



Senate

General Assembly

File No. 637

January Session, 2005

Substitute Senate Bill No. 1306

Senate, May 3, 2005

The Committee on Appropriations reported through SEN. HARP of the 10th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING REEMPLOYMENT OF RETIRED STATE EMPLOYEES.

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

1 Section 1. (NEW) (*Effective July 1, 2005*) No person who has retired
2 from the service of the state under any provision of chapter 66 of the
3 general statutes and is reemployed for not more than (1) one hundred
4 twenty working days, in accordance with subsection (c) of section 5-
5 164a of the general statutes, as amended by this act, or (2) any period
6 of time for reemployment specified in any collective bargaining
7 agreement during which such person may continue to receive a
8 retirement income, may be paid a salary or granted a personal service
9 contract in an amount in excess of the hourly rate of pay such person
10 was receiving at the time he or she retired from the service of the state
11 for the number of hours such person works during reemployment.

12 Sec. 2. Subsection (c) of section 5-164a of the general statutes is
13 repealed and the following is substituted in lieu thereof (*Effective July*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 06 \$	FY 07 \$
Various State Agencies	All Appropriated Funds - Potential Savings	Minimal	Minimal

Municipal Impact: None

Explanation

The bill increases the maximum number of days, from 90 to 120, that a retired state employee can work for the state in a calendar year. This has no fiscal impact as it conforms statute with current practice. The bill also limits the pay a retired state employee can receive if the retiree returns to state work to no more than the retiree’s hourly pay rate at the time of retirement. This may result in a minimal savings to the state.

OLR BILL ANALYSIS

sSB 1306

AN ACT CONCERNING REEMPLOYMENT OF RETIRED STATE EMPLOYEES**SUMMARY:**

Under this bill, a state retiree who comes back to work for the state for a limited time cannot receive pay at an hourly rate greater than his rate at the time of retirement. This applies to retirees who are reemployed by the state for up to 120 days or for a period specified in a union contract and receive retirement benefits during that time.

The bill increases, from 90 to 120, the statutory maximum number of days a state retiree can return to work before jeopardizing his pension benefits. This increase conforms the statute to an arbitrator's ruling that allows up to 120 days of reemployment without jeopardizing a retiree's pension benefits. Under current law (and unchanged by the bill), if a state retiree works more than the maximum number of allowed days in a year, he must reimburse the state retirement fund for monthly pension benefits received during the work period.

EFFECTIVE DATE: July 1, 2005

BACKGROUND***Arbitrator's 1989 Decision (SEBAC I)***

A 1989 arbitrator's decision on more than 90 issues between the state and the State Employees Bargaining Agents Coalition (SEBAC) included increasing the number of days, from 90 to 120, that a state retiree could come back to work for the state without jeopardizing his retirement benefits. The 120-day rule has been in effect since then, but the statutory 90 days was not updated to reflect the prevailing arbitrator's award. The overall award became known as SEBAC I.

Judicial Marshal Exception

The 120-day rule does not apply to a judicial marshal if (1) he served as

a special deputy sheriff on July 1, 1999 and (2) his preretirement state service was other than as a special deputy sheriff.

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable Substitute Change of Reference

Yea 12 Nay 0

Appropriations Committee

Joint Favorable Report

Yea 50 Nay 0