



House of Representatives

General Assembly

File No. 288

February Session, 2022

Substitute House Bill No. 5172

House of Representatives, April 5, 2022

The Committee on Planning and Development reported through REP. MCCARTHY VAHEY of the 133rd Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING REEMPLOYMENT AND THE MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM.

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

1 Section 1. Section 7-438 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2022*):

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

12 (b) If a member is retired under this part and again accepts

13 employment from the same municipality from which he or she was
 14 retired or any other participating municipality, he or she shall be eligible
 15 to participate, and shall be entitled to credit, in the municipal employees'
 16 retirement system for the period of such municipal employment. Such
 17 member shall receive no retirement allowance while so employed
 18 except if (1) such employment is for less than twenty hours per week,
 19 [or] (2) his or her services are rendered for not more than ninety working
 20 days in any one calendar year, provided [that] any member reemployed
 21 for a period of more than ninety working days in one calendar year shall
 22 reimburse the Municipal Employees' Retirement Fund for retirement
 23 income payments received during such ninety working days, or (3) such
 24 member does not participate in the municipal employees' retirement
 25 system during the period of his or her reemployment.

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

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2022	7-438

PD *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill, which allows employees of the Connecticut Municipal Employees Retirement System (CMERS) to be re-employed with the CMERS town and continue to receive pension payments, provided they do not participate in the retirement system during re-employment, does not result in a fiscal impact as no additional pension credit can be earned.

The bill, which also explicitly permits CMERS members of a police or fire department to accept employment with any participating school district in a public safety position and continue to receive pension payments, provided they do not participate in the retirement system during re-employment, does not result in a fiscal impact as no additional pension credit can be earned.

For context, under current law, a retiree of the Connecticut Municipal Employees Retirement System (CMERS) cannot receive pension payments if he or she is re-employed with a CMERS town for more than 20 hours per week or 90 days per year.

The Out Years

State Impact: None

Municipal Impact: None

Sources: Office of the State Comptroller

OLR Bill Analysis

sHB 5172

AN ACT CONCERNING REEMPLOYMENT AND THE MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM.

SUMMARY

Under current law, a retiree of the Connecticut Municipal Employees Retirement System (CMERS) cannot receive pension payments if he or she is re-employed with a CMERS town for more than 20 hours per week or 90 days per year.

This bill allows them to be re-employed with a CMERS town for any amount of time and receive pension payments, so long as they do not participate (i.e., receive credit) in the retirement system during this period of re-employment. (In practice, these retirees who are re-employed part time do not receive credit for the period of re-employment.)

The bill also explicitly permits retired CMERS members of a police or fire department to accept employment with any participating school district, including a regional district, in a public safety position and continue to receive pension payments as long as they do not further participate in CMERS and earn additional retirement credit.

EFFECTIVE DATE: October 1, 2022

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 26 Nay 0 (03/18/2022)