

HB0331S01 compared with HB0331

~~{deleted text}~~ shows text that was in HB0331 but was deleted in HB0331S01.

inserted text shows text that was not in HB0331 but was inserted into HB0331S01.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will not be completely accurate. Therefore, you need to read the actual bill. This automatically generated document could experience abnormalities caused by: limitations of the compare program; bad input data; the timing of the compare; and other potential causes.

Representative Holly J. Richardson proposes the following substitute bill:

INVESTMENT OF POST-EMPLOYMENT BENEFITS

AMENDMENTS

2011 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Holly J. Richardson

Senate Sponsor: _____

LONG TITLE

General Description:

This bill amends the State Post-Retirement Benefits Trust Act to create an Elected Official Post-Retirement Benefit Trust Fund.

Highlighted Provisions:

This bill:

- ▶ [exempts the trust fund from the State Money Management Act](#)
- ▶ creates the Elected Official Post-Retirement Benefit Trust Fund;
- ▶ establishes the purposes of the trust fund;
- ▶ authorizes the board of trustees for the State Post-Retirement Benefits Trust Fund to serve as trustees for the Elected Official Post-Retirement Benefit Trust Fund; and

HB0331S01 compared with HB0331

- ▶ establishes procedures for the investment of and expenditures from the trust funds.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

51-7-2, as last amended by Laws of Utah 2007, Chapter 99

67-19d-202, as last amended by Laws of Utah 2010, Chapter 286

ENACTS:

67-19d-201.5, Utah Code Annotated 1953

Uncodified Material Affected:

ENACTS UNCODIFIED MATERIAL

Be it enacted by the Legislature of the state of Utah:

Section 1. Section 51-7-2 is amended to read:

51-7-2. Exemptions from chapter.

The following funds are exempt from this chapter:

(1) funds invested in accordance with the participating employees' designation or direction pursuant to a public employees' deferred compensation plan established and operated in compliance with Section 457 of the Internal Revenue Code of 1986, as amended;

(2) funds of the Workers' Compensation Fund;

(3) funds of the Utah State Retirement Board;

(4) funds of the Utah Housing Corporation;

(5) endowment funds of higher education institutions;

(6) permanent and other land grant trust funds established pursuant to the Utah

Enabling Act and the Utah Constitution; ~~and~~

(7) the State Post-Retirement Benefits Trust Fund~~;~~

~~Section 1}[-]; and~~

(8) the Elected Official Post-Retirement Benefit Trust Fund.

Section 2. Section 67-19d-201.5 is enacted to read:

HB0331S01 compared with HB0331

67-19d-201.5. Elected Official Post-Retirement Benefit Trust Fund -- Creation -- Oversight -- Dissolution.

(1) There is created the "Elected Official Post-Retirement Benefit Trust Fund."

(2) The Elected Official Post-Retirement Benefit Trust Fund consists of:

(a) appropriations made to the fund by the Legislature for the purpose of funding the post-retirement benefits in Section 49-20-404;

(b) revenues received by the state treasurer from the investment of the Elected Official Post-Retirement Benefit Trust Fund; and

(c) other revenues received from other sources.

(3) The Division of Finance shall account for the receipt and expenditures of money in the Elected Official Post-Retirement Benefit Trust Fund.

(4) (a) Except as provided in Subsection (4)(c), the state treasurer shall invest the Elected Official Post-Retirement Benefit Trust Fund money by following the same procedures and requirements for the investment of the State Post-Retirement Benefits Trust Fund in Part 3, Trust Fund Investments.

(b) (i) The Elected Official Post-Retirement Benefit Trust Fund shall earn interest.

(ii) The state treasurer shall deposit all interest or other income earned from investment of the Elected Official Post-Retirement Benefit Trust Fund back into the Elected Official Post Retirement Benefit Trust Fund.

(c) The Elected Official Post-Retirement Benefit Trust Fund is exempt from Title 51, Chapter 7, State Money Management Act.

