



**STATE OF VERMONT**  
**OFFICE OF THE STATE TREASURER**

**NEWS RELEASE**

**For Immediate Release—July 17, 2015**

## **Retirement Incentive Notices Sent to Vermont State Employees**

MONTPELIER, Vt.—A retirement incentive program passed in the recently concluded Vermont State legislative session will give 300 executive branch employees the opportunity to retire this year and receive as much as \$15,000 in cash. The State Treasurer's Office today mailed letters and program applications to eligible employees.

The program was proposed as a way to reduce both the State's labor costs and the need to lay-off employees to address a multi-million dollar budget deficit. The Vermont State Employees Association, Treasurer's office and the Administration worked together to craft a plan that would secure general fund savings and protect the financial integrity of the pension plan.

"I am pleased that we could work together to come up with a program that benefits employees and helps address current budget deficit concerns," said State Treasurer Beth Pearce. "However, while the program does reduce labor costs in the short-term, to realize the full measure of the savings, the State must address long-term workforce issues."

There are 949 employees eligible to take the incentive. However, only 300 employees will be granted the incentive. If more than 300 employees apply, the Treasurer's office will utilize a lottery system to select the 300 from among those State employees applying. The deadline for receipt of the application in the Treasurer's office is August 31, 2015.

Executive branch employees who have worked for the State from 5-15 years would receive \$750 per year of employment. Those with 15 years or more of service would be eligible for \$1,000 per year they worked for the State. The maximum payable under the incentive is \$15,000. The incentive will be paid to recipients in two equal payments in fiscal years 2016 and 2017.

Retirements under the incentive program are effective on October 1, 2015. The law does allow a department to stagger the retirement dates of multiple employees, if necessary, to continue the normal operation of business. However, no retirement date may be later than March 1, 2016.

To be eligible for the retirement incentive program a person must meet the following requirements:

- Be employed by the executive branch of State government on July 1, 2015;
- Participate in the defined benefit or defined contribution retirement plans;
- If hired prior to July 1, 2008, the employee must have at least 30 years of service or be age 62 with at least five years of service as of August 1, 2015; and

- If hired on or after July 1, 2008, the employee must have a combination of years of service and age that equals 87 or more, or be age 65 with at least five years of service as of August 1, 2015.

The State Treasurer's Office has posted an eligibility summary for employees on its web site at **VermontTreasurer.gov**. Employees that believe they are eligible and do not receive a letter should contact the Treasurer's office. Questions regarding employee eligibility and the incentive program should be sent via email to [laurie.lanphear@state.vt.us](mailto:laurie.lanphear@state.vt.us).