE BOARD OF INVESTMENTS; AND AMENDING SECTIONS 2-17-804, 2-18-1103, 10-2-102, 17-6-230, 19-2-405, 19-20-201, AND 30-9A-527, MCA."

WHEREAS, House Bill No. 142 (Chapter 126, Laws of 2011) required interim committees to "review statutorily established advisory councils and required reports of assigned agencies to make recommendations to the next legislature"; and

WHEREAS, the State Administration and Veterans' Affairs Interim Committee voted to make the recommendations contained in this bill.

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

**Section 1.** Section 2-17-804, MCA, is amended to read:

**"2-17-804. Council duties and responsibilities.** (1) The council shall:

(a) adopt an art and memorial plan for the placement of art and memorials in the capitol complex and on the capitol complex grounds;

(b) review proposals for long-term displays of up to 50 years, subject to renewal, in the capitol complex and on the capitol complex grounds and for the naming of state buildings, spaces, and rooms in the capitol complex;

(c) advise the legislature on the placement of busts, plaques, statues, memorials, monuments, or art displays of a long-term nature in public areas of the capitol complex and on the capitol complex grounds,

1 including the executive residence and the original governor's mansion; and

2 (d) advise the department of administration on interior decoration of the capitol, grounds maintenance,  
3 and grounds displays.

4 (2) In advising the legislature on long-term displays, the council shall consider whether the bust, plaque,  
5 statue, memorial, monument, or art display:

6 (a) reasonably fits the long-range master plan for the capitol and adjacent grounds developed under  
7 2-17-805;

8 (b) adversely alters the appearance of the capitol complex;

9 (c) unreasonably affects foot traffic on the capitol complex;

10 (d) adversely impacts existing maintenance programs or the utility infrastructure;

11 (e) recognizes a person or event of statewide significance and relevance;

12 (f) has artistic merit in design and construction;

13 (g) will be safely and aesthetically suited to the installation site; and

14 (h) has adequate funding for design, installation, and maintenance.

15 (3) By ~~November 15~~ September 15 of each year preceding a regular legislative session, the council shall  
16 report to the ~~legislature~~ state administration and veterans' affairs interim committee on requests that the council  
17 has reviewed for naming buildings, spaces, and rooms and for placing items in the capitol complex or on the  
18 capitol complex grounds. The report must include a recommendation to the ~~legislature~~ committee on whether  
19 reviewed requests meet the criteria established by this part and whether legislation is needed. If a request meets  
20 the criteria, the council shall recommend a timeframe during which the project should be authorized."  
21

22 **Section 2.** Section 2-18-1103, MCA, is amended to read:

23 **"2-18-1103. Powers and duties of department.** The department shall:

24 (1) adopt rules to implement this part;

25 (2) develop model guidelines and promotional materials to assist agencies in implementing this part; and

26 (3) prepare and submit; to the state administration and veterans' affairs interim committee by September  
27 15 in the year preceding the regular legislative session and in the manner provided in 5-11-210; a list of awards  
28 granted under 2-18-1106 and the corresponding savings to the state and improvements in the effectiveness of  
29 state government."  
30

1           **Section 3.** Section 10-2-102, MCA, is amended to read:

2           **"10-2-102. Duties of board -- employee qualifications.** (1) The board shall establish a statewide  
3 service for veterans and their families as provided in this section. The board shall:

4           (a) actively cooperate with local, state, and federal agencies whose services encompass the affairs of  
5 veterans and their families;

6           (b) promote the general welfare of all veterans and their families;

7           (c) assist veterans and their families who are residents of this state in filing claims for the benefits to  
8 which they are entitled. In carrying out this duty, the board and its accredited employees shall, upon the request  
9 of an eligible claimant, act as agents for the claimant in developing and presenting claims for benefits provided  
10 under Title 38 of the United States Code. The board shall seek to secure speedy and just action for each  
11 claimant. A board employee officially acting as an agent on behalf of a claimant must be properly accredited and  
12 recognized pursuant to 38 CFR 14.628 and 14.629.

