



General Assembly

Substitute Bill No. 901

January Session, 2019



**AN ACT CONCERNING RETIREMENT PLANS OFFERED BY
POLITICAL SUBDIVISIONS OF THIS STATE.**

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

1 Section 1. Section 7-464c of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective January 1, 2021*):

3 (a) For the purposes of this section, "retirement plan" means any
4 retirement plan created in accordance with the provisions of Section
5 403(b) of the Internal Revenue Code of 1986, or any subsequent
6 corresponding internal revenue code of the United States, as amended
7 from time to time, that is not made available through the State
8 Comptroller pursuant to subsection (c) of section 5-264.

9 [(a)] (b) On or after January 1, [2019] 2021, any company that
10 administers a retirement plan offered by a political subdivision of the
11 state to the employees of such political subdivision shall disclose to
12 each participant in such retirement plan, the Insurance Commissioner,
13 in an electronic form and manner prescribed by the commissioner, and
14 the Secretary of the State, in an electronic form and manner prescribed
15 by the Secretary:

16 (1) The fee ratio and return, net of fees, for each investment under
17 the retirement plan; [, and]

18 (2) [the] The fees paid to any person who, for compensation,

19 engages in the business of providing investment advice to participants
20 in the retirement plan either directly or through publications or
21 writings; [. Such disclosures shall be made upon initial enrollment in
22 the retirement plan and at least annually thereafter. For the purposes
23 of this section, "retirement plan" means any retirement plan created in
24 accordance with the provisions of Section 403(b) of the Internal
25 Revenue Code of 1986, or any subsequent corresponding internal
26 revenue code of the United States, as amended from time to time, that
27 is not made available through the State Comptroller pursuant to
28 subsection (c) of section 5-264 of the general statutes.

29 (b) Any such company shall be deemed to comply with the
30 requirements of subsection (a) of this section if such company adheres
31 to the disclosure requirements for plans governed by the Employee
32 Retirement Income Security Act of 1974 set forth in Section 2550.404a-5
33 of the Code of Federal Regulations, as in effect on July 1, 2017, or as
34 amended from time to time, provided any amended disclosure
35 requirements are substantially similar to those in effect on July 1,
36 2017.] and

37 (3) Any other information required to be disclosed pursuant to 29
38 CFR 2550.404a-5, as amended from time to time, if such retirement
39 plan is a participant-directed individual account plan, as such term is
40 used in 29 CFR 2550.404a-5.

41 (c) Each company that is subject to the disclosure requirements
42 established in subsection (b) of this section shall make the disclosures
43 required by said subsection upon initial enrollment in the retirement
44 plan and at least annually thereafter.

45 (d) Not later than March 1, 2022, and annually thereafter, the
46 Secretary of the State shall post on the Secretary's Internet web site
47 each disclosure that the Secretary received pursuant to subsection (b)
48 of this section on or before the January first immediately preceding for
49 the calendar year immediately preceding.

50 (e) Not later than March 1, 2022, and annually thereafter, the
51 Insurance Commissioner shall certify to the State Comptroller, in a
52 form and manner prescribed by the commissioner, whether each
53 company that is subject to the requirements established in subsections
54 (b) and (c) of this section was in compliance with such requirements
55 during the calendar year immediately preceding.

This act shall take effect as follows and shall amend the following sections:		
Section 1	January 1, 2021	7-464c

Statement of Legislative Commissioners:

In Subsec. (b)(3), "Any" was substituted for "All" for clarity, "to be disclosed" was added for clarity, and references to "Section 2550.404a-5 of the Code of Federal Regulations" and "said Section" were changed to "29 CFR 2550.404a-5" for consistency; and in Subsec. (e), "whether" was substituted for "that" for accuracy.

INS *Joint Favorable Subst. -LCO*