



General Assembly

January Session, 2021

Raised Bill No. 867

LCO No. 3263



Referred to Committee on PLANNING AND DEVELOPMENT

Introduced by:
(PD)

AN ACT CONCERNING INVESTMENT OF CERTAIN MUNICIPAL FUNDS.

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

1 Section 1. Subsection (b) of section 7-450 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage*):

4 (b) Notwithstanding the provisions of the general statutes or of any
5 special act, charter, special act charter, home-rule ordinance, local
6 ordinance or other local law, any municipality or subdivision thereof
7 may, by ordinance and amendment thereto, or with respect to a
8 municipality not having the authority to make ordinances, by resolution
9 adopted by a two-thirds vote of the members of its legislative body, (1)
10 establish one or more trusts, or determine to participate in a
11 multiemployer trust, to hold and invest the assets of such pension,
12 retirement or other postemployment health and life benefit system; (2)
13 provide for the management and investment of such system and any
14 such trust, including the establishment of a board or commission or the
15 designation of an existing board or commission for such purposes; or (3)

16 provide for the organization of and the manner of election or
 17 appointment of the members of such board or commission.
 18 Notwithstanding any limitations on the investment of municipal funds
 19 set forth in section 7-400, funds held in any [such] trust described in
 20 subdivision (1) of this subsection may be invested (A) in accordance
 21 with the terms of the pension, retirement or other postemployment
 22 health and life benefit plan, as such terms may be amended from time
 23 to time; or (B) in any trust fund administered, held or invested by the
 24 Treasurer pursuant to chapter 32 and for which the Treasurer may adopt
 25 regulations, in accordance with chapter 54, to allow for the investment
 26 of funds held in any trust described in said subdivision. The investment
 27 and management of the assets of any [such] trust described in said
 28 subdivision shall be in compliance with the prudent investor rule as set
 29 forth in sections 45a-541 to 45a-541l, inclusive.

30 Sec. 2. Section 3-13c of the general statutes is repealed and the
 31 following is substituted in lieu thereof (*Effective from passage*):

32 Trust funds as used in sections 3-13 to 3-13e, inclusive, and 3-31b shall
 33 be construed to include Connecticut Municipal Employees' Retirement
 34 Fund A, Connecticut Municipal Employees' Retirement Fund B,
 35 Soldiers, Sailors and Marines Fund, Family and Medical Leave
 36 Insurance Trust Fund, State's Attorneys' Retirement Fund, Teachers'
 37 Annuity Fund, Teachers' Pension Fund, Teachers' Survivorship and
 38 Dependency Fund, School Fund, State Employees Retirement Fund, the
 39 Hospital Insurance Fund, Policemen and Firemen Survivor's Benefit
 40 Fund, any trust fund described in subdivision (1) of subsection (b) of
 41 section 7-450, as amended by this act, and all other trust funds
 42 administered, held or invested by the State Treasurer.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	7-450(b)
Sec. 2	<i>from passage</i>	3-13c

Statement of Purpose:

To allow for the investment of funds held in certain trusts established by municipalities, or in which municipalities may participate, to be invested in trust funds administered, held or invested by the Treasurer.

[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.]