13           (d) officially advocate for the fair treatment of Montana's veterans and their families by the U.S.  
14 department of veterans affairs with respect to claims processing, health care services, and other veteran-related  
15 programs and inform veterans and their family members of all available grievance procedures;

16           (e) develop and implement an information and communication program to keep veterans and their family  
17 members informed about available federal, state, and community-based services and benefits. The program may  
18 include but is not limited to:

19           (i) development and distribution of a services and benefits directory;

20           (ii) regular public service announcements through various media;

21           (iii) information to assist veterans and their family members in obtaining federal benefits and treatment  
22 services related to depleted uranium exposure, including a best practice health screening of any veteran who:

23           (A) has been identified pursuant to department of defense policy as having possible level I, II, or III  
24 exposure to depleted uranium;

25           (B) is referred for a health screening by a military physician; or

26           (C) may have been exposed to depleted uranium during service in a combat zone.

27           (iv) an internet website with information and links relevant to veterans and their families and including  
28 information about board meetings and activities related to veterans' affairs; and

29           (v) a quarterly newsletter, which may be printed or electronically distributed by e-mail or by posting it to  
30 an appropriate website.

- 1 (f) seek grants to help fund veterans' programs established pursuant to this section;
- 2 (g) develop a memorandum of understanding with the federal veterans' employment and training service  
3 and with other appropriate entities to facilitate interagency cooperation, such as resource sharing, cross-training,  
4 data and information sharing, and service delivery coordination;
- 5 (h) establish management tools, including but not limited to needs assessments, policy statements,  
6 program goals and objectives, performance measures, and program evaluation criteria;
- 7 (i) prepare a biennial report to the governor, the department of military affairs, the appropriate legislative  
8 interim committee, and veterans' service organizations. The report must include but is not limited to ~~the latest~~  
9 ~~information about the demographics of Montana's veteran population, a needs assessment, annual summaries~~  
10 ~~of the veterans' special revenue accounts established in 10-2-112 and 10-2-603, and a review of the veterans'~~  
11 ~~affairs budget~~ Montana veteran demographic information, the financial impact of division benefit claim services  
12 received by Montana veterans, and a summary of the general and special revenue budgets and expenditures  
13 for veterans' affairs.

14 (j) request legislation responsive to identified needs.

15 (2) Employees of the board must be residents of this state. Whenever possible, all employees of the  
16 board must have served in the military forces of the United States during World War I, World War II, the Korean  
17 war, the Vietnam conflict, or other period of conflict involving the United States military overseas and must have  
18 been honorably discharged. Preference for employment must be given to disabled veterans.

19 (3) The board shall hire an administrator to implement board policy and carry out the duties of the board."  
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21 **Section 4.** Section 17-6-230, MCA, is amended to read:

22 **"17-6-230. Reports on retirement system trust fund investments and benefits.** (1) As soon as  
23 practical after the end of each calendar year, the board of investments shall publish a report on each retirement  
24 system trust fund invested by the board. The report may be part of an annual report required pursuant to Article  
25 VIII, section 13, of the Montana constitution or 17-5-1650 but must summarize the following with respect to each  
26 retirement system trust fund:

- 27 (a) asset allocation;
- 28 (b) past and expected investment performance;
- 29 (c) investment goals and strategies; and
- 30 (d) Montana public employees' retirement system investments and performance compared with the

1 public employees' retirement system investments and performance in other states.

2 (2) The board of investments shall annually at a public meeting present the report described in  
3 subsection (1) to the public employees' retirement board provided for in 2-15-1009 and the teachers' retirement  
4 board provided for in 2-15-1010. The board shall also provide the report to the legislature pursuant to 5-11-210  
5 and to the state administration and veterans' affairs interim committee."

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7 **Section 5.** Section 19-2-405, MCA, is amended to read:

8 **"19-2-405. Employment of actuary -- annual investigation and valuation.** (1) The board shall retain  
9 a competent actuary who is an enrolled member of the American academy of actuaries and who is familiar with  
10 public systems of pensions. The actuary is the technical adviser of the board on matters regarding the operation  
11 of the retirement systems.

12 (2) The board shall require the actuary to make and report on an annual actuarial investigation into the  
13 suitability of the actuarial tables used by the retirement systems and an actuarial valuation of the assets and  
14 liabilities of each defined benefit plan that is a part of the retirement systems.

15 (3) The normal cost contribution rate, which is funded by required employee contributions and a portion  
16 of the required employer contributions to each defined benefit retirement plan, must be calculated as the level  
17 percentage of members' salaries that will actuarially fund benefits payable under a retirement plan as those  
18 benefits accrue in the future.