(5) The board of trustees created in Section 67-19d-202 may expend money from the Elected Official Post-Retirement Benefit Trust Fund for:

(a) the employer portion of the cost of the program established in Section 49-20-404; and

(b) reasonable administrative costs that the board of trustees incurs in performing its duties as trustees of the Elected Official Post-Retirement Benefit Trust Fund.

(6) The board of trustees shall ensure that:

(a) money deposited into the Elected Official Post-Retirement Benefit Trust Fund is irrevocable and is expended only for the employer portion of the costs of post-retirement benefits under Section 49-20-404; and

HB0331S01 compared with HB0331

(b) creditors of the board of trustees and of employers liable for the post-retirement benefits may not seize, attach, or otherwise obtain assets of the Elected Official Post-Retirement Benefit Trust Fund.

(7) When all of the liabilities for which the Elected Official Post-Retirement Benefit Trust Fund was created are paid, the Division of Finance shall transfer any assets remaining in the Elected Official Post-Retirement Trust Fund into the appropriate fund.

Section ~~(2)~~3. Section **67-19d-202** is amended to read:

67-19d-202. Board of trustees of the State Post-Retirement Benefits Trust Fund.

(1) (a) There is created a board of trustees of the State Post-Retirement Benefits Trust Fund composed of three members:

- (i) the state treasurer or designee;
- (ii) the director of the Division of Finance or designee; and
- (iii) the director of the Governor's Office of Planning and Budget or designee.

(b) The state treasurer is chair of the board.

(c) Three members of the board are a quorum.

(d) A member may not receive compensation or benefits for the member's service, but may receive per diem and travel expenses in accordance with:

- (i) Section 63A-3-106;
- (ii) Section 63A-3-107; and
- (iii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.

(e) (i) Except as provided in Subsection (1)(e)(ii), the state treasurer shall staff the board of trustees.

(ii) The Division of Finance shall provide accounting services for the trust fund.

(2) The board shall:

(a) on behalf of the state, act as trustee of the ~~[trust fund]~~ State Post-Retirement Benefits Trust Fund and the Elected Official Post-Retirement Benefit Trust Fund and exercise the state's fiduciary responsibilities;

(b) meet at least twice per year;

(c) review and approve all policies, projections, rules, criteria, procedures, forms, standards, performance goals, and actuarial reports;

HB0331S01 compared with HB0331

(d) review and approve the ~~[trust fund]~~ budget for the State Post-Retirement Benefits Trust Fund and the Elected Official Post-Retirement Benefit Trust Fund;

(e) review financial records of the ~~[trust fund]~~ State Post-Retirement Benefits Trust Fund and the Elected Official Post-Retirement Benefit Trust Fund, including trust fund receipts, expenditures, and investments;

(f) commission and obtain actuarial studies of the ~~[trust fund]~~ State Post-Retirement Benefits Trust Fund and the Elected Official Post Retirement Benefit Trust Fund liabilities;

(g) for purposes of the State Post-Retirement Benefits Trust Fund, establish labor additive rates to charge all federal, state, and other programs to cover:

(i) the annual required contribution as determined by actuary; and

(ii) the administrative expenses of the trust fund; and

(h) do any other things necessary to perform the state's fiduciary obligations under the ~~[trust fund]~~ State Post-Retirement Benefits Trust Fund and the Elected Official Post-Retirement Benefit Trust Fund.

(3) The attorney general shall:

(a) act as legal counsel and provide legal representation to the board of trustees; and

(b) attend, or direct an attorney from the Office of the Attorney General to attend, each meeting of the board of trustees.

Section ~~3~~4. **Intent Language regarding Finance Mandated Line Item -- OPEB.**

The Legislature intends that the Division of Finance transfer any unspent funds from the current or any prior fiscal years, and additional funds appropriated during the 2011 General Session in the Department of Administrative Services - Finance-Mandated-OPEB-Other Post-Employment Benefits Program to the Elected Official Post-Retirement Benefit Trust Fund.

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Legislative Review Note

as of ~~2-4-11~~ 2:15 PM

HB0331S01 compared with HB0331

~~Office of Legislative Research and General Counsel~~