



An Act Concerning The Municipal Employees' Retirement System.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (1) of section 7-425 of the general statutes is
2 repealed and the following is substituted in lieu thereof:

3 (1) "Municipality" means any town, city, borough, school district,
4 taxing district, fire district, district department of health, probate
5 district, housing authority, regional work force development board
6 established under section 31-3k, tourism district established under
7 section 32-302, flood commission or authority established by special act
8 or regional planning agency.

9 Sec. 2. Subdivision (3) of section 7-425 of the general statutes is
10 repealed and the following is substituted in lieu thereof:

11 (3) "Legislative body" means, for towns having a town council, the
12 council; for other towns, the selectmen; for cities, the common council
13 or other similar body of officials; for boroughs, the warden and
14 burgesses; for district departments of health, the board of the district;
15 in the case of a probate district, the judge of probate; for regional
16 planning agencies, the regional planning board; for tourism districts,
17 the board of directors of such tourism district; and in all other cases the
18 body authorized by the general statutes or by special act to make

19 ordinances for the municipality.

20 Sec. 3. Subsection (a) of section 7-427 of the general statutes is
21 repealed and the following is substituted in lieu thereof:

22 (a) Any municipality except a housing authority [~~which~~] that is
23 governed by subsection (b) of this section, [~~or a~~] any regional work
24 force development board established under section 31-3k [~~which~~] that
25 is governed by section 7-427a [~~]~~ or any tourism district established
26 under section 32-302 may, by resolution passed by its legislative body
27 and subject to such referendum as may be hereinafter provided, accept
28 this part as to any department or departments of such municipality as
29 may be designated therein, including elective officers if so specified,
30 free public libraries [~~which~~] that receive part or all of their income
31 from municipal appropriation, and the redevelopment agency of such
32 municipality whether or not such municipality is a member of the
33 system, as defined in section 7-452, but such acceptance shall not
34 repeal, amend or replace, or affect the continuance of, any pension
35 system established in such municipality by or under the authority of
36 any special act and all such special acts shall remain in full force and
37 effect until repealed or amended by the General Assembly or as
38 provided by chapter 99. The acceptance of this part as to any
39 department or departments of a municipality shall not affect the right
40 of such municipality to accept it in the future as to any other
41 department or departments. In any municipality other than a district
42 department of health, housing authority, flood commission or
43 authority, regional planning agency or supervision district board of
44 education, such resolution shall not take effect until it has been
45 approved by a majority of the electors of the municipality voting
46 thereon at the next regular election or meeting or at a special election
47 or meeting called for the purpose. The effective date of participation
48 shall be at least ninety days subsequent to the receipt by the
49 Retirement Commission of the certified copy of such resolution. The
50 Retirement Commission shall furnish to any municipality
51 contemplating acceptance of this part, at the expense of such
52 municipality, an estimate of the probable cost to such municipality of

53 such acceptance as to any department or departments thereof.

54 Sec. 4. Section 7-428 of the general statutes is repealed and the
55 following is substituted in lieu thereof:

56 [Any] (a) Except as provided in subsections (b) and (c) of this
57 section, any member of fund B shall be eligible for retirement and to
58 receive a retirement allowance upon completing twenty-five years of
59 aggregate service in a participating municipality or upon attaining the
60 age of fifty-five years, provided such employee has had ten years of
61 continuous service or fifteen years of active aggregate service in a
62 participating municipality.

63 (b) Any member of fund B who (1) has completed not less than
64 twenty years of aggregate service in a participating municipality, (2)
65 attained the age of forty-five years, and (3) is an employee in good
66 standing shall be entitled to a retirement allowance, in such an amount
67 determined by the Retirement Commission to be the actuarial
68 equivalent of the retirement allowance that would have been payable if
69 such member had become eligible for retirement under subsection (a)
70 of this section, upon payment into the Municipal Employees'
71 Retirement Fund by the member, or the participating municipality that
72 employs such member, or both, an amount determined by the
73 Retirement Commission to be the actuarial equivalent of the
74 contributions that such member would have made to said fund to
75 become eligible for such retirement, together with interest at the rate of
76 five per cent per year from the time such aggregate service was
77 rendered to the date of payment.

78 (c) Any uniformed or regular member of a paid fire department or
79 any regular member of a paid police department who is a member of
80 fund B shall be eligible for retirement and to receive a retirement
81 allowance upon completing twenty years of aggregate service as a
82 uniformed or regular member of a paid fire department or a regular
83 member of a paid police department in a participating municipality.

84 Sec. 5. Section 7-436b of the general statutes is repealed and the

85 following is substituted in lieu thereof:

