

HOUSE No. 00021

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven.

SECTION 1. Section 24 of Ch. 32A, inserted by Chapter 61, of the acts of 2007, is hereby amended by deleting paragraph (b) and inserting in place thereof the following;-

(b) The purpose of said fund shall be for depositing, investing and disbursing amounts set aside solely to meet liabilities of the state employees' retirement system for health care and other non-pension benefits for retired members of the system or for purposes authorized under paragraph (d) of this section. There shall be credited to the fund any revenue from appropriations or other monies authorized by the general court and specifically designated to be credited to the fund, and any gifts, grants, private contributions, investment income earned on the fund's assets and all other sources, including monies received under paragraph (d) of this section. Money remaining in the fund at the end of a fiscal year shall not revert to the General Fund.

SECTION 2. Section 24 of Ch. 32A, inserted by Chapter 61, of the acts of 2007, is hereby amended by deleting paragraph (d) and inserting in place thereof the following;-

(d) Upon authorization by the board, any city or town in accordance with Section 20 of Chapter 32B political subdivision, county, agency or authority of the commonwealth may participate in the fund using procedures and criteria to be adopted by the board.

SECTION 3. Section 20 of Ch. 32B, as most recently amended by Chapter 479 of the acts of 2008, is hereby amended by inserting at the end thereof, the following paragraph;

Notwithstanding the provisions of this section any city or town accepting the provisions of this section or operating under the provisions of a special law may authorize the contributory retirement system of which the employees of the city or town are members of such system, established under the provisions of Chapter 32, or the Commonwealth's

Health Care Security Trust Board of Trustees, established under the provisions of Section 4 of Chapter 29D to be the custodian of such fund and may employ an outside custodial service to hold the monies in the fund. The contributory retirement board or the Commonwealth's Health Care Security Trust Board of Trustees, may invest and re-invest the monies held in the fund not required for current disbursement in accordance with the investment powers granted retirement boards under G.L. c. 32, §23(2)(g) and in accordance with the regulations of the public employees retirement administration commission or in accordance with the investment powers granted to the Health Care Security Trust board of trustees under Section 4 of Chapter 29D and with any applicable general law. All monies held in the Trust Fund shall be segregated from other funds, provided however, any funds held by the retirement board and by the town shall be deemed Trust Fund monies and shall not be subject to the claims of the town's general creditors. The Trust Fund shall be subject to the public employee retirement administration commission's triennial audit.