

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 63rd LEGISLATURE - REGULAR SESSION

JOINT SELECT COMMITTEE ON PENSIONS

Call to Order: Chair Dave Lewis, on January 22, 2013 at 8:00 AM, in Room 317A & B
Capitol

ROLL CALL

Members Present:

Sen. Dave Lewis, Chair (R)
Sen. Ron Arthun (R)
Rep. Joanne G. Blyton (R)
Rep. Rob Cook (R)
Sen. Tom Facey (D)
Rep. Carl Glimm (R)
Sen. Larry Jent (D)
Rep. Bill McChesney (D)
Rep. Keith Regier (R)
Sen. Scott Sales (R)
Rep. Kathy Swanson (D)
Sen. Chas Vincent (R)

Members Excused: None

Members Absent: None

House of Representatives State Administration Committee:

Rep. Ted Washburn (R)
Rep. Pat Connell (R)
Rep. Bryce Bennett (D)
Rep. Doug Kary (R)
Rep. Casey Schreiner (D)
Rep. Bill Harris (R)
Rep. David Howard (R)
Rep. Swanson (D)
Rep. Wilmer (D)
Rep. Ray Shaw (R)
Rep. Greg Hertz (R)
Rep. Frosty Calf Boss Ribs (D)
Rep. Clarena Brockie (D)
Rep. Joanne Blyton (R)
Rep. Jean Price (D)
Rep. Liz Bangerter (R)
Rep. Jesse O'Hara (R)
Rep. Ingraham (R)

Members Excused: Rep. Gordon Vance (R)

Members Absent: None

Senate State Administration Committee:

Sen. Ron Arthun (R)

Sen. Dee Brown (D)

Sen. Larry Jent (D)

Sen. Scott Sales (R)

Members Excused: Sen. Anders Blewett (D)
Sen. Kendall Van Dyke (D)
Sen. Roger Webb (R)

Members Absent: None

Staff Present: Dave Bohyer, Legislative Services Division
Mary Ann Mackay, Committee Secretary
Patty Hartman, Committee Secretary
Joe Triem, Legislative Fiscal Division

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Organizational Meeting and Overview Presentations for Joint Select Committee on Pensions

00:10:02 Chair Lewis

Introduction:

00:10:47 Chair Lewis
00:11:19 Rep. Blasdel
00:12:20 Chair Lewis
00:12:26 Sen. Essmann
00:17:42 Chair Lewis
00:17:50 Dan Villa, Budget Director, Office of the Governor

EXHIBIT(jph13a01)

00:22:49 Chair Lewis
00:23:02 Rep. Ingraham

Overview

00:24:43 Sheri Scurr, Legislative Services Division (LSD)
00:24:49 Chair Lewis
00:25:00 Ms. Scurr, LSD

EXHIBIT(jph13a02)

EXHIBIT(jph13a03)

EXHIBIT(jph13a04)

Questions from Committee Members and Responses:

00:37:01 Sen. Brown
00:37:22 Ms. Scurr, LSD

EXHIBIT(jph13a05)

Questions from Committee Members and Responses:

00:46:47 Chair Lewis
00:47:33 Ms. Scurr, LSD
00:48:13 Rep. Regier
00:48:25 Ms. Scurr, LSD

EXHIBIT(jph13a06)

00:49:52 Sen. Sales
00:50:09 Ms. Scurr, LSD
00:50:47 Sen. Sales
00:50:59 Ms. Scurr, LSD
00:52:04 Sen. Sales
00:52:33 Ms. Scurr, LSD
00:52:42 Rep. Regier
00:53:10 Ms Scurr, LSD
00:53:59 Chair Lewis
00:54:14 Rep. Harris
00:54:37 Ms. Scurr, LSD

Presentation:

00:55:56 Ms. Scurr, LSD

Questions from Committee Members and Responses:

00:56:26 Rep. Wilmer
00:57:27 Ms. Scurr, LSD

00:58:08 Chair Lewis

Presentation:

00:58:17 Ms. Scurr, LSD

[EXHIBIT\(jph13a07\)](#)

Questions from Committee Members and Responses:

