

# HJ 8: INTERIM STUDY OF MONTANA'S PUBLIC EMPLOYEE RETIREMENT SYSTEMS

## TASKS LISTED IN STUDY RESOLUTION

- Study the financial stability of Montana's defined benefit public employee retirement systems.
- Use the assistance of independent certified professional actuaries if funding is made available by the Legislature for the actuarial services. (*Note: funding was not made available for this component of the study*)
- Investigate the actuarial impact on funded ratios and amortization schedules of alternative funding sources for and the relative health or weakness of these unique systems.
- Review and study the governance structure of the public employee retirement systems.
- Examine legislative education, oversight, and goals concerning the public employee retirement systems, including decision benchmarks or indicators for future action.
- Develop recommendations for a long-term strategic approach to setting contribution rates that will ensure the financial strength and resilience of the retirement systems while recognizing the responsibility placed on the taxpayers and citizens of this state.

## ADDITIONAL DIRECTIONS IN STUDY RESOLUTION

- The SAVA Interim Committee invite two members of the Legislative Finance Committee, a Senate member and a House of Representatives member, one from the majority party and one from the minority party, to participate with, but not be voting members of, the SAVA Interim Committee on matters related to this study.
- The Legislative Services Division provide research, legal, and administrative staff support for the SAVA Interim Committee and that the SAVA Interim Committee presiding officer may request that the Legislative Fiscal Division provide fiscal analysis as needed.
- The study be conducted, and the recommendations be developed, in consultation with all interested stakeholders, including but not limited to representatives of:
  - the state's taxpayers;
  - active and retired members of the retirement systems;
  - employers, including local governments, school districts, and state agencies;
  - key agencies, including the Governor's office, the retirement boards, and the Board of Investments; and
  - other interested parties as considered appropriate.
- All aspects of the study, including presentation and review requirements, be concluded prior to September 15, 2022.
- The final results of the study, including any findings, conclusions, comments, or recommendations, be reported to the 68<sup>th</sup> Legislature.