



General Assembly

January Session, 2023

**Raised Bill No. 6930**

LCO No. 6432



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:  
(FIN)

**AN ACT CONCERNING THE DEVELOPMENT OF BEST PRACTICES FOR GOVERNANCE STRUCTURES OF MUNICIPAL RETIREMENT PLANS.**

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

1 Section 1. (*Effective from passage*) (a) Not later than November 1, 2023,  
2 each municipality shall provide to the Comptroller, in a form and  
3 manner prescribed by the Comptroller, (1) a statement of whether the  
4 municipality has formally adopted an investment policy statement, and  
5 (2) the following information concerning each retirement plan such  
6 municipality offers to its employees:

7 (A) Whether the plan is a defined benefit or defined contribution  
8 plan;

9 (B) The funded ratio of such plan;

10 (C) The form and governance structure of the municipal entity, if any,  
11 that provides management or oversight of the plan;

12 (D) Whether the municipality uses a third-party advisor or

13 administrator to provide management or oversight of the plan;

14 (E) The estimated fees paid by the municipality in the previous fiscal  
15 year for investments under the plan; and

16 (F) A description of other investment products used by the  
17 municipality, including, but not limited to, private equity funds, hedge  
18 funds, real estate or other investments not publicly traded and the  
19 estimated fees paid by the municipality in the previous fiscal year for  
20 each such investment product.

21 (b) (1) The Comptroller, the Treasurer and the Secretary of the Office  
22 of Policy and Management shall jointly develop (A) best practices for  
23 governance structures of municipal retirement plans; and (B) training  
24 resources to assist municipalities to implement or improve the  
25 governance structures of their retirement plans.

26 (2) The Comptroller, the Treasurer and the Secretary of the Office of  
27 Policy and Management may consult with retirement associations,  
28 research organizations and any other individuals or entities said  
29 individuals deem desirable or necessary to carry out the provisions of  
30 this subsection.

31 (c) Not later than February 1, 2024, the Comptroller shall submit a  
32 report, in accordance with the provisions of section 11-4a of the general  
33 statutes, to the joint standing committee of the General Assembly  
34 having cognizance of matters relating to finance, revenue and bonding  
35 and local governments of the best practices and training resources  
36 developed pursuant to subsection (b) of this section and any  
37 recommendations for legislative changes to assist municipalities with  
38 implementing or utilizing such best practices or training resources.

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| This act shall take effect as follows and shall amend the following sections: |  |  |
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| Section 1 | <i>from passage</i> | New section |
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***Statement of Purpose:***

To (1) require municipalities to provide certain information to the Comptroller regarding their retirement plans and governance structures for such plans, and (2) require the development of best practices and training resources to assist municipalities to implement or improve their governance structures for such plans.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*