

DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES
Bureau of Human Resources

February 28, 1992

HUMAN RESOURCES MEMORANDUM 5-92

TO: All Agency/Department Heads/Personnel Officers

SUBJECT: Guidelines for Administration of the 80 Percent Retirement Incentive Program - Attachment 1 to Human Resources Memorandum 39-91

The purpose of this Memorandum is to supplement the subject guidelines by adding a Union Membership section and to correct the sections of the subject guidelines that govern layoff, Medicare and the catch-up provision of the State's Deferred Compensation Plan.

Please add the following Union Membership Section to the guidelines:

Union Membership

In accordance with standard retirement policy, employees who are members of an employee union at the time that they terminate their employment with the State in order to participate in the 80% Program will, effective with the date of their retirement, cease to be members of their respective employee unions. However, these employees must be provided the opportunity to rejoin their respective union effective with the start of their reemployment under the 80% Program.

Employees who want to continue membership in their employee union while a participant in the 80% Program may request their department to continue any dues deduction authorization that may be in effect at the time of retirement or complete a new payroll deduction authorization.

Employees who do not want to continue membership in their employee union when reemployed as a participant in the 80% Program must work with their agency payroll staff to cancel any payroll dues deduction authorization in effect at time of retirement.

Participants in the 80% Program who are not members of an employee union at the time of termination must be provided membership information when they are reemployed at the 80% rate.

Corrections to the guidelines are made as follows:

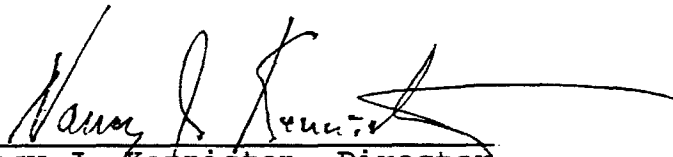
Item #3 of the Compensation and Employment Conditions section of the guidelines (page 3) requires a 1.45% Medicare deduction from participant earnings. This requirement is rescinded. The Attorney General has determined that this deduction does not have to be made.

Item #7 of the Compensation and Employment Conditions section of the Guidelines (page 4) is corrected to read:

7. In the event of layoff, a participant may be eligible to bump to a lower related ~~position~~ classification. However, if this option is exercised, the employee will be ineligible to continue participation in the the 80% retirement program. Similarly, the employee will become ineligible to continue participation if the employee transfers or promotes to a ~~position~~ classification other than the one held at time of retirement.

Item #8 of the Benefits section of the guidelines (page 5) disallows participant eligibility for the catch-up provision of the State's Deferred Compensation Plan. This denial of eligibility is rescinded. The Attorney General has determined that participants are eligible for this benefit.

Agencies are asked to inform participants and applicants of these changes to the guidelines as soon as possible.



Nancy J. Kenniston, Director
BUREAU OF HUMAN RESOURCES