86 (a) Any member of fund B of the municipal employees' retirement
87 system, who, prior to [his] the member's date of employment with a
88 municipality [which] that is participating in said fund B, served in any
89 branch of the armed forces of the United States during the times set
90 forth in section 27-103 shall be credited with the period of such service
91 to the extent that [he] the member makes contributions to said fund for
92 all or any part of the period of such service, except that any veteran
93 who becomes a member on or after October 1, 1984, shall not receive
94 credit for such war service if [he] the veteran has received or is entitled
95 to receive any retirement allowance for the same years of service from
96 the federal government. Such contributions shall be computed at a rate
97 of two per cent of [his] the member's first year's salary as such
98 employee, with interest at five per cent per annum, payable [within]
99 (1) not later than one year from the initial date of such employment,
100 [or] (2) on or before January 1, 1992, or (3) in the event a public act
101 expands the definition of "service in time of war" as set forth in
102 subdivision (3) of section 27-103, not later than one year from the
103 effective date of such public act, provided the member's service in the
104 armed forces falls within such expanded definition and provided
105 further, such service would not have qualified as "service in time of
106 war" but for the enactment of such public act, whichever is later,
107 provided such contributions are made prior to [his] the member's date
108 of retirement. The period of such service for which contributions to
109 said fund are made shall be counted for the purpose of computing the
110 amount of [his] the member's retirement allowance, provided [such]
111 the member shall have completed ten years of continuous service or
112 fifteen years of active aggregate service with a participating
113 municipality or shall be retired prior thereto due to disability incurred
114 in the course of [his] the member's employment. Any member who
115 purchases credit pursuant to this section and who later receives a
116 retirement allowance for permanent and total disability under this part
117 shall, upon [his] the member's written request, be refunded all such
118 contributions paid under this section, provided such military service

119 credit did not serve to increase the amount of disability retirement
120 benefits for which [he] the member was eligible.

121 (b) Notwithstanding the provisions of subsection (a) of this section,
122 the municipal employer of any member who applies on or after July 1,
123 1986, for such military service credit shall pay all contributions
124 required under said subsection which are attributable to that portion
125 of the member's military service time during which [he] the member
126 was a prisoner of war, provided [such] the member submits with [his]
127 the member's application for such credit sufficient proof from the
128 Veterans' Administration of the United States that [he] the member is a
129 former prisoner of war. Any municipal employer [which] that pays the
130 contributions required under this subsection for a member who later
131 receives a retirement allowance for permanent and total disability
132 under this part shall, upon its written request, be refunded all such
133 contributions paid under this subsection, provided such military
134 service credit did not serve to increase the amount of disability
135 retirement benefits for which the member was eligible.

136 Sec. 6. Section 7-442b of the general statutes is repealed and the
137 following is substituted in lieu thereof:

138 (a) Any person who became a member of the municipal employees'
139 retirement system after December 31, 1964, and who previously was a
140 member of the state employees retirement system or the retirement
141 system of any municipality not participating under the provisions of
142 this part shall receive credit for the purposes of retirement under the
143 provisions of this part for the period of [his] such person's service with
144 the state or such municipality if the state or municipality voluntarily
145 chooses to transfer to the Municipal Employees' Retirement Fund from
146 the retirement fund of the state or such municipality, by the authority
147 having control thereof, on application of such employee, the entire
148 amount paid into such state fund by the employee or the entire
149 amount paid into such municipal fund by the employer and the
150 employee as a result of the service of such employee, plus interest at
151 the rate being paid by the retirement fund from which such amount is

152 transferred from the date of each payment into such fund to the date
153 such employee became a member of the municipal employees'
154 retirement system. No transfer of employee contributions or interest
155 shall be required whenever a former member of the tier II plan in the
156 state employees retirement system applies for such retirement credit.
157 In the case of an employee who withdraws from the municipal
158 employees' retirement system and wishes to return to a municipality
159 not participating under provisions of this part, there shall be
160 transferred to the retirement fund of the municipality to which [he] the
161 employee is returning the entire amount paid into the Municipal
162 Employees' Retirement Fund by the employer and the employee,
163 together with interest at the rate being paid by the Municipal
164 Employees' Retirement Fund as the result of the services of such
165 employee.

166 (b) Any person who (1) became a member of the municipal
167 employees' retirement system after December 31, 1964, (2) was
168 previously employed by a municipality not participating under the
169 provisions of this part, which municipality chooses not to transfer to
170 the Municipal Employees' Retirement Fund from the retirement fund
171 of such nonparticipating municipality the entire amount paid into such
172 municipal fund by the employer and such person as a result of the
173 service of such person, and (3) has not accrued any vested benefits
174 under the retirement system administered by or on behalf of the
175 nonparticipating municipality, shall receive credit for the purposes of
176 retirement under the provisions of this part for the period of such
177 person's service with such nonparticipating municipality upon
178 application by such person to the Retirement Commission and upon
179 payment into the Municipal Employees' Retirement Fund by such
180 person an amount determined by the Retirement Commission to be
181 necessary to fund any increase in benefits resulting from receipt of
182 such credit, together with interest at the rate that would have been
183 paid by the Municipal Employees' Retirement Fund as the result of
184 such employee's services to the nonparticipating municipality.

185 ~~[(b)]~~ (c) Any member of the municipal employees' retirement system

186 who was previously a member of tier I of the state employees
187 retirement system and who, pursuant to section 5-166, withdrew all
188 [his] such member's contributions in the State Employees Retirement
189 Fund upon leaving state employment shall be credited, for retirement
190 purposes under this chapter, with such period of prior state service
191 upon payment into the Municipal Employees' Retirement Fund of an
192 amount equal to the total of all contributions and interest refunded to
193 [him] such member from the State Employees Retirement Fund plus
194 five per cent interest on such refunded amount from the effective date
195 of [his] such member's withdrawal from the state fund to the date of
196 [his] such member's application for credit under this subsection. Any
197 application for such credit shall be made to the Retirement
198 Commission on or before January 1, 1992, or within one year after the
199 applicant becomes a member of the municipal employees' retirement
200 system, whichever is later.

201 Sec. 7. This act shall take effect from its passage.

LAB Committee Vote: Yea 12 Nay 1 JFS C/R APP