



LEGISLATIVE Update

State Employees Association of North Carolina • www.seanc.org

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State Treasurer seeks minimum age for retirement

Just after the Legislative Update went out last Friday, State Treasurer Janet Cowell's staff met at the Retirement Roundtable with groups representing active and retired public employees, including SEANC.

At this meeting, Cowell's office announced plans to set a minimum retirement age at 62 for all state employees who started working for the state on or after Aug. 1, 2011. Under the proposal, employees would have to accept an asset-undetermined reduced benefit rate if they retired after 30 years of service but before they turn 62.



SEANC has always opposed a minimum retirement age and in 2010 fought off efforts to set the minimum at 55. After the Treasurer rushed a vote on the State Health Plan changes which put a surcharge of \$40 on each member of the plan, SEANC was appropriately skeptical about whether the Treasurer would seek input on the changes she wants in the Retirement Plan. So, SEANC Lobbyist Mitch Leonard asked the Treasurer's staff if the Retirement System Board of Trustees would vote on the Treasurer's plan or if we would just see it pop up in the General Assembly. The Treasurer's Office responded that Cowell had not made that decision yet.

Almost immediately after the meeting, Cowell decided to move forward without talking to the board or working with the member groups. Wednesday, five days after the roundtable discussion, her staff presented these ideas to the House State Personnel Committee as possible changes to the Retirement Plan. SEANC was in attendance at this meeting and was shocked at the presentation. We do not understand Cowell's insistence to push unnecessary and harmful changes to the State Health Plan and the Teachers and State Employees Retirement System. We are still seeking answers to critical questions about both plans from the Treasurer's Office, an effort that has been unsuccessful so far.

In other legislative activity this week SEANC continued to follow the progress of Appropriations subcommittees who continued to receive reports on agencies and are now ready to begin reviewing agency budgets.