

Proposal for Legislation -- 2009
(for the 2009 Legislative Session)

RETURN TO: Dave Bohyer, Research Director
Legislative Services Division
Room 110, State Capitol
PO Box 201706
Helena, MT 59620-1706
Phone: (406) 444-3592 FAX: (406) 444-3036
email: dbohyer@mt.gov
http://test.leg.mt.gov/css/committees/interim/2007_2008/st_admin_vet_affairs/default.asp

PROPOSER'S NAME/TITLE: ***Public Employees' Retirement Board
Roxanne Minnehan, Executive Director***
ORGANIZATION: ***MPERA***
ADDRESS: ***100 N PARK AVE, STE 200
PO BOX 200131
HELENA MT 59620-0131***
PHONE: ***406-444-5459***
FAX: ***406-444-5428***
E-MAIL: ***rminnehan@mt.gov***

1. What is the problem or issue?
Aging baby boomers have resulted in more retirees returning to work to assist with their personal needs and to assist employers who are losing their experienced workforce. The retirement systems must maintain a stable membership to maintain funding. As members retire, they are expected to be replaced by new contributing employees. Replacing retirees with non-contributing members stresses the actuarial funding of the retirement systems.

2. What do you want the legislation to do?
Require employer contributions on working retirees in the systems that currently allow working retirees – PERS, JRS, SRS, FURS.

3. If possible, please list the MCA (Montana Code Annotated) sections that would need to be amended.
***19-3-316 19-5-103 19-7-404 19-13-301 19-13-605
19-3-1106 19-5-404 19-7-1101 19-13-604***

4. If the proposed change requires additional funding, what funding sources do you propose (e.g., an increase in or both)?
The employers would fund the contributions. However, the impact to the employer is the same as if they were hiring a new employee rather than a working retiree.

5. Has similar legislation been requested in the past, been introduced in another state, or provided as a model act? If so, please provide a citation, reference, or point of contact.
We are currently looking further into this we do know that Kansas, Idaho and Wyoming require combined employee and employer contributions to be remitted to the trust funds.
6. If you are a holdover senator or a legislative candidate running unopposed, do you want the Legislative Services Division staff to consider this a bill draft request?

PLEASE RETURN YOUR PROPOSAL FOR LEGISLATION by May 30, 2008