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NCOIL DEFENDS STATE, LOCAL PENSION AUTHORITY, SAYS NO TO FEDERAL PEPTA BILL

Santa Fe, NM, November 20, 2011—Uniting against a proposed federal role in state and local government pension policy, NCOIL lawmakers today endorsed a *Resolution Opposing the Public Employee Pension Transparency Act (PEPTA)*. Adoption by the Executive Committee came three days after the Financial Services & Investment Products Committee voted fifteen to one in support of the resolution.

New NCOIL President Sen. Carroll Leavell (NM), sponsor of the resolution with NCOIL Past President Rep. Kathie Keenan (VT), said:

NCOIL legislators are proud to join our state and local government colleagues in opposing PEPTA. The bill's big brother undertones are too much for those of us that have worked hard in the states to protect the retirement security of our constituents and to make sure hard-earned taxpayer dollars are used wisely. We do not need the distant federal government to insert itself into state and local pension plan decisions.

Sen. Leavell continued, "NCOIL has historically sought to protect the rights of states against federal overreach and this public pension issue is no different. State and local officials best understand the needs of our respective populations."

The NCOIL resolution opposes PEPTA (H.R. 567/S. 347) and calls on Congress to let state and local officials manage their own unique pension systems. Among other things, the resolution argues that PEPTA would unnecessarily inject the federal government into the administration of state and local pension plans and would threaten funding for state and local government projects by conditioning continued tax benefits for government bonds on plan compliance with new federally directed reporting requirements.

Leigh Snell of the National Council on Teacher Retirement (NCTR) encouraged legislators to approve the resolution. He argued that PEPTA would impose a duplicative, and costly, federal layer of reporting above and beyond existing state and local government requirements. He also cautioned that PEPTA reporting methodologies would falsely depict the true condition of public pension plans and increase funding costs on plan sponsors, among other things.

Numerous organizations comprising state and local government interests oppose PEPTA, including:

- National Conference of State Legislatures
- National Association of Counties

- U.S. Conference of Mayors
- National League of Cities
- National Association of State Auditors Comptrollers & Treasurers
- Government Finance Officers Association
- National Association of State Retirement Administrators

The NCOIL Annual Meeting took place November 17 through 20.

NCOIL is an organization of state legislators whose main area of public policy concern is insurance legislation and regulation. Many legislators active in NCOIL either chair or are members of the committees responsible for insurance legislation in their respective state houses across the country. More information is available at www.ncoil.org.

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