Introduced by Senator Pollina

Subject: Retirement; study committee on creation of public retirement plan

Statement of purpose of bill as introduced: This bill proposes to establish an interim Public Retirement Plan Study Committee.

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. INTERIM STUDY ON THE FEASIBILITY OF ESTABLISHING A PUBLIC RETIREMENT PLAN

(a) Creation of Committee. There is created a Public Retirement Plan Study Committee to evaluate the feasibility of establishing a public retirement plan.

(b) Membership. The Public Retirement Plan Study Committee shall be composed of 11 members. Four members of the Committee shall be members of the General Assembly. The Committee on Committees of the Senate shall appoint two members of the Senate, not from the same political party; and the
Speaker of the House shall appoint two members of the House, not from the same political party. Seven members of the Committee shall be as follows:

1. the State Treasurer or designee;
2. the Commissioner of Labor or designee;
3. the Commissioner of Disabilities, Aging, and Independent Living or designee;
4. an individual with experience or expertise in the areas of retirement and pension plans, to be appointed by the Speaker;
5. an individual with experience or expertise in the area of the financial needs of an aging population, to be appointed by the Committee on Committees;
6. a representative of employers, to be appointed by the Speaker; and
7. a representative of employees who currently lack access to employer-sponsored retirement plans, to be appointed by the Committee on Committees.

(c) Powers and duties.

1. The Committee shall study the feasibility of establishing a public retirement plan, including the following:
   1. the access Vermont residents currently have to employer-sponsored retirement plans and the types of employer-sponsored retirement plans:
(ii) data and estimates on the amount of savings and resources Vermont residents will need for a financially secure retirement;

(iii) data and estimates on the actual amount of savings and resources Vermont residents will have for retirement, and whether those savings and resources will be sufficient for a financially secure retirement;

(iv) current incentives to encourage retirement savings, and the effectiveness of those incentives;

(v) whether other states have created a public retirement plan and the experience of those states;

(vi) whether there is a need for a public retirement plan in Vermont;

(vii) whether a public retirement plan would be feasible and effective in providing for a financially secure retirement for Vermont residents;

(viii) other programs or incentives the State could pursue in combination with a public retirement plan, or instead of such a plan, in order to encourage residents to save and prepare for retirement; and

(B) If the Committee determines that a public retirement plan is necessary, feasible, and effective, the Committee shall study:

(i) potential models for the structure, management, organization, administration, and funding of such a plan;
(ii) whether private sector employers of a certain size who do not
offer an alternative retirement plan should be required to offer the public
retirement plan through a voluntary payroll deduction, and what impact such a
requirement may have on private sector employers;

(iii) how to ensure that the plan is available to private sector
employees who are not covered by an alternative retirement plan;

(iv) how to build enrollment to a level that enrollee costs can
be lowered;

(v) whether such a plan should include any guarantee by the State,
or impose any obligation or liability upon the State; and

(vi) whether such a plan should impose any obligation or liability
upon private sector employers.

(2) The Committee shall have assistance of the Office of Legislative
Council and the Joint Fiscal Office. The Committee may also require the
assistance of the staff of the Office of the Treasurer, the Department of Labor,
and the Department of Disabilities, Aging, and Independent Living.

(d) Report. By January 15, 2015, the Committee shall report to the General
Assembly its findings and any recommendations for legislative action. In its
report, the Committee shall state its findings as to every factor set forth in
subdivision (c)(1)(A) of this section, whether it recommends that a public
retirement plan be created, and the reasons for that recommendation. If the
Committee recommends that a public retirement plan be created. the
Committee’s report shall include specific recommendations as the factors listed
in subdivision (c)(1)(B) of this section.

(e) Number of meetings; term of Committee; reimbursement. The
Committee may meet no more than six times, and shall cease to exist on

(f) Reimbursement. For attendance at meetings during adjournment of the
General Assembly, legislative members of the Committee shall be entitled to
compensation and reimbursement for expenses as provided in 2 V.S.A. § 406;
and other members of the Committee who are not employees of the State of
Vermont shall be reimbursed at the per diem rate set in 32 V.S.A. § 1010 and
shall be reimbursed for mileage and travel expenses.

(g) Appropriation. The sum of $5,000.00 is appropriated from the General
Fund in fiscal year 2015 to the Committee for per diem and expenses under
this section.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2014.