01:00:36 Chair Lewis
01:00:53 Ms. Scurr, LSD
01:01:11 Rep. Ingraham
01:02:27 Chair Lewis
01:03:28 Sen. Vincent
01:03:44 Ms. Scurr, LSD
01:03:59 Dave Bohyer, LSD
01:05:02 Ms. Scurr, LSD

[EXHIBIT\(jph13a08\)](#)

Presentation:

01:05:51 Ms. Scurr, LSD

Questions from Committee Members and Responses:

01:10:23 Rep. Harris
01:11:00 Ms. Scurr, LSD
01:12:56 Rep. Bangerter
01:13:17 Ms. Scurr, LSD
01:13:36 Rep. Bangerter
01:13:50 Ms. Scurr, LSD
01:14:00 Chair Lewis
01:14:12 Tom Schneider, Montana Public Employees Association (MPEA) and American Federation of State, County and Municipal Employees (AFSCME)
01:15:04 Chair Lewis
01:15:11 Rep. Bangerter
01:15:38 Mr. Schneider, MPEA and AFSCME

Presentation:

01:16:08 Ms. Scurr, LSD

Comments:

01:20:54 Mr. Bohyer, LSD

01:21:40 Ms. Scurr, LSD

Teachers' Retirement System, TRS

01:23:05 David Senn, Executive Director, Teachers' Retirement System (TRS)

Questions from Committee Members and Responses:

01:31:26 Rep. Harris
01:32:14 Mr. Senn, TRS
01:32:52 Rep. Cook
01:33:00 Mr. Senn, TRS
01:33:06 Sen. Vincent

01:33:27 Mr. Senn, TRS

Presentation:

01:34:14 Mr. Senn, TRS

[EXHIBIT\(jph13a09\)](#)

Montana Public Employees Retirement Administration, MPERA

01:47:09 Roxanne Minnehan, Executive Director, Montana Public Employees Retirement Administration (MPERA)

[EXHIBIT\(jph13a10\)](#)

[EXHIBIT\(jph13a11\)](#)

[EXHIBIT\(jph13a12\)](#)

Questions from Committee Members and Responses:

02:00:51 Chair Lewis
02:01:29 Ms. Minnehan, MPERA
02:01:51 Sen. Jent
02:02:15 Ms. Minnehan, MPERA
02:02:36 Sen. Jent
02:02:51 Ms. Minnehan, MPERA
02:03:02 Sen. Arthun
02:03:21 Ms. Minnehan, MPERA
02:03:35 Chair Lewis
02:03:42 Ms. Minnehan, MPERA
02:03:50 Sen. Arthun
02:04:01 Ms. Minnehan, MPERA

Presentation:

02:04:15 Ms. Minnehan, MPERA

Questions from Committee Members and Responses:

02:07:13 Rep. Harris
02:09:00 Chair Lewis
02:09:22 Ms. Minnehan, MPERA
02:10:13 Rep. Harris
02:10:37 Ms. Minnehan, MPERA
02:10:50 Rep. Regier
02:11:25 Ms. Minnehan, MPERA
02:12:16 Rep. Regier
02:12:26 Ms. Minnehan, MPERA
02:12:39 Chair Lewis

Presentation:

02:12:42 Ms. Minnehan, MPERA

[EXHIBIT\(jph13a13\)](#)

02:12:37 Chair Lewis

Montana Board of Investments, MBOI

02:14:40 David Ewer, Executive Director, Montana Board of Investments, MBOI

[EXHIBIT\(jph13a14\)](#)

Questions from Committee Members and Responses:

02:23:31 Chair Lewis
02:23:34 Rep. Cook
02:23:46 Mr. Ewer, MBOI
02:23:53 Rep. Cook
02:24:16 Mr. Ewer, MBOI

Presentation:

02:24:38 Mr. Ewer, MBOI
02:25:04 Cliff Sheets, Chief Investment Officer, MBOI

Questions from Committee Members and Responses:

02:28:11 Chair Lewis
02:28:21 Mr. Sheets, MBOI
02:29:11 Chair Lewis
02:29:30 Mr. Sheets, MBOI
02:31:54 Chair Lewis
02:32:06 Rep. Cook
02:32:32 Mr. Sheets, MBOI
02:33:27 Rep. Glimm
02:33:54 Mr. Sheets, MBOI

