

1 S.193

2 Introduced by Senator Pollina

3 Referred to Committee on

4 Date:

5 Subject: Retirement; study committee on creation of public retirement plan

6 Statement of purpose of bill as introduced: This bill proposes to establish an
7 interim Public Retirement Plan Study Committee.

8 An act relating to establishing an interim Public Retirement Plan Study
9 Committee

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

11 Sec. 1. INTERIM STUDY ON THE FEASIBILITY OF ESTABLISHING A

12 PUBLIC RETIREMENT PLAN

13 (a) Creation of Committee. There is created a Public Retirement Plan
14 Study Committee to evaluate the feasibility of establishing a public
15 retirement plan.

16 (b) Membership. The Public Retirement Plan Study Committee shall be
17 composed of 11 members. Four members of the Committee shall be members
18 of the General Assembly. The Committee on Committees of the Senate shall
19 appoint two members of the Senate, not from the same political party; and the

1 Speaker of the House shall appoint two members of the House, not from the
2 same political party. Seven members of the Committee shall be as follows:

3 (1) the State Treasurer or designee;

4 (2) the Commissioner of Labor or designee;

5 (3) the Commissioner of Disabilities, Aging, and Independent Living
6 or designee;

7 (4) an individual with experience or expertise in the areas of retirement
8 and pension plans, to be appointed by the Speaker;

9 (5) an individual with experience or expertise in the area of the financial
10 needs of an aging population, to be appointed by the Committee
11 on Committees;

12 (6) a representative of employers, to be appointed by the Speaker; and

13 (7) a representative of employees who currently lack access to
14 employer-sponsored retirement plans, to be appointed by the Committee
15 on Committees.

16 (c) Powers and duties.

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

19 (i) the access Vermont residents currently have to
20 employer-sponsored retirement plans and the types of employer-sponsored
21 retirement plans;

1 (ii) data and estimates on the amount of savings and resources

2 Vermont residents will need for a financially secure retirement;

3 (iii) data and estimates on the actual amount of savings and

4 resources Vermont residents will have for retirement, and whether those

5 savings and resources will be sufficient for a financially secure retirement;

6 (iv) current incentives to encourage retirement savings, and the

7 effectiveness of those incentives;

8 (v) whether other states have created a public retirement plan and

9 the experience of those states;

10 (vi) whether there is a need for a public retirement plan

11 in Vermont;

12 (vii) whether a public retirement plan would be feasible and

13 effective in providing for a financially secure retirement for Vermont residents;

14 (viii) other programs or incentives the State could pursue in

15 combination with a public retirement plan, or instead of such a plan, in order to

16 encourage residents to save and prepare for retirement; and

17 (B) If the Committee determines that a public retirement plan is

18 necessary, feasible, and effective, the Committee shall study:

19 (i) potential models for the structure, management, organization,

20 administration, and funding of such a plan;

1 (ii) whether private sector employers of a certain size who do not
2 offer an alternative retirement plan should be required to offer the public
3 retirement plan through a voluntary payroll deduction, and what impact such a
4 requirement may have on private sector employers;

5 (iii) how to ensure that the plan is available to private sector
6 employees who are not covered by an alternative retirement plan;

7 (iv) how to build enrollment to a level that enrollee costs can
8 be lowered;

9 (v) whether such a plan should include any guarantee by the State,
10 or impose any obligation or liability upon the State; and

11 (vi) whether such a plan should impose any obligation or liability
12 upon private sector employers.

13 (2) The Committee shall have assistance of the Office of Legislative
14 Council and the Joint Fiscal Office. The Committee may also require the
15 assistance of the staff of the Office of the Treasurer, the Department of Labor,
16 and the Department of Disabilities, Aging, and Independent Living.

17 (d) Report. By January 15, 2015, the Committee shall report to the General
18 Assembly its findings and any recommendations for legislative action. In its
19 report, the Committee shall state its findings as to every factor set forth in
20 subdivision (c)(1)(A) of this section, whether it recommends that a public
21 retirement plan be created, and the reasons for that recommendation. If the

1 Committee recommends that a public retirement plan be created, the
2 Committee's report shall include specific recommendations as the factors listed
3 in subdivision (c)(1)(B) of this section.

4 (e) Number of meetings; term of Committee; reimbursement. The
5 Committee may meet no more than six times, and shall cease to exist on
6 January 15, 2015.

7 (f) Reimbursement. For attendance at meetings during adjournment of the
8 General Assembly, legislative members of the Committee shall be entitled to
9 compensation and reimbursement for expenses as provided in 2 V.S.A. § 406;
10 and other members of the Committee who are not employees of the State of
11 Vermont shall be reimbursed at the per diem rate set in 32 V.S.A. § 1010 and
12 shall be reimbursed for mileage and travel expenses.

13 (g) Appropriation. The sum of \$5,000.00 is appropriated from the General
14 Fund in fiscal year 2015 to the Committee for per diem and expenses under
15 this section.

16 Sec. 2. EFFECTIVE DATE

17 This act shall take effect on July 1, 2014.