

STATE OF CONNECTICUT

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STATE EMPLOYEES BARGAINING AGENT COALITION

4-28-10

PROPOSED EARLY RETIREMENT INCENTIVE PROGRAM 2010

There shall be an Early Retirement Incentive Program (2010 ERIP) offered to full-time and part-time State employees, as described herein, in addition to the normal retirement program.

A. Eligibility Rules.

The following members of the State Employees Retirement System (SERS) shall be eligible to participate in the program:

1. All full-time and part-time State employees other than employees eligible for hazardous duty retirement under Section 2 herein:
 - a) Who will be at least fifty-two (52) years of age on or before June 30, 2010; and
 - b) Who are on active status on the payroll on June 30, 2010, as regular employees and not as rehired retirees and who did not elect the 2009 RIP and who did not retire or otherwise separate from State service prior to May 1, 2010; and
 - c) Who have at least ten (10) years of actual state service in SERS, which shall consist of time worked and may not include purchased service credits or credits transferred from another employer; and
 - d) Who retire directly from employment and begin immediately receiving normal or early retirement benefits under Tier I, Tier II or Tier IIA; and
 - e) Whose effective date of retirement is July 1, 2010, August 1, 2010 or September 1, 2010, except as provided in B below; and
 - f) Who are not employees of state aided institutions as defined in Conn. Gen. Stat. § 5-175, quasi-public agencies, operators of vending stands covered by Conn. Gen. Stat. § 5-175a, teachers at E. O. Smith School, elected officials or employees of the United States Purchasing and

Finance Office; provided, however, that employees of the Connecticut Lottery Corporation who are members of the SEBAC bargaining units or individuals who were classified state employees at the Division of Special Revenue and who are employed by the Connecticut Lottery Corporation shall be eligible for the Retirement Incentive Plan.

2. All full-time employees who are members of SERS, who are eligible for hazardous duty retirement, and:
 - a) Who will be at least fifty-two (52) years of age on or before June 30, 2010;
 - b) Who are on active status on the payroll on June 30, 2010, as regular employees and not as rehired retirees and who did not elect the 2009 RIP and who did not retire or otherwise separate from State service prior to May 1, 2010; and
 - c) Who and have a minimum of twenty (20) years of actual hazardous duty state service in the SERS, which requirement shall supersede any prior agreement, arbitration award and/or practice; and
 - d) Who retire directly from employment and begin immediately receiving normal retirement benefits; and
 - e) Whose effective date of retirement is July 1, 2010, August 1, 2010 or September 1, 2010, except as provided in B below.
3. Members of the Teachers Retirement System (TRS) who are on active status on the payroll on June 30, 2010; who will be at least fifty-two (52) years of age on or before June 30, 2010; who retire directly from employment and begin immediately receiving retirement benefits under TRS; and whose effective date of retirement is July 1, 2010 if employed in a ten-month position; and July 1, 2010, August 1, 2010 or September 1, 2010 if employed in a twelve-month position shall be eligible for the 2010 ERIP as provided in D below.
4. The above provisions notwithstanding, employees in collective bargaining units who did not have a wage freeze in the 2009-2011 biennium shall not be eligible to participate in the 2010 ERIP.

B. Election and Effective Dates of Retirement.

1. All eligible employees who wish to participate in the 2010 ERIP must make an election in writing, on such form as the State shall provide, concerning participation in the 2010 ERIP, the proposed date of retirement (July 1, August 1 or September 1).

2. All retirements under the program shall be effective July 1, 2010, August 1, 2010 or September 1 2010 except as provided in A-2 above and below. In all cases in which the retirement date is deferred as provided below, the extended service shall be credited.
3. The effective date of any retirement shall be July 1, 2010, for ten-month instructional faculty and administrators of the Connecticut Technical High Schools and the State's Unified School Districts. The extended service shall be credited.
4. For state employees on active military duty who meet the eligibility rules for the 2010 ERIP, the effective date of any retirement shall be deferred for not more than ninety (90) days after their discharge from active military service. The extended service may be credited provided the employee purchases such military service credit on or before their deferred retirement date.
5. The effective date of retirement may be deferred on a case by case basis for employees of the Office of the State Comptroller within the Retirement Services Division who have primary responsibility for retirement benefit calculations and purchasing, and employees of the Office of the State Comptroller within the Health Care Policy and Benefit Services Division who have primary responsibility for administration of employee benefits, to not later than January 1, 2011.

C. Incentive.

SERS members: Eligible employees who retire in accordance with the terms of the 2010 ERIP shall have up to three (3) years of age or three (3) years of service, or any combination of age and service totaling three (3) years added to their age and/or service as applicable for purposes of benefit calculation under SERS. Years shall first be added to the age until it totals 55, and any remaining years shall be added to service. Those members who will have attained age 55 or more on or before the date of retirement must use the incentive for service credit only. Incentive years must only be used in whole units of one month. Additional years of service granted to eligible participants pursuant to the 2010 ERIP shall not be deemed service for any other purpose.

TRS members: Eligible employees who retire in accordance with the terms of the 2010 ERIP, and who meet the TRS requirement for normal, early or proratable retirement, shall have up to three (3) years added to their service for purposes of benefit calculation, up to the maximum benefit allowable under the TRS plan. Additional years of service granted to eligible participants pursuant to the 2010 ERIP shall not be deemed service for any other purpose.

D. Restrictions.

1. For purposes of this program, a full-time employee is one who works thirty-five (35) or more hours per week in a full-time position. An eligible part-time employee is one who works more than one-half time determined by their collective bargaining agreement or, where undefined, a minimum of seventeen and one-half hours per week for more than five (5) months per year.
2. Actual age shall be used in calculation of all related benefits such as, but not limited to, Plan B reductions and group life insurance. Actual paid wages, not projected wages, shall be used in all benefit calculations. Furlough days or the equivalent shall be treated as voluntary schedule reductions pursuant to Conn. Gen. Stat. § 5-248c and wage credit for such days shall be in accordance with current practice. Accrued vacation days at the date of retirement shall be credited in accordance with current practice, but as in the 2009 RIP may not be used to meet the applicable minimum years of active service required in A above.
3. Disability retirement and employees eligible for terminated vested retirement benefits are excluded from this program.

E. Payments for Accrued/Unused Sick and Vacation Days.

1. An eligible employee participating in the 2010 ERIP shall be eligible for payment of accrued and unused vacation and/or sick leave in accordance with existing rules modified as follows: One-third of the amount owed an employee shall be paid in July of 2013, one-third in July of 2014 and one-third in July 2015.
2. The State may, at its option, make the payment in one installment on or before July 1, 2013 if the amount of the payment is less than two thousand dollars (\$2,000).
3. A higher education unit may, at its option and from its own funds, on a case-by-case basis, make the payment in one installment at any time.