



House of Representatives

General Assembly

File No. 209

January Session, 2013

House Bill No. 6148

House of Representatives, March 27, 2013

The Committee on Labor and Public Employees reported through REP. TERCYAK of the 26th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING PENSION DERISKING.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (*Effective October 1, 2013*) The Labor Commissioner shall
2 conduct a study on the effects of pension derisking transactions which
3 occur when a retiree's pension benefits are transferred from a pension
4 plan protected under the Employee Retirement Income Security Act of
5 1974 to a substitute pension benefit provider such as an insurance
6 company licensed in the state. On or before October 1, 2014, the
7 commissioner shall report, in accordance with section 11-4a of the
8 general statutes, his or her findings and recommendations to the joint
9 standing committee of the General Assembly having cognizance of
10 matters relating to labor and public employees.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2013</i>	New section
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LAB *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 14 \$	FY 15 \$
Labor Dept.	GF - Cost	See Below	See Below

Municipal Impact: None

Explanation

The bill requires the Department of Labor (DOL) to conduct a study on pension de-risking transactions. The agency will incur a one-time cost associated with hiring consultants with pension expertise to conduct this study, as the agency does not currently have such expertise. The actual cost incurred will depend on the scope of the study.

The Out Years

As DOL is required to report on the study by October 1, 2014, there is no fiscal impact in the out years.

OLR Bill Analysis

HB 6148

AN ACT CONCERNING PENSION DERISKING.

SUMMARY:

The Office of Legislative Research does not analyze Special Acts.

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable

Yea 11 Nay 0 (03/14/2013)