

# The **Association** report

## from the **Capitol**

April 14, 2003

The legislature looks to Easter break this week still struggling with a budget that has proved difficult to balance without deep cuts in programs for the less fortunate as well as lay-offs of state employees. In spite of budget woes, low-cost or no-cost legislation is still progressing that could benefit our association members.

Debate is expected soon on a bill that could help the decision-making process for state employees who are considering early retirement. SB 248, sponsored by Sen. Chuck Gross, would make a substantial contribution to health insurance premiums for state employees who retire "under the normal age and service requirements after Jan. 1, 2003 and prior to Jan. 1, 2004." The retiree would be eligible for the same dollar amount in effect for active employees at the date of retirement.

Provisions of SB 248 would require the state to maintain health insurance coverage until the retiree becomes eligible for Medicare or he or she reaches the age of 65.

Legislation originally proposed as a cost-saving measure by the governor would have conceded additional years of service credit to reach "80 and out" retirement status. This approach to trim the budget apparently was abandoned when it was determined that a savings would be realized only on a short-term basis. Sen. Gross has said that his plan to offer health insurance incentives to encourage veteran state workers to retire could save money for the state as well as give eligible state workers more of a reason to retire. The bill also stipulates that the state cannot fill more 25% of the positions vacated during the window of opportunity offered in the legislation.

Another feature of SB 248 would drop the minimum age from 50 to 48 to become eligible for "80 and out" retirement status. Senate debate on Sen Gross' bill is expected this week or soon after Easter.

The legislature is to leave Thursday, April 17 for Easter break and return Tuesday, April 22 to start the home-stretch run before the scheduled session ending date set for May 16<sup>th</sup> at 6 p.m.

**From Harry Hill, Lobbyist  
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