



PO BOX 201706
Helena, MT 59620-1706
(406) 444-3064
FAX (406) 444-3036

State Administration and Veterans' Affairs Interim Committee
65th Montana Legislature

SENATE MEMBERS

SUE MALEK--Chair
DOUG KARY--Vice Chair
DEE BROWN
FRANK SMITH

HOUSE MEMBERS

DENISE HAYMAN
FORREST MANDEVILLE
WENDY MCKAMEY
KATHY SWANSON

COMMITTEE STAFF

SHERI SCURR, Lead Staff
K. VIRGINIA ALDRICH, Staff Attorney
JENNI CARR, Secretary

TO: State Administration and Veterans' Affairs Interim Committee

FROM: K. Virginia Aldrich

DATE: February 23, 2018

RE: Legislative Administrative Rule Review Report

Pursuant to 5-5-228, MCA, the State Administration and Veterans' Affairs Interim Committee is responsible for reviewing administrative rules within its jurisdiction. Staff for the State Administration and Veterans' Affairs Interim Committee has prepared this report for informational purposes only. This report does not represent any action or opinion of the State Administration and Veterans' Affairs Interim Committee and does not preclude additional action that may be taken by the State Administration and Veterans' Affairs Interim Committee pursuant to its authority under the Montana Administrative Procedure Act (Title 2, chapter 4, MCA).

MAR NOTICE NUMBER: 2-43-565

AGENCY/BOARD: Public Employees' Retirement Board

RULE CLASSIFICATION: (e.g. substantive/interpretive/emergency/temporary): Substantive

SUBJECT: Amendment of Investment Policy statement for the Defined Contribution Retirement Plan and the 457(b) Deferred Compensation Plan

NOTICE DESCRIPTION: (e.g. proposal notice/adoption notice): Notice of Proposed Amendment

SUMMARY OF RULE(S):

The Public Employees' Retirement Board proposes to amend two rules. The proposed amendments update current rules that adopt by reference the State of Montana 401(a) Defined Contribution Plan Investment Policy Statement and the State of Montana 457 Plan (Deferred Compensation) Investment Policy Statement from previous versions to versions approved on February 8, 2018.

On February 8, 2018, the Montana Public Employees' Retirement Board revised its investment policy statements to eliminate a Board policy entitled "DC Plans Investment Option Overlap Policy (Policy No. BOARD Admin 08)." The previous policy applied to the investment options of both plans, but the Board's investment consultant, advisory committee, and policy committee recommended that the policy be replicated in the Board's Statement of Montana Investment Policy Statement 401(a) Defined Contribution Retirement Plan (Policy No. BOARD Admin 11) and the State of Montana Investment Policy Statement 457(b) Deferred Compensation Plan (Policy No. BOARD Admin 12), respectively, rather than containing them in a separate policy.

Beyond minor stylistic changes, the deletion of extraneous or repetitive information, and edits for reorganizational purposes, no substantive changes appear to have been made by eliminating BOARD Admin 08 and moving its contents to BOARD Admin 11 and 12.

NOTES: A public hearing is not anticipated. The public comment period ends on March 23, 2018.

FULL TEXT OF NOTICE: The full text of the notice proposal may be found at http://www.mtrules.org/gateway/Cycle_Home.asp?CID=2668.

FULL TEXT OF DOCUMENTS ADOPTED BY REFERENCE: The full extent of the amendments within the documents adopted by reference may be found at http://mpera.mt.gov/Portals/175/documents/PolicyComPacket/20180207/IV.A.Admin11_401InvestmentStatement.pdf and http://mpera.mt.gov/Portals/175/documents/PolicyComPacket/20180207/IV.B.Admin12_457PlanInvestments.pdf

The eliminated Board policy, Board Admin 08 DC Plans Investment Option Overlap Policy, may be found at: http://mpera.mt.gov/Portals/175/documents/PolicyComPacket/20180207/IV.C.Admin08_DCFundOverlap.pdf

Cla292 8057gafa.