

CAPS PROPOSAL

Bargaining Unit: 10

Date: April 7, 2021;
3:08PM

Exclusive Representative: CAPS

Article: 8

Subject: Retirement

8.11 Post-Retirement Health and Dental Benefit Vesting

- A. The following vesting schedule shall apply to state employees in Bargaining Unit 10 first employed by the State prior to January 1, 2016 for post-retirement health benefits vesting, and the vesting schedule shall also apply to state employees in Bargaining Unit 10 first employed by the State prior to January 1, 2019 for post-retirement dental benefits vesting.

Health and Dental Benefits Vesting	
Credited Years of Service (For Employees in state service prior to January 1, 2016 <u>for health benefits vesting; and for Employees in state service prior to January 1, 2019 for dental benefits vesting</u>)	Percent of Employer Contribution
10	50
11	55
12	60
13	65
14	70
15	75
16	80
17	85
18	90
19	95
20 or more	100

- B. The following vesting schedule shall apply to state employees in Bargaining Unit 10 first employed by the State on or after January 1, 2016 for post-retirement health benefits vesting, and the vesting schedule shall also apply to state employees in Bargaining Unit 10 first employed by the State on or after January 1, 2019 for post-retirement dental benefits vesting.
- C. The portion of the employer contribution toward postretirement health and dental benefits will be based on credited years of service at retirement per the following chart entitled "Health and Dental Benefits Vesting." The minimum number of years of State service at retirement to establish eligibility for any portion of the employee contribution will be 15 years. This section will apply only to State employees who were under a service retirement.
- D. State employees as defined in B above, who become BU 10 employees on or after January 1, 2016, shall not receive any portion of the employer's contribution payable for postretirement

health and dental benefits unless those employees are credited with 15 years of State service as defined by law.

- E. The percentage of employer contribution payable for postretirement health and dental benefits for an employee subject to this section is based on the member’s completed years of credited State service at retirement as shown in the following table:

Health Health and Dental Benefits Vesting	
Credited Years of Service (For Employees new to state service on or after January 1, 2016 for health benefits vesting; and for Employees new to state service on or after January 1, 2019 for dental benefits vesting)	Percent of Employer Contribution
15	50
16	55
17	60
18	65
19	70
20	75
21	80
22	85
23	90
24	95
25 or more	100

- F. This section shall apply only to State employees who retire for service.
- G. Benefits provided an employee by this section shall be applicable to all future State service.
- H. For the purposes of this section State service shall mean service rendered as an employee or officer (employed, appointed or elected) of the State for compensation.
- I. The parties agree to support any legislation necessary to facilitate post-retirement health and dental vesting, as identified in Government Code Sections 22874, 22874.2, 22958, or any other applicable section of the Government Code.