



## OFFICE OF THE FIRST SELECTMAN

**Michael R. Criss**  
**First Selectman, Town of Harwinton**

### ***PLANNING & DEVELOPMENT COMMITTEE***

February 19, 2021

Good Afternoon, my name is Michael R. Criss, I am the First Selectman for the Town of Harwinton and I am submitting testimony regarding H.B. 6421 "An Act Concerning the Continuation of Retirement Allowances for Certain Retirees Upon Subsequent Employment by a Board of Education."

#### **H.B. 6421 "An Act Concerning the Continuation of Retirement Allowances for Certain Retirees Upon Subsequent Employment by a Board of Education"**

Thank you for the opportunity to comment and submit testimony on proposed H.B. 6421 "An Act Concerning the Continuation of Retirement Allowances for Certain Retirees Upon Subsequent Employment by a Board of Education." The Town of Harwinton and CCM are opposing this bill as submitted.

H.B. 6421 seeks to permit retired public safety personnel to receive retirement allowances if such personnel are employed by a local or regional board of education in a public safety capacity after retirement. This proposal, does not include any state long-term assistance compounding cost for local governments who, under this bill, would be paying a pension and a salary to the same employee simultaneously. Long ago, the State of Connecticut abandoned the partnership and programs with regional and local school districts that helped to provide SROs for our students despite pleas from local municipalities to continue the program and share the costs.

Additionally, under the bill, the retiree/employee could potentially become eligible for another lucrative pension while employed under the provisions promulgated by this bill. This bill would squeeze the balloon and inflate costs, particularly for MERS towns.

The MERS contribution rates for employees have largely remained the same since the system was established. Currently the employee contribution rates range from 2.25% to 5% depending on whether the employee is considered non-hazardous duty or hazardous duty (police and fire), respectively.

Over the years as the Municipal Employee Retirement Fund (MERF) has been actuarially evaluated municipal employer contribution rates have been steadily increased to ensure adequate funding and solvency. Recently, the assumed rate of return for the MERF was reduced from 8% to 7%.

## **TOWN OF HARWINTON**

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General Assembly

January Session, 2021

**Raised Bill No. 6421**

LCO No. 3262

\*03262\_\_\_\_\_PD\_\*

Referred to Committee on PLANNING AND DEVELOPMENT

Introduced by:

(PD)

**AN ACT CONCERNING THE CONTINUATION OF RETIREMENT ALLOWANCES FOR CERTAIN RETIREES UPON SUBSEQUENT EMPLOYMENT BY A BOARD OF EDUCATION.**

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

Section 1. Section 7-438 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2021*):

(a) Any member retired under this part who again accepts employment from **[this] the** state or from any municipality of **[this] the** state, other than a participating municipality, shall continue to receive his **or her** retirement allowance while so employed, and shall be eligible to participate, and shall be entitled to credit, in the state retirement system for the period of such state employment, but **[any such member] he or she** shall not be eligible to participate or be entitled to credit in any municipal retirement system for the period of such municipal employment.

(b) If a member is retired under this part and again accepts employment from the same municipality from which he **or she** was retired or any other participating municipality, he **or she** shall be



eligible to participate, and shall be entitled to credit, in the municipal employees' retirement system for the period of such municipal employment. Such member shall receive no retirement allowance while so employed except if (1) such employment is for less than twenty hours per week, or (2) his or her services are rendered for not more than ninety working days in any one calendar year, provided that any member reemployed for a period of more than ninety working days in one calendar year shall reimburse the Municipal Employees' Retirement Fund for retirement income payments received during such ninety working days.

(c) Notwithstanding the provisions of subsection (b) of this section, if a uniformed member of a paid municipal fire department or a regular member of a paid municipal police department is retired under this part and subsequently accepts employment of a public safety nature from any school district or regional school district, which district is a participating municipality, he or she shall continue to receive his or her retirement allowance while so subsequently employed, but he or she shall not be eligible to further participate or be entitled to additional credit in the municipal employees' retirement system for the period of such subsequent employment.

This act shall take effect as follows and shall amend the following sections:

Section 1	October 1, 2021	7-438
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**Statement of Purpose:**

To permit retired public safety personnel to receive retirement allowances, but not credit in a municipal pension system, if such personnel are employed by a local or regional board of education in a public safety capacity after retirement.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*