



EEOC News

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MINNESOTA DEPARTMENT OF CORRECTIONS SUED BY EEOC FOR AGE DISCRIMINATION

Early Retirement Incentive Plans Exclude Employees Over Age 55, Federal Agency Says

MINNEAPOLIS – The U.S. Equal Employment Opportunity Commission (EEOC) today sued the Minnesota Department of Corrections under the Age Discrimination in Employment Act due to early retirement incentive plans (ERIPs) that discriminate against older workers 55 and over.

The EEOC says in its lawsuit that the Minnesota Department of Corrections violated federal law by maintaining ERIPs that provide if an employee took early retirement between the ages of 50 and 55, the employee would continue to receive the employer contribution for health and dental insurance until the retired employee was 65. However, if the employee retired after the pay period in which he or she reached age 55, the employee lost this benefit entirely.

“Telling your older employees that they are too old to receive a benefit of early retirement made available to younger employees is, on its face, discriminatory,” said John Rowe, director of the EEOC Chicago district, which includes Minnesota. “Employers may have early retirement incentive plans that are consistent with the federal law against age discrimination – which is not the case with the Minnesota Department of Corrections.”

The Minnesota Department of Corrections is one of the largest agencies of the State of Minnesota, with approximately 4,000 employees. In its suit, the EEOC seeks relief for a class estimated at approximately 330 retirees, as well as permitting those persons who, but for their age, would be eligible to obtain the incentive and to retire with the same incentive benefit available to employees age 55 and younger.

The EEOC filed the litigation in U.S. District Court for the District of Minnesota, (*EEOC v. Minnesota Department of Corrections*, Civil No. 08-05252 PAM/FLN) after first attempting to reach a voluntary settlement out of court. The EEOC seeks relief on behalf of those employees who retired after they turned age 55 and lost the early retirement benefit, plus revision of the collective bargaining agreements and other relief. Because most of the ERIPs are contained in collective bargaining agreements, the unions representing the employees are included as defendants in the suit for purposes of obtaining a modification of the bargaining agreements.

(more)

MINNESOTA DEPARTMENT OF CORRECTIONS SUED BY EEOC FOR AGE DISCRIMINATION AGAINST OLDER WORKERS

EEOC Regional Attorney John Hendrickson said, “We were very surprised to see that the provisions maintained by the Minnesota Department of Corrections were widespread in its various collective bargaining agreements. These provisions, which affect hundreds of older workers and retirees, are clearly unlawful and must be corrected.”

Age discrimination represents one of the fastest growing types of charges filed with the EEOC. In Fiscal Year 2007, age discrimination charge filings across the country increased 15% to 19,103, the largest annual increase since FY 2002.

The EEOC enforces federal laws prohibiting employment discrimination. Additional information about the EEOC is available on its web site at www.eeoc.gov.

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