



DEPARTMENT OF ADMINISTRATIVE SERVICES

STATE OF CONNECTICUT

SB 153

165 Capitol Avenue
Hartford, CT 06106-1658

An Act Concerning a Retired State Employee Reserve

Labor & Public Employees Committee
February 28, 2012

Thank you for allowing the Department of Administrative Services (DAS) to offer information about SB 153, An Act Concerning a Retired State Employee Reserve.

This bill requires the DAS Commissioner to develop a plan - by October 1, 2012 and within existing resources - to "create and implement a retired state employee workforce reserve to utilize the services of retired state employees, on a part-time basis, in lieu of allowing state employees to accumulate overtime." The bill also requires the DAS Commissioner to issue a report to the Labor Committee, by January 1, 2013, including "the projected cost of establishing a retired state employee workforce reserve, the projected savings from utilizing retired state employees on a part-time basis in lieu of paying overtime wages to state employees, and recommendations for administrative or legislative action needed to implement the plan."

DAS understands the good intentions behind this bill, but offers that state already has policies and procedures to allow retirees to return to work part-time. These rules are set forth in statute and have been negotiated through collective bargaining. Specifically, if they choose, individuals who have retired from the state and are collecting state pensions may return to work for the state after they retire - but only up to 120 days (960 hours) per calendar year. Agencies and higher education institutes bring back these individuals as "Temporary Worker Retirees," or "TWRs," and closely track their hours worked. If a Temporary Worker Retiree works more than 120 days per calendar year, by statute and negotiated agreement, the retiree jeopardizes his/her pension. As a result, if a retiree wishes to work for the state again in a more full-time capacity, the individual must rescind his/her retirement.

Because the rules regarding the re-employment of retired state employees are already outlined in statute and in collectively bargaining agreements, and because federal tax laws that relate to pension plans limit the state's ability to modify these rules, DAS respectively submits that SB 153 is not necessary and will not be a productive use of the agency's scarce resources.

DAS would be happy to further discuss this topic with the Committee at any time.