



General Assembly

January Session, 2023

Raised Bill No. 6930

LCO No. 6432



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:
(FIN)

AN ACT CONCERNING THE DEVELOPMENT OF BEST PRACTICES FOR GOVERNANCE STRUCTURES OF MUNICIPAL RETIREMENT PLANS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (*Effective from passage*) (a) Not later than November 1,
2 2023, each municipality shall provide to the Comptroller, in a form and
3 manner prescribed by the Comptroller, (1) a statement of whether the
4 municipality has formally adopted an investment policy statement,
5 and (2) the following information concerning each retirement plan
6 such municipality offers to its employees:

7 (A) Whether the plan is a defined benefit or defined contribution
8 plan;

9 (B) The funded ratio of such plan;

10 (C) The form and governance structure of the municipal entity, if
11 any, that provides management or oversight of the plan;

12 (D) Whether the municipality uses a third-party advisor or
13 administrator to provide management or oversight of the plan;

14 (E) The estimated fees paid by the municipality in the previous
15 fiscal year for investments under the plan; and

16 (F) A description of other investment products used by the
17 municipality, including, but not limited to, private equity funds, hedge
18 funds, real estate or other investments not publicly traded and the
19 estimated fees paid by the municipality in the previous fiscal year for
20 each such investment product.

21 (b) (1) The Comptroller, the Treasurer and the Secretary of the
22 Office of Policy and Management shall jointly develop (A) best
23 practices for governance structures of municipal retirement plans; and
24 (B) training resources to assist municipalities to implement or improve
25 the governance structures of their retirement plans.

26 (2) The Comptroller, the Treasurer and the Secretary of the Office of
27 Policy and Management may consult with retirement associations,
28 research organizations and any other individuals or entities said
29 individuals deem desirable or necessary to carry out the provisions of
30 this subsection.

31 (c) Not later than February 1, 2024, the Comptroller shall submit a
32 report, in accordance with the provisions of section 11-4a of the general
33 statutes, to the joint standing committee of the General Assembly
34 having cognizance of matters relating to finance, revenue and bonding
35 and local governments of the best practices and training resources
36 developed pursuant to subsection (b) of this section and any
37 recommendations for legislative changes to assist municipalities with
38 implementing or utilizing such best practices or training resources.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

FIN *Joint Favorable*