

From: Spaulding, Jeb

Sent: Monday, December 31, 2012 3:04 PM

To: Spaulding, Jeb; London, Sarah; MacLean, Alex; Pearce, Beth; 'Susanne Young'; 'jcook@vtnea.org'; Mitchell, Mark; Briggs, Jeff; 'Michael O'Neil'; Duffy, Kate; Flynn, Keith; Allen, Susan; Gaffney, Kevin; 'Jon Harris (jonhar2@comcast.net)'; 'sjeffrey@vlct.org'; 'louis_porter@yahoo.com'

CC: Isabelle, Jean-Paul; Johnson, Harriet

Subject: RE:

Folks,

Here is a summary of the proposal the Governor would like to publicly unveil at a press conference on Wednesday at 11 here on the fifth floor. The Governor would love to have your attendance, if the timing works and you are supportive of the proposal. I believe it should meet the approval of everyone at the meeting we had ten days ago. I am not sure whether we will have a draft bill ready by the time of the press conference, but even if we do, it will still be in draft form and can be tweaked as needed. I would appreciate it if we could keep the proposal as much under wraps as possible until Wednesday.

Roughly half of the states have some kind of law that provides for public employee pension forfeiture for certain crimes. Our proposal will modeled on Connecticut law.

It will allow a judge to order that any public employee – state or municipal, including teachers – could lose some or all of their pension if they are convicted of certain financial crimes related to their employment. This includes crimes like embezzlement, theft, bribery and other crimes that involve an abuse of public office for financial gain. This would apply to something like timesheet fraud.

It allows a judge to order that some or all of an employee's pension be forfeited, but doesn't require it. Instead, the judge is directed to consider a number of factors, like the severity of the crime, the amount of money the state or town has lost, the degree of public trust placed in the individual – and whether innocent family members depend on the pension (pension could be redirected to innocent family). This reflects the fact that each of these cases presents a different set of facts to be taken into account before requiring someone to lose their pension.

An employee will still get back their own contributions UNLESS they are ordered to pay restitution to the state or town. So, the state or town can go after the employee's monetary contributions, instead of just getting tax payer money to pay restitution.

This proposal would NOT apply to cases already being prosecuted. It will only be forward-looking. (The details of that need to be worked out by the lawyers, but generally these laws cannot apply retroactively.)

Please feel free to call me with any questions. Hope to see you Wednesday.

--- Jeb

From: Spaulding, Jeb

Sent: Thursday, December 20, 2012 1:01 PM

To: London, Sarah; MacLean, Alex; Pearce, Beth; 'Susanne Young'; jcook@vtnea.org; Mark Mitchell (mmitchell@vsea.org); Briggs, Jeff; Michael O'Neil; Duffy, Kate; Flynn, Keith; Allen, Susan; Gaffney, Kevin; Jon Harris (jonhar2@comcast.net); sjeffrey@vlct.org

Cc: Isabelle, Jean-Paul; Johnson, Harriet; 'louis_porter@yahoo.com'

Subject:

I have spoken with enough of you to know we have critical mass for a meeting tomorrow (Friday) to discuss potential legislation creating a process for potential forfeiture of public employee pensions when an employee commits a job-related crime. Please come to the Fifth Floor conference room at noon.

Let me know if you would like to participate by speaker phone (hopefully only as a last resort).

Thanks.

Jeb Spaulding, Secretary of Administration
State of Vermont
Pavilion Office Building
109 State Street
Montpelier, VT 05609

People are our greatest asset