

1 H.724

2 Introduced by Representatives Botzow of Pownal, Marcotte of Coventry, and

3 Carr of Brandon

4 Referred to Committee on

5 Date:

6 Subject: Commerce and trade; Treasurer

7 Statement of purpose of bill as introduced: This bill proposes to amend  
8 statutes relating to certain committees and programs affiliated with the Office  
9 of the Treasurer, including the Public Retirement Study Committee, the ABLE  
10 Savings Program, the Private Activity Bond Advisory Committee, and the  
11 Local Investment Advisory Committee.

12 An act relating to committees and programs involving the Vermont State  
13 Treasurer

14 It is hereby enacted by the General Assembly of the State of Vermont:

15 Sec. 1. INTERIM STUDY ON THE FEASIBILITY OF ESTABLISHING

16 A PUBLIC RETIREMENT PLAN

17 (a) Creation of Committee.

18 (1) There is created a Public Retirement Plan Study Committee to  
19 evaluate the feasibility of establishing a public retirement plan.

1           (2) It is the intent of the General Assembly that the Committee continue  
2           the work of the Public Retirement Plan Study Committee created in 2014 Acts  
3           and Resolves No. 179, Sec. C.108, as amended by 2015 Acts and Resolves No.  
4           58, Sec. C.100, which ceased to exist on January 15, 2016.

5           (b) Membership.

6           (1) The Public Retirement Plan Study Committee shall be composed of  
7           seven members as follows:

8                   (A) the State Treasurer or designee;

9                   (B) the Commissioner of Labor or designee;

10                   (C) the Commissioner of Disabilities, Aging, and Independent Living  
11           or designee;

12                   (D) an individual with private sector experience in the area of  
13           providing retirement products and financial services to small businesses, to be  
14           appointed by the Speaker;

15                   (E) an individual with experience or expertise in the area of the  
16           financial needs of an aging population, to be appointed by the Committee  
17           on Committees;

18                   (F) a representative of employers, to be appointed by the  
19           Speaker; and

1           (G) a representative of employees who currently lack access to  
2           employer-sponsored retirement plans, to be appointed by the Committee  
3           on Committees.

4           (2) Unless another appointee is specified pursuant to the authority  
5           granted under subdivision (1) of this subsection, the members of the Public  
6           Retirement Plan Study Committee created in 2014 Acts and Resolves No. 179,  
7           Sec. C.108, as amended by 2015 Acts and Resolves No. 58, Sec. C.100, which  
8           ceased to exist on January 15, 2016, shall serve as the members of the  
9           Committee created pursuant to this section.

10          (c) Powers and duties.

11          (1)(A) The Committee shall study the feasibility of establishing a public  
12          retirement plan, including the following:

13                (i) the access Vermont residents currently have to  
14                employer-sponsored retirement plans and the types of employer-sponsored  
15                retirement plans;

16                (ii) data and estimates on the amount of savings and resources  
17                Vermont residents will need for a financially secure retirement;

18                (iii) data and estimates on the actual amount of savings and  
19                resources Vermont residents will have for retirement, and whether those  
20                savings and resources will be sufficient for a financially secure retirement;

1                   (iv) current incentives to encourage retirement savings, and the  
2                   effectiveness of those incentives;

3                   (v) whether other states have created a public retirement plan and  
4                   the experience of those states;

5                   (vi) whether there is a need for a public retirement plan  
6                   in Vermont;

7                   (vii) whether a public retirement plan would be feasible and  
8                   effective in providing for a financially secure retirement for Vermont residents;

9                   (viii) other programs or incentives the State could pursue in  
10                  combination with a public retirement plan or, instead of such a plan, in order to  
11                  encourage residents to save and prepare for retirement; and

12                  (B) If the Committee determines that a public retirement plan is  
13                  necessary, feasible, and effective, the Committee shall study:

14                  (i) potential models for the structure, management, organization,  
15                  administration, and funding of such a plan;

16                  (ii) how to ensure that the plan is available to private sector  
17                  employees who are not covered by an alternative retirement plan;

18                  (iii) how to build enrollment to a level where enrollee costs can  
19                  be lowered;

20                  (iv) whether such a plan should impose any obligation or liability  
21                  upon private sector employers; and

1                   (v) any other issue the Committee deems relevant.

2                   (2) The Committee shall:

3                   (A) continue monitoring U.S. Department of Labor guidance  
4                   concerning State Savings Programs for Non-Governmental Employees  
5                   regarding ERISA rules and other pertinent areas of analysis;

6                   (B) further analyze the relationship between the role of states and the  
7                   federal government; and

8                   (C) continue its collaboration with educational institutions, other  
9                   states, and national stakeholders.

10                  (3) The Committee shall have the assistance of the staff of the Office of  
11                  the Treasurer, the Department of Labor, and the Department of Disabilities,  
12                  Aging, and Independent Living.

13                  (d) Report. On or before January 15, 2017, the Committee shall report to  
14                  the General Assembly its findings and any recommendations for legislative  
15                  action. In its report, the Committee shall state its findings as to every factor set  
16                  forth in subdivision (c)(1)(A) of this section, whether it recommends that a  
17                  public retirement plan be created, and the reasons for that recommendation. If  
18                  the Committee recommends that a public retirement plan be created, the  
19                  Committee's report shall include specific recommendations as to the factors  
20                  listed in subdivision (c)(1)(B) of this section.



1 Sec. 3. 2015 Acts and Resolves No. 51, Sec. C.8 is amended to read:

2 Sec. C.8. VERMONT ABLE TASK FORCE; REPORTS

3 ~~The~~ Until the State Treasurer or designee implements the ABLE Savings  
4 Program pursuant to 33 V.S.A. chapter 80, the Treasurer shall convene a  
5 Vermont ABLE Task Force to include representatives of the Department of  
6 Disabilities, Aging, and Independent Living, the Vermont Developmental  
7 Disabilities Council, Vermont Center for Independent Living; Green Mountain  
8 Self-Advocates, and other stakeholders with relevant expertise, to provide  
9 recommendations annually beginning on or before January 15, 2016 to the  
10 House Committee on Commerce and Economic Development and the Senate  
11 Committee on Economic Development, Housing and General Affairs on  
12 planning and delivery of the ABLE Savings Program, including:

- 13 (1) promotion and marketing of the Program;
- 14 (2) rules governing operation of ABLE accounts, including mechanisms  
15 for consumer convenience;
- 16 (3) fees charged to account owners;
- 17 (4) future enhancements to protect from the loss of State benefits as may  
18 be necessary to fulfill the intent of the ABLE Act;
- 19 (5) the composition and charge of an ABLE Advisory Board; and

1           (6) a progress update on implementation of the Program consistent with  
2 U.S. Treasury Department Rules, the Internal Revenue Code, and the federal  
3 ABLE Act (P.L. 113-295 of 2014).

4       Sec. 4. REPEAL

5           32 V.S.A. § 994, creating the Private Activity Bond Advisory Committee, is  
6 repealed.

7       Sec. 5. 2014 Acts and Resolves No. 199, Sec. 25, as amended by 2015 Acts  
8 and Resolves No. 51, Sec. E.3, is amended to read:

9           Sec. 25. SUNSET

10           Secs. 23–24 of this act, authorizing the Treasurer to create a credit facility  
11 for local investments and creating the Treasurer’s Local Investment Advisory  
12 Committee, shall be repealed on July 1, ~~2016~~ 2018.

13       Sec. 6. EFFECTIVE DATE

14           This act shall take effect on July 1, 2016.