

# **State to Save \$60 Million in First Step of Reorganization**

To help keep the state budget balanced, while maintaining key priorities in education and job creation, the House approved an early retirement plan that is estimated to save the state \$60 million next year.

Under the Early Retirement Incentive program, a state employee who is at least 55 years old and files an application by April 15, 2010, is eligible to participate in the program. The employee must leave state employment by June 24, 2010. The employee cannot return to state employment if they leave under this plan.

Any employee participating in the program who has at least ten years of state service will receive a “years-of-service” benefit of \$1,000 per year for up to 25 years of state employment.

Additionally, the eligible employee will receive a health insurance contribution benefit to pay the cost for state group health insurance for five years.

The House changed the date that the employee must leave state government from May 28 to June 24. Because of the change, the bill now goes back to the Senate for their approval before heading to the Governor for his signature.