



General Assembly

Amendment

January Session, 2019

LCO No. 10659



Offered by:

SEN. CASSANO, 4th Dist.

SEN. KUSHNER, 24th Dist.

To: Subst. Senate Bill No. 882

File No. 724

Cal. No. 350

"AN ACT CONCERNING MUNICIPAL ARBITRATION AND THE MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

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 Section 7-440 of the general statutes is repealed and the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

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

12 (b) For the fiscal year beginning July 1, 2019, each member shall
13 contribute to the fund five and one-half per cent of such member's pay

14 as to that portion of pay with respect to which contributions are not to
15 be deducted under section 7-453 and two and three-quarters per cent
16 as to that portion of pay with respect to which contributions are to be
17 so deducted from such pay by the municipality and forwarded not less
18 frequently than once a month to the Retirement Commission to be
19 credited to the fund.

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

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

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

44 (f) For the fiscal year beginning July 1, 2023, each member shall
45 contribute to the fund seven and one-half per cent of such member's

46 pay as to that portion of pay with respect to which contributions are
47 not to be deducted under section 7-453 and four and three-quarters per
48 cent as to that portion of pay with respect to which contributions are to
49 be so deducted from such pay by the municipality and forwarded not
50 less frequently than once a month to the Retirement Commission to be
51 credited to the fund.

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

60 (h) In the case of members serving with the armed forces of the
61 United States in time of war, hostilities or national emergency or any
62 acts incident thereto, as provided in section 7-434, the municipality
63 shall forward to the Retirement Commission to be credited to the fund
64 a like contribution on behalf of such member based upon his pay at the
65 time of entering such service. Any member leaving the employment of
66 the municipality before becoming eligible for retirement may
67 withdraw on request to the Retirement Commission the total of all
68 contributions made by him, including contributions made to another
69 system and transferred to the Municipal Employees' Retirement Fund
70 under the provisions of section 7-442b, less any retroactive
71 contributions payable by such member under section 7-453 to the Old
72 Age and Survivors Insurance System which have been paid from the
73 fund under the provisions of section 7-451, provided, if no request is
74 made within ten years, such contributions shall revert to the fund. The
75 withdrawal of contributions shall include interest credited from July 1,
76 1983, or the first of the fiscal year following the date of actual
77 contribution, whichever is later, to the first of the fiscal year coincident
78 with or preceding the date the employee leaves municipal service.
79 Such interest shall be credited at the rate of five per cent per year. In

80 addition, for the partial year during which the employee leaves
81 municipal service or withdraws his contributions, whichever is later,
82 interest shall be credited at the rate of five-twelfths of one per cent
83 multiplied by the full number of months completed during that year,
84 such interest rate to be applied to the value of contributions including
85 any prior interest credits as of the first day of that year. Any employee
86 who withdraws his contributions from the fund and is subsequently
87 reinstated shall not receive credit for service for such prior
88 employment in the computation of his eventual retirement allowance
89 unless the withdrawn contributions plus interest, if any, have been
90 repaid with additional interest at a rate to be determined by the
91 commission. Any municipality which has made contributions on
92 behalf of any member serving in the armed forces who is not
93 reemployed by the municipality within six months following the
94 termination of such service, unless this period is further extended by
95 reason of disability incurred in such service, shall be entitled to receive
96 from the fund on application to the Retirement Commission the
97 amount of such contributions. Any municipality which has made
98 contributions in accordance with subsection (b) of section 7-436b on
99 behalf of any member who leaves the employment of the municipality
100 and withdraws from the municipal employees' retirement system
101 before becoming eligible for retirement shall be entitled to receive from
102 the fund on application to the Retirement Commission the amount of
103 such contributions. In case of the death of a member before retirement,
104 who has not elected a retirement income option in accordance with the
105 provisions of this part or who has made such election but has not
106 completed the age and service requirements that would permit him to
107 retire on his own application, or after retirement without having made
108 such election, or in case of the death of the survivor of a member who
109 has made such election and his spouse after a retirement allowance has
110 become payable, his contributions to the fund plus such five per cent
111 interest, if any, less any retirement allowance paid to him or his
112 spouse, and less any retroactive contributions paid by such member to
113 the Old Age and Survivors Insurance System which have been paid
114 from the fund under the provisions of section 7-451, shall be paid from

115 the fund on the order of the Retirement Commission to the beneficiary
116 or beneficiaries, if any, named by such member. If no named
117 beneficiaries survive the member, or the survivor of the member and
118 his spouse, payment shall be made to the executors or administrators
119 of such member or his spouse, as the case may be, except that, if the
120 amount is less than five hundred dollars, the refund may be made, at
121 the option of the Retirement Commission, in accordance with the
122 terms of section 45a-273."

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2019	7-440