MINUTES LOG
November 04, 2021
Helena, Montana

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the meeting and the time at which the item was presented or discussed, a motion was made, or a vote was taken.
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video recordings, is listed by meeting date on the interim committee’s web page. Each of the Exhibits is linked and
can be viewed by clicking on the Exhibit of interest. All Exhibits are public information and may be printed.
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MEMBERS PRESENT:
Sen. Janet Ellis, Chair (D)
Rep. Marta Bertoglio, Vice Chair (R)
Sen. Mike Cuffe (R)
Rep. Julie Dooling (R)
Sen. Douglas (Doug) Kary (R)
Rep. Kelly Kortum (D)
Rep. Wendy McKamey (R)

MEMBERS EXCUSED:

MEMBERS ABSENT:

STAFF PRESENT:
K.V. Aldrich, Attorney
Bri Nordhagen, Secretary
Rebecca Power, Research Analyst
CALL TO ORDER/ROLL CALL/Overview of Agenda

08:31:34 Presiding Officer, Janet Ellis called the meeting to order at 8:31 a.m. The Committee Secretary took roll.

HJ 8: Interim Study of MT's Public Pension Systems
Introduction of LFC Members – Senator Ellis
Introduction of presentations & SAVA Oversight – Rebecca Power

08:35:43 Research Analyst Rebecca Power, Legislative Services Division (LSD), revised the Pension Oversight and Check & Balances materials.

LAD Role in Pension Oversight – Angus Maciver, Kelly Zwang, Shenae Stensaas

08:40:08 Angus Maciver, Director of the Legislative Auditor Division, gave a presentation on Pension Oversight.

08:43:22 Sen. Kary joined the meeting.

08:45:40 Kelly Zwang, Financial Compliance Auditor Supervisor, discussed the audit process of Montana's Public Pension Plans and reviewed the "Sensitivity to Future Experience" handout, (Exhibit 1).

09:07:31 Sen. Ellis asked Ms. Zwang what the best way was to approach the audit report, to get the last year's report, and go through the summary information. Asked for recommendations.

LFD Role in Pension Oversight – Sam Schaefer

09:10:45 Sam Schaefer, Legislator Fiscal Division Role in Montana's Pension Oversight – PowerPoint, (Exhibit 2).

09:15:45 Sen. Kary asked for clarification on the 1% Cap of employer contribution.

09:20:10 Sen. Cuffe pointed out the 2013 pension system and asked for clarification on the source of the funding.

09:28:33 Sen. Kary requested an explanation to Schwinden about employer contribution at the City of Browning.


09:38:07 Sen. Ellis asked for an explanation from Mr. Schaefer on prioritizing resources from the legislator to increase funding to a pension system.

09:41:52 Sam Schaefer discussed the article "Dear Actuary", (Exhibit 3).


Pension Boards' Role in Pension Oversight – Dore Schwinden, Shawn Graham

09:43:51 Shawn Graham, Executive Director of the Teachers Retirement System, gave a presentation on Governance and Oversight, Pension Boards' Role in "TRS" handout, (Exhibit 4).

09:59:19 Dore Schwinden, Executive Director of Montana Public Employee Retirement Administration, introduced the "MPERA" handout, (Exhibit 5).
10:13:54  Sen. Ellis expressed concern about the IRS-required minimum distribution and the submittal schedule/procedure on the approved Green Sheets.
10:17:14  Ms. Power informed that the reports will be available online: (Exhibit 6) and (Exhibit 7).

Draft Green Sheets – Rebecca Power
10:19:25  Sen. Cuffe requested the location of the 2021 Green Sheets and the previous years.
10:31:40  Sen. Ellis drew attention to the amortization period and funded ratio.
         Sen Cuffe (10:36:03) informed the Committee of the pension plan, Judicial Retirement Program.

