

# HOUSE . . . . . No. 03452

*By Mr. Scibak of South Hadley, for the committee on Public Service, on House, No. 2430, a Bill relative to the investment of other post employment benefits trust funds established by municipalities and certain other governmental units (House, No. 3452). May 19, 2011*

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[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE  
□ HOUSE  
□ , NO. 2343 OF 2009-2010.]

## The Commonwealth of Massachusetts

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**In the Year Two Thousand Eleven**  
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*An Act relative to the investment of other post employment benefits trust funds established by municipalities and certain other governmental units*

□.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

- 1 Section 24 of Chapter 32A is hereby amended by amending subsection (d) as follows,
- 2 renumbering subsection (e) as subsection (g) and inserting the following new subsections (e) and
- 3 (f):
- 4 (d) Upon authorization by the board, any retirement system of the commonwealth, with the
- 5 exception of any district or regional system and any county, city or town contributory retirement
- 6 system, may participate in the fund using the same procedures required for participation in the
- 7 PRIT Fund pursuant to section 22 of Chapter 32.

8 (e) Municipalities and other governmental units that establish trusts pursuant to Chapter 479 of  
9 the Acts of 2008 or any other legislation for the purpose of funding their liabilities for retired  
10 employees' health care and other non-pension benefits shall transfer ownership and control of all  
11 the assets of the trust, as well as any subsequent appropriations or contributions made thereto, to  
12 the State Retiree Benefits Trust if during any three consecutive years the annual investment  
13 performance of a municipal or other governmental unit OPEB trust does not exceed the annual  
14 investment performance of the SRBT, or if over any five year period the investment performance  
15 of a municipal or other governmental unit OPEB trust does not exceed the five year investment  
16 performance of the SRBT. The board shall hold such assets in trust for the participating  
17 municipalities and other governmental units. The board shall credit assets and earnings on such  
18 assets to the individual municipalities and other governmental units. The board shall transfer  
19 monies to the various trusts of the participating municipalities and other governmental units to  
20 allow them to meet their obligations to fund retired employees' health care and other non-  
21 pension benefits. The chief executive officer or chief administrator of each participating  
22 municipality or other governmental unit shall notify the board of the amounts needed to meet  
23 such obligations for the next fiscal year no later than ninety days before the start of said fiscal  
24 year. The board shall develop a schedule of transfers to be made during said fiscal year and  
25 notify the participating municipalities and other governmental units of that schedule no later than  
26 thirty days prior to the start of said fiscal year. The board shall transfer such amounts in  
27 accordance with said schedule during the course of said fiscal year.

28 (f) No city, town, district, county or municipal lighting plant may transfer ownership or control  
29 of any assets dedicated toward funding their future liabilities for retired employees' health care  
30 and other non-pension benefits to any entity other than the State Retiree Benefits Trust, with the

- 31 exception of those funds that are to be used within 60 days to pay for retired employees' health
- 32 care or other non-pension benefits.