



NEW YORK STATE SENATOR

Kenneth P. LaValle

Senator LaValle Joins Fight to Ensure t.r.U.S.t.

KENNETH P. LAVALLE October 22, 2009

| ISSUE: **GOVERNMENT OPERATIONS**



Senator Kenneth P. LaValle today joined with Attorney General Andrew Cuomo and his colleagues in the Legislature to support a bi-partisan measure that would protect the New York State Employee's Public Retirement Fund from fraud and abuse. The Taxpayers' Reform for Upholding Security and Transparency (T.R.U.S.T.) would safeguard the retirement accounts of thousands of public employees and ban the "pay-to-play" system that led to an investigation into corruption of the fund.

According to Senator LaValle, the Common Retirement Fund (CRF) is the state's largest pool of money, which was last valued at \$116.5 billion. Today's announcement stems from a 2-year investigation into the abuse of the fund that resulted in criminal charges and the issuance of subpoenas to over 100 investment firms and agents. T.R.U.S.T. would institutionalize the Public Pension Fund Reform Code of Conduct announced earlier this year and provide additional civil, criminal, and administrative penalties and sanctions.. It would also replace the current sole trustee management system with a 13-member board to

increase transparency, ensure accountability for violations, and strengthen enforcement of the new law. “Trust is exactly what is needed to assure people that their retirement funds are secure and protected,” said Senator Kenneth P. LaValle. “That is why the T.R.U.S.T. initiative being put forth by Attorney General Cuomo makes perfect sense. This measure establishes prohibitions that will safeguard our public pension funds, increase transparency of the investment process, and protect the funds from fraud and abuse.”