



Substitute Senate Bill No. 882

Public Act No. 19-124

AN ACT CONCERNING THE MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM AND AUTHORIZING BONDING FOR THE CITY OF BRIDGEPORT'S PENSION PLAN A FUND.

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

Section 1. Section 7-440 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2019*):

(a) Each member shall contribute to the fund five per cent of his pay as to that portion of pay with respect to which contributions are not to be deducted under section 7-453 and two and one-quarter per cent as to that portion of pay with respect to which contributions are to be so deducted, to be deducted from such pay by the municipality and forwarded not less frequently than once a month to the Retirement Commission to be credited to the fund.

(b) For the fiscal year beginning July 1, 2019, each member shall contribute to the fund five and one-half per cent of such member's pay as to that portion of pay with respect to which contributions are not to be deducted under section 7-453 and two and three-quarters per cent as to that portion of pay with respect to which contributions are to be so deducted from such pay by the municipality and forwarded not less frequently than once a month to the Retirement Commission to be

Substitute Senate Bill No. 882

credited to the fund.

(c) For the fiscal year beginning July 1, 2020, each member shall contribute to the fund six per cent of such member's pay as to that portion of pay with respect to which contributions are not to be deducted under section 7-453 and three and one-quarter per cent as to that portion of pay with respect to which contributions are to be so deducted, to be deducted from such pay by the municipality and forwarded not less frequently than once a month to the Retirement Commission to be credited to the fund.

(d) For the fiscal year beginning July 1, 2021, each member shall contribute to the fund six and one-half per cent of such member's pay as to that portion of pay with respect to which contributions are not to be deducted under section 7-453 and three and three-quarters per cent as to that portion of pay with respect to which contributions are to be so deducted from such pay by the municipality and forwarded not less frequently than once a month to the Retirement Commission to be credited to the fund.

(e) For the fiscal year beginning July 1, 2022, each member shall contribute to the fund seven per cent of such member's pay as to that portion of pay with respect to which contributions are not to be deducted under section 7-453 and four and one-quarter per cent as to that portion of pay with respect to which contributions are to be so deducted from such pay by the municipality and forwarded not less frequently than once a month to the Retirement Commission to be credited to the fund.

(f) For the fiscal year beginning July 1, 2023, each member shall contribute to the fund seven and one-half per cent of such member's pay as to that portion of pay with respect to which contributions are not to be deducted under section 7-453 and four and three-quarters per cent as to that portion of pay with respect to which contributions are to

Substitute Senate Bill No. 882

be so deducted from such pay by the municipality and forwarded not less frequently than once a month to the Retirement Commission to be credited to the fund.

(g) For the fiscal year beginning July 1, 2024, and each year thereafter, each member shall contribute to the fund eight per cent of such member's pay as to that portion of pay with respect to which contributions are not to be deducted under section 7-453 and five and one-quarter per cent as to that portion of pay with respect to which contributions are to be so deducted from such pay by the municipality and forwarded not less frequently than once a month to the Retirement Commission to be credited to the fund.

(h) In the case of members serving with the armed forces of the United States in time of war, hostilities or national emergency or any acts incident thereto, as provided in section 7-434, the municipality shall forward to the Retirement Commission to be credited to the fund a like contribution on behalf of such member based upon his pay at the time of entering such service. Any member leaving the employment of the municipality before becoming eligible for retirement may withdraw on request to the Retirement Commission the total of all contributions made by him, including contributions made to another system and transferred to the Municipal Employees' Retirement Fund under the provisions of section 7-442b, less any retroactive contributions payable by such member under section 7-453 to the Old Age and Survivors Insurance System which have been paid from the fund under the provisions of section 7-451, provided, if no request is made within ten years, such contributions shall revert to the fund. The withdrawal of contributions shall include interest credited from July 1, 1983, or the first of the fiscal year following the date of actual contribution, whichever is later, to the first of the fiscal year coincident with or preceding the date the employee leaves municipal service. Such interest shall be credited at the rate of five per cent per year. In

Substitute Senate Bill No. 882

addition, for the partial year during which the employee leaves municipal service or withdraws his contributions, whichever is later, interest shall be credited at the rate of five-twelfths of one per cent multiplied by the full number of months completed during that year, such interest rate to be applied to the value of contributions including any prior interest credits as of the first day of that year. Any employee who withdraws his contributions from the fund and is subsequently reinstated shall not receive credit for service for such prior employment in the computation of his eventual retirement allowance unless the withdrawn contributions plus interest, if any, have been repaid with additional interest at a rate to be determined by the commission. Any municipality which has made contributions on behalf of any member serving in the armed forces who is not reemployed by the municipality within six months following the termination of such service, unless this period is further extended by reason of disability incurred in such service, shall be entitled to receive from the fund on application to the Retirement Commission the amount of such contributions. Any municipality which has made contributions in accordance with subsection (b) of section 7-436b on behalf of any member who leaves the employment of the municipality and withdraws from the municipal employees' retirement system before becoming eligible for retirement shall be entitled to receive from the fund on application to the Retirement Commission the amount of such contributions. In case of the death of a member before retirement, who has not elected a retirement income option in accordance with the provisions of this part or who has made such election but has not completed the age and service requirements that would permit him to retire on his own application, or after retirement without having made such election, or in case of the death of the survivor of a member who has made such election and his spouse after a retirement allowance has become payable, his contributions to the fund plus such five per cent interest, if any, less any retirement allowance paid to him or his spouse, and less any retroactive contributions paid by such member to

Substitute Senate Bill No. 882

the Old Age and Survivors Insurance System which have been paid from the fund under the provisions of section 7-451, shall be paid from the fund on the order of the Retirement Commission to the beneficiary or beneficiaries, if any, named by such member. If no named beneficiaries survive the member, or the survivor of the member and his spouse, payment shall be made to the executors or administrators of such member or his spouse, as the case may be, except that, if the amount is less than five hundred dollars, the refund may be made, at the option of the Retirement Commission, in accordance with the terms of section 45a-273.

Sec. 2. (*Effective from passage*) (a) Notwithstanding the charter or any ordinance of the city of Bridgeport or any provisions of the general statutes or special act, the city of Bridgeport is authorized to issue bonds in an amount not to exceed one hundred twenty-five million dollars plus the costs of issuances of such bonds for the purpose of funding the city of Bridgeport's Pension Plan A Fund. Such bonds shall be "pension deficit funding bonds", as defined in section 7-374c of the general statutes, but shall not be subject to the provisions of subsection (b) or (e) of said section.

(b) Such bonds shall mature not more than twenty-five years from the date of issuance and shall be subject to the provisions of chapter 109 of the general statutes, except the provisions of (1) section 7-371 of the general statutes concerning the date of the first maturity and the amount of any installment of principal or principal and interest, and (2) subsection (e) of section 7-374c of the general statutes concerning the date of the first maturity and the amount of any installment of principal or principal and interest, provided the first principal payment on such bonds shall be made not later than ten years from the date of issuance of such bonds.

Approved June 28, 2019