19 (4) (a) The unfunded liability contribution rate, which is entirely funded by a portion of the required  
20 employer contributions to the retirement plan, must be calculated as the level percentage of current and future  
21 defined benefit plan members' salaries that will amortize the unfunded actuarial liabilities of the retirement plan  
22 over a reasonable period of time, not to exceed 30 years, as determined by the board.

23 (b) In determining the amortization period under subsection (4)(a) for the public employees' retirement  
24 system's defined benefit plan, the actuary shall take into account the plan choice rate contributions to be made  
25 to the defined benefit plan pursuant to 19-3-2117 and 19-21-203.

26 (5) The board shall require the actuary to conduct and report on a periodic actuarial investigation into  
27 the actuarial experience of the retirement systems and plans. ~~Copies of the report must be provided to the~~  
28 ~~legislature pursuant to 5-11-210.~~

29 (6) The board may require the actuary to conduct any valuation necessary to administer the retirement  
30 systems and the plans subject to this chapter.

1           (7) The board shall provide copies of the reports required pursuant to subsections (2) and (5) to the state  
 2 administration and veterans' affairs interim committee and to the legislature pursuant to 5-11-210."

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4           **Section 6.** Section 19-20-201, MCA, is amended to read:

5           **"19-20-201. Administration by retirement board.** (1) The retirement board shall administer and  
 6 operate the retirement system within the limitations prescribed by this chapter, and it is the duty of the retirement  
 7 board to:

8           (a) establish rules necessary for the proper administration and operation of the retirement system;

9           (b) approve or disapprove all expenditures necessary for the proper operation of the retirement system;

10          (c) keep a record of all its proceedings, which must be open to public inspection;

11          (d) submit a report to the office of budget and program planning detailing the fiscal transactions for the  
 12 2 fiscal years immediately preceding the report due date, the amount of the accumulated cash and securities of  
 13 the retirement system, and the last fiscal year balance sheet showing the assets and liabilities of the retirement  
 14 system;

15          (e) keep in convenient form the data that is necessary for actuarial valuation of the various funds of the  
 16 retirement system and for checking the experience of the retirement system;

17          (f) prepare an annual valuation of the assets and liabilities of the retirement system that includes an  
 18 analysis of how market performance is affecting the actuarial funding of the retirement system;

19          (g) require the board's actuary to conduct and report on a periodic actuarial investigation into the  
 20 actuarial experience of the retirement system;

21          (h) prescribe a form for membership application that will provide adequate and necessary information  
 22 for the proper operation of the retirement system;

23          ~~(h)~~(i) annually determine the rate of regular interest as prescribed in 19-20-501;

24          ~~(i)~~(j) establish and maintain the funds of the retirement system in accordance with the provisions of part  
 25 6 of this chapter; and

26          ~~(j)~~(k) perform other duties and functions as are required to properly administer and operate the retirement  
 27 system.

28          (2) In discharging its duties, the board, or an authorized representative of the board, may conduct  
 29 hearings, administer oaths and affirmations, take depositions, certify to official acts and records, and issue  
 30 subpoenas to compel the attendance of witnesses and the production of books, papers, correspondence,

1 memoranda, and other records. Subpoenas must be issued and enforced pursuant to 2-4-104.

2 (3) The board may send retirement-related material to employers and the campuses of the Montana  
3 university system for delivery to employees. To facilitate distribution, employers and those campuses shall each  
4 provide the board with a point of contact who is responsible for distribution of the material provided by the board.

5 (4) The board shall make available to the state administration and veterans' affairs interim committee  
6 and to the legislature pursuant to 5-11-210 copies of the annual actuarial valuation and ~~report reports~~ required  
7 pursuant to subsections (1)(d) ~~and~~, (1)(f), and (1)(g)."

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9 **Section 7.** Section 30-9A-527, MCA, is amended to read:

10 "**30-9A-527. Duty to report.** ~~The~~ If there have been any changes affecting filing-office rules, the  
11 secretary of state shall report to ~~each session of the legislature~~ the state administration and veterans' affairs  
12 interim committee by September 15 in the year preceding the regular legislative session on the operation of the  
13 filing office. The report must contain a statement of the extent to which:

14 (1) the filing-office rules are not in harmony with the rules of filing offices in other jurisdictions that enact  
15 substantially this part and the reasons for these variations; and

16 (2) the filing-office rules are not in harmony with the most recent version of the model rules promulgated  
17 by the international association of corporate administrators or any successor organization and the reasons for  
18 these variations."

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