



LEGISLATIVE FINANCE COMMITTEE

66th Montana Legislature

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January 16, 2020

Greg Mennis
Pew Charitable Trusts
901 E. Street NW
Washington, DC 20004-2008

Dear Mr. Mennis,

Thank you for your insightful and targeted conversation with the Legislature during "Legislative Week" regarding communicating pension stress test results of pensions to legislators and lay people. It is helpful to understand that Pew has studied methods of communication that may improve a lay person's understanding of the complex financial risks of pension systems.

We are the chair and vice chair of the Montana Legislative Finance Committee subcommittee charged with studying Pensions and Local Government Budgets. This subcommittee will be meeting March 23, 2020 in Helena, Montana. At this meeting, we would find it helpful if Pew would provide a stress testing simulation model for Montana's major pension systems, compare your results to the results reported by the systems actuary, Cavanaugh McDonald, and illustrate your tested means of communicating pension risk analysis and stress tests.

We would appreciate your assistance and look forward to your analysis.

Sincerely,

Handwritten signature of Jim Hamilton in black ink.

Rep. Jim Hamilton
Chair, Pensions and Local Trends Legislative Finance Subcommittee

Handwritten signature of Bill Mercer in blue ink.

Rep. Bill Mercer
Vice Chair, Pensions and Local Trends Legislative Finance Subcommittee