

**From:** London, Sarah [Sarah.London@vermont.gov]  
**Sent:** Sunday, December 30, 2012 9:36 PM  
**To:** Spaulding, Jeb  
**CC:** Lofy, Bill; Allen, Susan; MacLean, Alex; Porter Louis  
**Subject:** Re: model pension statute

They already have it. Apologies for confusion. They got attachment and list of points last week. I can have a "backup" draft of our own if AGO not on board (we spent unproductive time just going over every single point they - not Susanne - disagreed with in my last draft so I wanted to avoid that and start with their work). There are technical questions like where to locate this -- AGO was thinking criminal code, not totally attractive to me but we could do that. The pension laws are of course all over the place (title 3 for state, 24 towns, 16 teachers) so makes sense to avoid repeating it in all three places. I'm now thinking title 32 tax and finance, chapter 7 "The public moneys" (?). I assume no one here feels strongly about any of that, but if you do, let me know. (I'll eventually work this sort of stuff out with AGO and leg council.)

Long and short, I will have a backup draft if we can't work with AGO on drafting together.

Sent from my iPad

On Dec 30, 2012, at 8:59 PM, "Spaulding, Jeb" <[Jeb.Spaulding@state.vt.us](mailto:Jeb.Spaulding@state.vt.us)> wrote:

This is really helpful and could serve as a handout. It would be useful to share with AGO and Treasurer.

Jeb Spaulding, via mobile  
Secretary of Administration  
State of Vermont

On Dec 30, 2012, at 8:10 PM, "London, Sarah" <[Sarah.London@state.vt.us](mailto:Sarah.London@state.vt.us)> wrote:

[Talking points on a proposal based on CT's law; CT law attached.](#)

Here's the summary of what we like about CT's law:

- (1) It allows a judge to order that any public employee – state or municipal, including teachers – 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.

- (2) 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. CT's law 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.
- (3) 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.
- (4) (We have not talked about this yet, but CT's law rewards employees who come forward and report others. It directs the court not to revoke or reduce the pension of an employee is convicted of a crime related to public office, but who voluntarily provided information to law enforcement regarding another employee who was more culpable if they provide the information before knowing of the criminal investigation.)

Other points:

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