

**STATEMENT TO**  
**SENATE, No. 3040**

with Senate Floor Amendments  
(Proposed by Senator SWEENEY)

ADOPTED: MARCH 13, 2017

These Senate amendments make the following changes:

Permit the removal of a member of the board of trustees of the Police and Firemen's Retirement System if the member has more than three unexcused absences from the board's meetings in any calendar year;

Require the board to adopt standards to define unexcused absences;

Permit a member to participate in the meetings of the board by teleconference;

Require the executive director and chief investment officer to be employed by the board to have, at a minimum, a bachelor's degree from an accredited institution of higher education, and at least five years of management experience in accounting, finance, public administration, government pension and retirement planning, investment banking, financial consulting, money management, or a similar field, and to meet all other requirements for employment as shall be set forth in a standard adopted by the board;

Prohibit a member, retiree, or other beneficiary of the retirement system from holding the position of executive officer or chief investment officer;

Require at least eight votes of the authorized membership of the board to approve any enhancement or reduction of a member benefit, other than for the activation of the now suspended cost of living adjustment for retirees, or to approve any increase or decrease in the employer contribution that is more than what is recommended by the actuary for the system for the purpose of the annual funding requirements of the system;

Change the due date for the quarterly payment of the annual pension payment by local governments from April 1 to March 1, July 1 to June 1, October 1 to September 1, and January 1 to December 1;

Require the Division of Local Government Services in the Department of Community Affairs to consult with the board of trustees when a local employer that has not made the pension payment on time but is eligible for transitional aid, in order to develop a payment plan to ensure that the required payment and interest owed is paid in a timely manner; and

Require the board of trustees, at the end of six years following the enactment date of this bill, to conduct a review of the performance and funding levels of the retirement system, as compared to available market data including but, not limited to, the performance of the State

Investment Council and Division of Investment with regard to the investment of other State-administered retirement systems or funds and the Bloomberg Barclays Indices, and may, based on, and allow the board, based on a majority vote of the authorized membership, to petition the Legislature to consider legislation that reverts control of the system to the Department of the Treasury or such other agency as the State deems appropriate.