



Substitute House Bill No. 6747

Public Act No. 15-123

AN ACT REVISING CERTAIN STATUTES CONCERNING THE STATE COMPTROLLER.

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

Section 1. Section 3-115e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

The State Comptroller shall report, [on an annual basis] not later than October 1, 2015, and every two years thereafter, to the Governor and the General Assembly, in accordance with the provisions of section 11-4a, on the CORE-CT system. Such reports shall include, but not be limited to, the status of [the implementation of] the system, [the anticipated completion date,] the total cost to date and projected costs for the next three fiscal years, other required software, [or hardware necessary for successful implementation and any associated costs,] the date and costs of future upgrades, the level of cooperation from vendors and state agencies [, any administrative or legislative obstacles to implementation,] and any other issues surrounding the CORE-CT system.

Sec. 2. Section 4a-20 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

The State Insurance and Risk Management Board shall determine

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the method by which the state shall insure itself against losses by the purchase of insurance governed by the provisions of title 38a to obtain the broadest coverage at the most reasonable cost. It shall direct the negotiations for purchase of such insurance and determine whether deductible or other risk retention provisions should be included in the insurance contract. Wherever appropriate it shall determine that the state shall act as a self-insurer and may request funds from the contingency fund to establish reserves and carry out such practices as are necessary to safeguard the self-insurance activity. Said board may develop and implement risk management and loss prevention programs related to insurance plans established pursuant to the provisions of sections 4a-19 to 4a-21, inclusive, and may recommend to the Governor and the General Assembly the enactment of policies designed to reduce risks and hazards that may result in state liability for tortious conduct. It shall designate the agent or agents of record and shall select the companies from whom insurance coverage and surety bonds shall be purchased. Notwithstanding any other provision of the general statutes, including without limitation sections 38a-707 and 38a-825, it shall have full authority to negotiate either a commission or fee structure to compensate the agent or agents of record for services performed. It shall also have full authority to retain consulting firms and to negotiate their fee compensation for services performed. Any refund, dividend or other payment from any insurance company in connection with insurance for the state shall be returned to the [Comptroller] Department of Administrative Services for deposit in the General Fund. The board shall establish specifications for each contract of insurance and shall request bids for each such contract through the agent of record. Each such contract shall be for a specified period of time.

Sec. 3. Subsection (a) of section 5-155a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

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(a) The general administration and responsibility for the proper operation of the state employees retirement system is vested in a single board of trustees to be known as the Connecticut State Employees Retirement Commission. Notwithstanding the provisions of section 4-9a, the Retirement Commission shall consist of the following: (1) The Treasurer or a designee, who shall be a nonvoting, ex-officio member; (2) the Comptroller or a designee, who shall be a nonvoting, ex-officio member; (3) six trustees representing employees who shall (A) be appointed by the bargaining agents in accordance with the provisions of applicable collective bargaining agreements, [. The trustees representing employees shall] (B) serve three-year terms, and (C) not be members of the same bargaining unit; [. The trustees representing employees shall serve three-year terms; (3)] (4) six management trustees who [are] shall (A) be members of the state employees retirement system, [who shall] (B) serve three-year terms, [. The management trustees shall] and (C) be appointed by the Governor; [(4)] (5) two actuarial trustees who [are] shall (A) be enrolled actuaries and Fellows of the Society of Actuaries, (B) serve three-year terms, and (C) be appointed by the Governor. One actuarial trustee shall be nominated by the management trustees and one shall be nominated by the trustees representing employees; [. The Governor shall appoint the actuarial trustees for three-year terms;] and [(5)] (6) one neutral trustee who shall be chairman of the [State Employees Retirement Commission. Such neutral trustee shall] commission and who shall (A) be enrolled in the National Academy of Arbitrators, [and shall be nominated by the employee and management trustees and appointed by the Governor. The neutral trustee shall] (B) serve a two-year term, and (C) be nominated by the employee and management trustees and appointed by the Governor. If a vacancy occurs in the office of a trustee, the vacancy shall be filled for the unexpired term in the same manner as the office was previously filled. The trustees, with the exception of the chairman and the actuarial trustees, shall serve without compensation but shall be reimbursed in accordance with the

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standard travel regulations for all necessary expenses that they may incur through service on the commission. The chairman and the actuarial trustees shall be compensated at their normal and usual per diem fee, plus travel expenses, from the funds of the retirement system for each day of service to the commission. Each trustee shall, within ten days after appointment or election, take an oath of office that so far as it devolves upon the trustee, the trustee will diligently and honestly administer the affairs of the commission, and will not knowingly violate or willingly permit to be violated any of the provisions of law applicable to the state retirement system. Each trustee's term shall begin from the date the trustee takes such an oath. The trustees shall appoint a representative from among the municipalities that have accepted the provisions of part II of chapter 113, who shall serve as a municipal liaison to the commission, at the commission's pleasure and under such terms and conditions as the commission may prescribe. Each trustee shall be entitled to one vote on the commission. A majority of the commission shall constitute a quorum for the transaction of any business, the exercise of any power or the performance of any duty authorized or imposed by law. The State Employee Retirement Commission shall be within the Retirement Division of the office of the Comptroller for administrative purposes only. The Comptroller [, ex officio,] shall be the [nonvoting] secretary of the commission and shall provide secretariat support to the commission.

Sec. 4. Subsection (a) of section 32-6 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2015*):

(a) The management and control of the operation and affairs of the Connecticut building at the Eastern States Exposition at West Springfield shall be in the charge of the Department of Economic and Community Development. Maintenance of the land and building shall

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be the responsibility of the Department of Administrative Services. Coverage by fire and casualty insurance shall be the responsibility of the [Comptroller] State Insurance and Risk Management Board in accordance with the provisions of section 4a-20, as amended by this act. The building and land shall be used by the Department of Economic and Community Development, in cooperation with public and private agencies, to conduct an educational exhibit which will promote the agricultural, industrial, recreational and other physical and natural resources of this state.

Sec. 5. Subsection (c) of section 3-123h of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2015*):

(c) On or before [March 30, 2012] April 30, 2016, and annually thereafter, the State Comptroller shall report, in accordance with the provisions of section 11-4a, to the joint standing committee of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies and the Secretary of the Office of Policy and Management on the status of the flexible spending account programs. Each such report shall include, but not be limited to: (1) The number of employees enrolled in such programs, (2) the administrative costs of such programs, (3) the amount of forfeitures in such programs, and (4) the effect of the transfers permitted under subsections (a) and (b) of this section on the Employers Social Security Tax account.

Sec. 6. Subsection (a) of section 4a-71 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Except as provided in section [4a-73] 4a-72, each state department and agency shall pay interest at a rate equal to the monthly effective yield for the Short Term Investment Fund

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administered by the Treasurer pursuant to sections 3-27a to 3-27f, inclusive, on amounts due on written contracts for public works, personal services, goods and services, equipment and travel, whenever such department or agency fails to make timely payment.

Sec. 7. Section 3-115d of the general statutes is repealed. (*Effective from passage*)

Approved June 23, 2015