

HOUSE No. 3819

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act Authorizing the Town of Hanover to Establish an Other Post Employment Benefits Trust Fund..

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. As used in this act, the following words shall have the following
2 meanings:

3 "GASB 43 and 45", Statements 43 and 45 of the Governmental Accounting Standards
4 Board and its successors.

5 "Other post employment benefits" or "OPEB", post employment benefits other than
6 pensions as that term is defined in GASB 43 and 45, including post employment healthcare
7 benefits, regardless of the type of plan that provides them, and all post employment benefits
8 provided separately from a pension plan, excluding benefits defined as termination offers and
9 benefits.

10 SECTION 2. (a) Notwithstanding any general or special law to the contrary, there shall
11 be in the town of Hanover an OPEB Trust Fund. The town treasurer shall be the custodian of
12 the OPEB Trust Fund, and he shall invest and reinvest the amounts in said fund not needed for
13 current disbursement consistent with the prudent investor rule.

14 (b) Beginning in fiscal year 2009, the OPEB Trust Fund shall be credited with all
15 amounts appropriated or otherwise made available by the town for the purposes of meeting the
16 current and future OPEB costs payable by the town. Said appropriation shall not be returned to
17 the treasury except by vote of the town. The OPEB Trust Fund shall be credited with all
18 amounts contributed or otherwise made available by employees of the town for the purpose of
19 meeting future OPEB costs payable by the town.

20 (c) Beginning in fiscal year 2009, payments for the purposes of meeting the town's costs
21 of OPEB under this act shall be made from the OPEB Trust Fund.

22 SECTION 3. This act shall take effect upon its passage.