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**STATE OF CONNECTICUT**

***OFFICE OF POLICY AND MANAGEMENT***

**Office of Labor Relations**

**September 4, 2012**

**General Notice 2012-05**

**TO: Labor Relations Designees**

**SUBJECT**: Hazardous Duty Service – Arbitration Award

An Arbitrator issued an award which impacts the way in which hazardous duty service is utilized under the State Employees’ Retirement System.

1. **Counting of Hazardous Duty Service**

Under the terms of the Pension Agreement, individuals who retire under the Hazardous Duty provisions of the plan must:

For Tier 1: Complete at least 20 years of hazardous duty service for the State

For later Tiers: Complete 20 years of credited service while a hazardous duty member

The Retirement Division for some time has been interpreting the above language so that an individual could retire and begin receiving their hazardous duty pension without having 20 years of hazardous duty service. For example, on June 30, 2011, the employee has 19 years 10 months of hazardous duty service and two months of vacation. The Division was allowing the individual to retire effective July 1, 2011 and the agency would pay out the individual the two months of vacation and could immediately refill the position. As the individual did not have twenty years of actual hazardous duty service on June 30, 2011, this was not appropriate. The State filed a grievance to stop this practice.

The Arbitrator ruled: “Any hazardous duty retirement member who submits a retirement application on or after November 1, 2012, who chooses to rely upon accrued time in order to reach the required twenty years of service shall not receive a pension benefit during the period covered by such accrued time”.

This w0uld mean that under the above example, the individual could retire as hazardous duty effective September 1, 2011. If the employee only requests to use vacation for the months of July and August, such request should be treated like any other request for vacation under the contract, agency rules, statutes and regulations, as appropriate.

1. **2009 Retirement Incentive Program**

The incorrect interpretation by the Retirement Division of Hazardous Duty Service impacted who was eligible for the Retirement Incentive Program under the 2009 SEBAC Agreement. The Agreement required that a Hazardous Duty member had to have “20 years of actual hazardous duty state service in SERS”. The parties agreed that the 20 years of actual hazardous duty state service would have the same meaning that it had under prior Retirement Incentive Programs. Of course, the parties did not know that the Retirement Division had been incorrectly treating vacation time as actual hazardous service.

SEBAC filed a grievance asking the Arbitrator to continue the incorrect interpretation for the purpose of the 2009 Retirement Incentive Program.

The Arbitrator ruled: “Affected employees who had 20 or more years of service as of June 30, 2009 as previously interpreted by the Retirement Division but were unable to take advantage of the RIP due to the State’s contrary position shall be made whole. The pensions of such employees shall be computed with the addition of 3 years of service, provided however, that any such affected employee not yet retired at the time of the Arbitrator’s award must do so by submitting their retirement application no later than October 31, 2012 and retiring no later than November 1, 2012. SEBAC will provide the State a list of such employees no later than October 16, 2012.”

The Retirement Division is aware of the Award and is prepared to implement its provisions.

Labor Relations Designees with questions concerning this matter should contact the Office of Labor Relations at (860) 418-6447 or the Retirement Division of the State Comptroller at (860) 702-3480 (email OSC.RSD@po.state.ct.us). All others should contact their Central Personnel Office.

## **Linda J. Yelmini**

Linda J. Yelmini

Director of Labor Relations