Presentation:

02:36:29 Mr. Sheets, MBOI

Questions from Committee Members and Responses:

02:37:58 Rep. Cook
02:38:56 Mr. Sheets, MBOI
02:40:23 Rep. Cook
02:40:37 Mr. Sheets, MBOI
02:41:10 Sen. Facey
02:42:18 Chair Lewis
02:42:28 Mr. Ewer, MBOI
02:43:41 Chair Lewis
02:44:16 Mr. Ewer, MBOI
02:44:33 Chair Lewis

02:44:50 Recessed
02:59:07 Reconvened

02:59:27 Chair Lewis

Legislative History - Where We've Been, Alternatives

02:59:49 Ms. Scurr, LSD

[EXHIBIT\(jph13a15\)](#)

Questions from Committee Members and Responses:

03:10:38 Rep. Cook
03:10:53 Ms. Scurr, LSD

Presentation:

03:11:24 Ms. Scurr, LSD

[EXHIBIT\(jph13a16\)](#)**Questions from Committee Members and Responses:**

03:14:26 Rep. Cook

03:14:38 Ms. Scurr, LSD

03:14:47 Rep. Cook

03:14:53 Ms. Scurr, LSD

Legal Review for Pension Legislation

03:15:22 Ginger Aldrich, Legal Counsel, LSD

03:22:00 Chair Lewis

03:22:06 Julie Johnson, LSD

03:23:48 Chair Lewis

Funding Implications

03:24:13 Amy Carlson, Legislative Fiscal Division (LFD)

[EXHIBIT\(jph13a17\)](#)

03:28:16 Taryn Purdy, LFD

Questions from Committee Members and Responses:

03:34:23 Sen Jent

03:35:11 Ms. Carlson, LFD

03:35:35 Sen. Jent

03:36:05 Ms. Carlson, LFD

03:36:38 Sen. Jent

Presentation:

03:36:55 Ms. Carlson, LFD

03:39:31 Chair Lewis

03:39:43 Ms. Carlson, LFD

Questions from Committee Members and Responses:

03:43:52 Ms. Carlson, LFD

Presentation:

03:45:31 Ms. Carlson, LFD

Questions from Committee Members and Responses:

03:47:30 Rep. Cook

03:47:50 Ms. Carlson, LFD

03:47:55 Rep. Cook

03:48:05 Ms. Carlson, LFD

03:48:29 Rep. Cook

03:48:41 Ms. Carlson, LFD

03:48:52 Sen. Facey

03:49:06 Ms. Carlson, LFD

03:49:26 Sen. Facey

03:49:42 Ms. Carlson, LFD

03:49:56 Sen. Facey
03:50:26 Ms. Carlson, LFD
03:50:53 Rep. Cook
03:51:22 Ms. Carlson, LFD
03:51:33 Sen. Jent
03:52:18 Ms. Carlson, LFD
03:52:33 Sen. Jent
03:52:40 Ms. Carlson, LFD
03:52:54 Sen. Jent
03:53:06 Ms. Carlson, LFD
03:53:16 Sen. Jent
03:53:36 Ms. Carlson, LFD
03:54:05 Sen. Jent
03:54:27 Ms. Carlson, LFD

Presentation:

03:54:45 Ms. Carlson, LFD

Questions from Committee Members and Responses:

03:57:40 Rep. Glimm
03:58:46 Chair Lewis

Fiscal Information

03:58:59 Dave Bohyer, Director, Officer of Research and Policy Analysis, LSD
[EXHIBIT\(jph13a18\)](#)

Questions from Committee Members and Responses:

04:11:36 Rep. Harris
04:12:22 Mr. Bohyer, LSD
04:13:44 Chair Lewis
04:13:46 Mr. Bohyer, LSD

Resources for More Information

04:14:03 Mr. Bohyer, LSD

Comments:

04:22:57 Chair Lewis
04:23:17 Mr. Bohyer, LSD
04:23:50 Chair Lewis

ADJOURNMENT

Adjournment: 04:24:41

Mary Ann Mackay, Secretary

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Additional Documents:

EXHIBIT([jph13aad.pdf](#))