



General Assembly

January Session, 2013

Proposed Bill No. 6148

LCO No. 1829

Referred to Committee on LABOR AND PUBLIC EMPLOYEES

Introduced by:
REP. FOX, 146th Dist.

***AN ACT PROVIDING PROTECTION TO RETIREES FROM
DISCRIMINATION IN PENSION DERISKING TRANSACTIONS.***

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

1 That the general statutes be amended to: (1) Require mandatory
2 disclosures, regulatory approval and an opportunity to challenge or
3 opt out from any pension derisking transaction attempting to transfer
4 retiree benefits from an ERISA protected plan to a substitute pension
5 benefit provider not covered under ERISA; (2) clarify and expand State
6 Guaranty Association coverage to equal the scope of coverage offered
7 by the Pension Benefit Guaranty Corporation so retirees are provided
8 notice and an opportunity to be heard; and (3) provide additional
9 protections against derisking including mandatory disclosures by the
10 transferring entity and the substitute pension benefit provider,
11 uniform fiduciary standards and disclosures, uniform and equivalent
12 protection from creditors and bankruptcy trustees and the right of
13 retirees to request a lump sum, cash out option at transfer and at
14 regular intervals thereafter.

Statement of Purpose:

To provide equivalent protection, uniform disclosures, fiduciary standards and a mandatory opt-out option to retirees whose pension benefits are transferred from a pension plan protected under ERISA to a substitute pension benefit provider such as an insurance company licensed in the state.