



General Assembly

January Session, 2001

Amendment

LCO No. 6969

Offered by:
REP. DONOVAN, 84th Dist.

To: Subst. House Bill No. 6859 File No. 740 Cal. No. 91

**"AN ACT ENHANCING BENEFITS IN THE POLICE OFFICER AND
FIREFIGHTER'S SURVIVORS BENEFIT FUND AND THE
MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM."**

1 After line 330, insert the following:

2 "Sec. 11. Section 7-464a of the general statutes is repealed and the
3 following is substituted in lieu thereof:

4 (a) Any city, town or other political subdivision of the state may, by
5 contract, agree with any employee to defer, in whole or in part, any
6 portion of such employee's compensation and may subsequently, with
7 the consent of the employee, contract for, purchase or otherwise
8 procure, for the purpose of funding a deferred compensation program
9 for such employee, (1) an investment savings account, (2) a fixed or
10 variable life insurance or annuity contract from any life underwriter
11 licensed by this state who represents an insurance company licensed to
12 contract business in this state, or (3) a beneficial interest in an
13 investment trust established by an organization of public employers,
14 the assets of which are managed by a not-for-profit organization

15 registered as an investment advisor under applicable federal statutes
16 and regulations, from an entity registered as a broker-dealer under
17 statutes and regulations of the state governing the sale of securities,
18 provided the employee shall be furnished prior to purchase with
19 disclosures substantially comparable to the disclosures required under
20 the Securities Act of 1933 and the Investment Company Act of 1940 for
21 the sale of similar nonexempt products.

22 (b) The officer designated by the chief executive officer of any city,
23 town or other political subdivision is authorized to enter into such
24 contractual agreements with employees of the city, town or other
25 political subdivision, as the case may be, on behalf of the city, town or
26 political subdivision to defer any portion of that employee's
27 compensation.

28 (c) The administration of the deferred compensation program shall
29 be under the direction of the officer designated by the particular city,
30 town or other political subdivision. Payroll deductions shall be made,
31 in each instance, by the appropriate payroll officer. The administrator
32 of the deferred compensation program may contract with a private
33 corporation or institution for providing consolidated billing and other
34 administrative services with respect thereto.

35 (d) For the purposes of this section: "Employee" means any person,
36 whether appointed, elected or under contract, providing services for
37 the city, town or other political subdivision, for which compensation is
38 paid; and "investment savings account" means a savings account in a
39 state bank and trust company, national banking association, mutual
40 savings bank, savings and loan association or federal savings and loan
41 association or a share account in a credit union or federal credit union
42 established to receive the deferred compensation of a municipal
43 employee under the deferred compensation plan established by the
44 officer designated by a city, town or other political subdivision
45 pursuant to this section.

46 (e) Notwithstanding any other provision of law to the contrary,

47 those persons designated to administer the deferred compensation
 48 program are hereby authorized to make (1) deposits or payments to
 49 such investment savings accounts, (2) payment of premiums for the
 50 purchase of fixed or variable life insurance or annuity contracts, or (3)
 51 payments for interests in investment trusts established by an
 52 organization of public employers and managed by a not-for-profit
 53 organization registered as an investment advisor under applicable
 54 federal statutes and regulations under the deferred compensation
 55 program. Such payments shall not be construed to be a prohibited use
 56 of the general assets of the city, town or other political subdivision.

57 (f) Any city, town or other political subdivision of the state may, by
 58 contract, elect to participate in the deferred compensation program for
 59 state employees as authorized under subsection (g) of section 5-264a,
 60 as amended by this act. The deferred compensation funds associated
 61 with the participation by such city, town or political subdivision in the
 62 deferred compensation program for state employees may be invested
 63 in any of the funding vehicles authorized for such program under
 64 section 5-264a, as amended by this act.

65 Sec. 12. Subsection (a) of section 5-192f of the general statutes is
 66 repealed and the following is substituted in lieu thereof:

67 (a) "Year's breakpoint" means, with respect to the calendar year in
 68 which occurs a member's last severance from service date, ten
 69 thousand seven hundred dollars increased by six per cent each year
 70 after 1982, rounded to the nearest multiple of one hundred dollars.
 71 [The year's breakpoint for years prior to 2000 shall be:

T1	1982	\$10,700
T2	1983	11,300
T3	1984	12,000
T4	1985	12,700
T5	1986	13,500
T6	1987	14,300
T7	1988	15,200
T8	1989	16,100
T9	1990	17,100

sHB 6859		Amendment
T10	1991	18,100
T11	1992	19,200
T12	1993	20,400
T13	1994	21,600
T14	1995	22,900
T15	1996	24,300
T16	1997	25,800
T17	1998	27,300
T18	1999	28,900]"