BREAK
10:37:48  BREAK
10:56:26  Reconvene

Committee Work Session – HJ 8: Interim Study of MT’s Public Pension Systems
Public Comment* on HJ 8
10:57:06  Sarah Piper, Montana Federation of Public Employees (MFPE).
10:59:39  Tim Burton, Executive Director of the Montana League of Cities and Towns.
11:03:42  Joel Gaertig, Montana State Firemen’s Association.
11:05:42  Mr. Gassenberger from Reason Foundation "How Watchdogs and Researchers View PERS" handout.
11:06:57  Sen. Ellis asked Mr. Burton about the parameters that might be considered if pensions did not amortize.
11:12:56  Sen. Cuffe referred to Mr. Burton and commented about the pension program.

Committee Discussion
11:16:36  Instructions to Staff. Committee Discussed possible actions.
11:18:20  Rep. McKamey asked Mr. Schaefer about the increase in funding and game wordings pension.
11:26:38  Sen. Ellis asked a question to Mr. Schaefer about the gradual increase of the employer/employee pension plan.
11:29:44  Sen. Kary proposed Dir. Schwinden to run some numbers to know the employer and employee contribution.

Potential Committee Action & Instructions to Staff
11:38:33  The Committee discussed action items, they looked at the 10-State Comparison Green handout (Exhibit 8).

LUNCH
13:03:00 Reconvene

**Public Comment* on Any Topic under the Committee’s Jurisdiction**
13:03:10 Scott Westlund, Sheridan Electric Co-Op
13:19:29 Regina Plettenberg, Development Committee.
13:22:04 Rep. Kortum asked Ms. Plettenberg the time available to implement the new voting system and when the next election will be.

**Rule Review**
**Ginger Aldrich, Staff Attorney**
13:36:39 Ms. Aldrich presented “Rule Review”, *(Exhibit 9).*

**Public Comment* on Rule Review Matters**
13:42:06 Public comment – None.

**Potential Committee Action & Instructions to Staff**
13:42:24 Committee action and discussion will have a 10-day review once Ms. Aldrich gives a recommendation.

**Committee Work Session – SJ 35: Interim Study of DPHHS Procurement Practices**
**Introduction – Rebecca Power**
Ms. Power commenced her presentation by SJ 35 *(Exhibit 10)* and considerations for the next steps *(Exhibit 11).*

**Q&A Session – Erica Johnston, Jennifer Garza, Meghan Holmlund**
13:48:31 Erica Johnston, Executive Director of Department of Health and Human Service, and Megan Holmlund, Chief Procurement Officer of Department of Administration.

**Public Comment* on SJ 35**
13:50:31 Sen. Ellis referred to Ms. Johnston to the procurement process and the human service standardized issues dividing drug testing services into service categories.
13:59:57 Rep. Karjala gave her opinion about the Study bill and thanked the presenters for their work.

**Committee Discussion**
14:18:51 Roger Hagan represented The American Legion Department of Montana.
Rep. McKamey asked Mr. Hagan if it will work to dispense disabled veterans’ plates to the ones that qualify under the three criteria.

Sen. Ellis is concerned about redesigning the license plates and the consequences of changing the current program. Asked, “How many individuals are granted licenses now?”.

Ms. Power discussed OPRA Interstate (Exhibit 11), Data Sheet (Exhibit 12), Labor and Industry (Exhibit 13).

Ms. Power potential schedule and meeting chart changes (Exhibit 14).

**Potential Committee Action & Instructions to Staff**

Roger Hagan thanked the committee for their efforts on the license issues for the veteran’s military spouses.

**Committee Work Session – Administrative Matters**

The committee informed the plan for the December SAVA meeting.

**Update on Member Issues – Rebecca Power**

Sen. Ellis requested an update on the emerging issue, Elect MT.

**BREAK**

Reconvened Sen. Ellis committee discussed the next future steps for the December agenda.

Sen. Kary asked Ms. Moore the list of concerns about the electoral software and testing system.

**Potential Schedule & Meeting Chart Changes – Rebeca Power**

**Public Comment * on Administrative Matters**

**Committee Discussion**

**Meeting Wrap Up**

The Committee will add Elect MT at the agenda item for the next meeting.

**Next Meeting – Thursday, December 16, 2021**

**Additional Instructions to Staff**

**ADJOURNMENT**

The meeting was adjourned at 3:37 P.M.