

Other Postemployment Benefits Fund Report

Subject: Retirement; Other Postemployment Benefits.

This bill proposes to have the Office of the State Treasurer examine alternative governance structures for the Other Postemployment Benefits (OPEB) funds.

An act relating to requesting a report from the Office of the State Treasurer to examine the structure of the Other Postemployment Benefits funds established by 3 V.S.A. § 479a and 16 V.S.A. § 1944b.

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

Sec. 1. OTHER POSTEMPLOYMENT BENEFITS GOVERNANCE STRUCTURE; REPORT

(a) The Office of the State Treasurer, in consultation with the Vermont Pension Investment Commission and the Agency of Administration, shall produce a report that examines and makes recommendations on the governance structure of the two OPEB funds, other possible governance structures, and whether changes should be made to better align the governance structure with nature of the OPEB funds. Specifically, the report shall address the following:

(1) the advantages and disadvantages of retaining the existing governance structure of the OPEB funds with the State Treasurer as sole trustee;

(2) alternative governance structures for the OPEB funds, the advantages and disadvantages of each alternative examined, and the steps and timeline required to implement each alternative; and

(3) to the extent possible, other issues relating to the OPEB funds identified as warranting study.

(b) Assistance. The Office of the State Treasurer shall have the administrative support of the Vermont Pension Investment Commission as well as the Agency of Administration in producing the report. Additionally, the legislature will appropriate and authorize the State Treasurer to expend up to one hundred thousand dollars (\$100,000) to procure assistance from experts on public pensions and OPEB funds.

(c) Report. On or before January 15, 2024, the Treasurer shall submit a written report to the General Assembly with findings and recommendations.

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.