

BEFORE THE PUBLIC EMPLOYEES' RETIREMENT BOARD
OF THE STATE OF MONTANA

In the matter of the repeal of)	NOTICE OF REPEAL AND
Temporary Emergency Rule I that)	AMENDMENT OF TEMPORARY
establishes actuarial assumptions for)	EMERGENCY RULES
testing purposes and in the)	
amendment of Temporary)	
Emergency Rule III that applies)	
actuarial assumptions and)	
establishes a process for determining)	
actuarial equivalent factors)	

TO: All Concerned Persons

1. The Public Employees' Retirement Board is repealing temporary emergency rule I because the Public Employees' Retirement Board has determined that statute is clear that the guaranteed annual benefit adjustment (GABA) rate to be applied by the actuary for testing purposes is 1.5% and that due to the clarity of the statute, a rule addressing the GABA rate to be applied by the actuary for testing purposes is not necessary. Additionally, the Board wishes to retain its flexibility under 19-2-405, MCA to instruct the actuary to perform any valuation necessary to address changes in law and circumstance that may result from decisions impacting the funding of the Public Employees' Retirement System.

The Board is amending temporary emergency rule III because it is uncertain whether a court will issue an injunction and if an injunction is issued, it is uncertain what GABA rate will be imposed.

2. The Public Employees' Retirement Board will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. If you require an accommodation, contact Montana Public Employee Retirement Administration no later than 5:00 p.m. on August 23, 2013, to advise us of the nature of the accommodation that you need. Please contact Kris Vladoic, Montana Public Employees' Retirement Administration, P.O. Box 200131, Helena, Montana, 59620-0131 telephone (406) 444-2578; fax (406) 444-5428; TDD/Montana Relay Service/etc (406) 444-1421; or e-mail kvladoic@mt.gov.

3. The temporary emergency rules were effective July 1, 2013 and were published in 2013 MAR Issue No. 12.

4. The repeal of temporary emergency rule I is effective August 23, 2013.

5. The amended temporary emergency rule III provides as follows, new matter underlined, deleted matter interlined and is effective August 23, 2013:

RULE III APPLICATION OF ACTUARIAL ASSUMPTIONS AND PROCESS FOR DETERMINING ACTUARIAL EQUIVALENT FACTORS (1) through (3) remain the same.

(4) In the event of a court order prohibiting the board from implementing a 1.5% GABA rate pursuant to 19-3-1605, MCA, the actuary will ~~continue assuming~~ assume a 3% GABA rate consistent with the court order for purposes of this administrative rule until the court order is amended or lifted.

AUTH: 19-2-403, 19-3-1605, MCA

IMP: 19-2-405, 19-3-1605, MCA

6. The Public Employees' Retirement Board is filing MAR Notice No. 2-43-490, which addresses a public hearing on this same subject to adopt the amended temporary emergency rule III as a permanent rule. That notice is also available in this issue of the Montana Administrative Register.

7. Concerned persons are encouraged to submit their comments during the upcoming standard rulemaking process. If concerned persons wish to be personally notified of that rulemaking process, they should submit their names and addresses to Kris Vlastic at the address above.

8. The Public Employees' Retirement Board maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this agency. Persons who wish to have their name added to the list shall make a written request that includes the name, e-mail, and mailing address of the person to receive notices and specifies for which program the person wishes to receive notices. Notices will be sent by e-mail unless a mailing preference is noted in the request. Such written request may be mailed or delivered to the contact person in 2 above or may be made by completing a request form at any rules hearing held by the Public Employees' Retirement Board.

9. The bill sponsor notice requirements of 2-4-302, MCA, apply and have been fulfilled. The primary bill sponsor was notified by mail on May 21, 2013 and July 31, 2013.

10. With regard to the requirements of Chapter 318, Section 1, Laws of 2013, the Board has determined that the repeal and amendment of the above-referenced rules will not significantly and directly impact small businesses.

/s/ Melanie Symons
Melanie Symons, Legal Counsel
and Rule Reviewer

/s/ Scott Moore
Scott Moore
President
Public Employees' Retirement Board

Certified to the Secretary of State August 12, 2013