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Montana Legislative Services Division
Legal Services Office

TO: State Administration and Veterans' Affairs Interim Committee
FROM: K. Virginia Aldrich
DATE: August 2, 2013
RE: Legislative Administrative Rule Review Report

Pursuant to 5-5-228, MCA, the State Administration and Veterans' Affairs Interim Committee is responsible for reviewing administrative rules within its jurisdiction. Staff for the State Administration and Veterans' Affairs Interim Committee has prepared this report for informational purposes only. This report does not represent any action or opinion of the State Administration and Veterans' Affairs Interim Committee and does not preclude additional action that may be taken by the State Administration and Veterans' Affairs Interim Committee pursuant to its authority under the Montana Administrative Procedure Act (Title 2, chapter 4, MCA).

MAR NOTICE NUMBER: 2-43-487

AGENCY/BOARD: Public Employees' Retirement Board of the State of Montana

RULE CLASSIFICATION: (e.g. substantive/interpretative/emergency/temporary): Substantive

SUBJECT: Amended Investment Policy Statements for the Defined Contribution Retirement Plan and the 457 Deferred Compensation Plan

NOTICE DESCRIPTION: (e.g. proposal notice/adoption notice):
Notice of proposed amendments

SUMMARY OF RULE(S):

The Public Employees' Retirement Board of the State of Montana is proposing to amend two rules relating to the adoption of updated investment policy statements. The rules currently incorporate by reference investment policy statements for the Defined Contribution Retirement Plan and the 457 Deferred Compensation Plan approved by the Board on August 11, 2011, and the amended rules will update these investment policy statements to statements approved by the Board on May 9, 2013. After a recommendation by the Employees' Investment Advisory Council, the new investment policy statements remove the Sharpe Ratio as a measurement of risk and add a comparison to the appropriate benchmark over 3-year and 5-year periods.

NOTES: (e.g. hearing dates)

A public hearing is not contemplated. The public comment period ends on August 8, 2013.
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