



WORKING DRAFT

Agency Legislative Proposal - 2020 Session

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State Agency: Teachers' Retirement Board, November 2019

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Lead agency division requesting this proposal: CT TRB Administration

Agency Analyst/Drafter of Proposal: Helen Sullivan

Title of Proposal: AN ACT MAKING CHANGES TO THE TEACHERS' RETIREMENT SYSTEM CONCERNING TECHNICAL REVISIONS AND ELIMINATING OBSOLETE LANGUAGE.

Statutory Reference: Chapter 167a

Proposal Summary:

To amend Section 10-183b to introduce new terms and modify existing terms. To amend section 10-183b (9) to clearly state the only type of contribution to be received as a voluntary contribution. To amend Section 10-183e to more accurately express the requirements for credited service, modified to align the types of

service that is Connecticut teaching service and that which does not constitute Connecticut teaching service and to repeal Subsections (d) and (e). To amend section 10-183e(c) to specify certain forms of other payments for the purchase of service credits. To amend Section 10-183f in subsection (b) to add “in the public schools of Connecticut” and subsection (f) is amended to eliminate the co-participant language as it is obsolete with the 2017 legislative changes. To amend Section 10-183g in subsection (b) to add in the public schools of Connecticut, to delete (c) and (d), to more correctly state the alternative payment forms and time for payment under each in (f) and (g) and requires the member be eligible to retire and separates from service; deletes an outdated provision at the end of the section; To amend Section 10-183h to add in (b) in the public schools in Connecticut and to delete an outdated provision, clarify Subsection (c) and amend Subsection (f) with a conforming change to the reference in the definitions. To amend Section 10-183i to more correctly state the alternative payment forms and time for payment under each. To amend section 10-183i (a) to clearly state the only type of contribution to be received as a voluntary contribution. To amend Section 10-183j to define the Plan N, Plan C and Plan D options, amend the death benefit language to correct the 2019 legislation and to remove an outdated provision. Subsection 10-183j (d) (2) is amended to add that the co-participant option is terminated on legal separation in addition to death or divorce for years before July 1, 2016. For years on or after July 1, 2016 the term legal separation is added so that a co-participant option shall not be terminated in the event of divorce or legal separation. To amend Section 10-183k to add in the public schools in Connecticut in (b) and (c) and to make it clear that termination must be a result of an event other than death of the member. To amend Section 10-183l to state what constitutes a quorum and what constitutes a majority vote, to change the title of secretary to a title approved by the board and to provide authority to the board to issue implementation regulations. To amend Section 10-183n to provide the member is responsible to remit payment to TRB, to allow the board to waive amounts due if it would cause a hardship to the member and to make it clear the board is not responsible to credit

interest on certain refunds. A new subsection (e) is added to require the employer to timely file a quarterly report with additions, deletions and plan changes in order to receive the subsidy under 10-183t(c). Failure to do so will result in a delay of the subsidy for that quarter. The subsidy payment is limited to six months from the date the board receives the report with the new eligible members or dependents disclosed. The employer will hold the members and dependents harmless as a result of the employer's untimely or inaccurate filing of the report. To amend Section 10-183o to permit the payment of mandatory contributions by an employer on behalf of a member when in the armed services consistent with the requirements of the Uniformed Services Employment and Reemployment Act of 1994. To amend Section 10-183p to change the title of this section, eliminate obsolete language regarding transfers to/from ARP or SERS and TRB, provide the requirement to obtain for time served in other retirement systems and repeal (b). To amend Section 10-183q subsection (a) to provide for two instances where the funds may be accessed for DROs and tax transfers. To amend Section 10-183t to delete the last sentence as this is an outdated provision as the board no longer participates in this reimbursement program with the federal government. Subsection (b) is amended to recognize other requirements for coverage under a state plan. To repeal Section 10-183v (a) (2) and (f) as outdated and modify a member's account settlement if the member is re-employed. Section 10-183v is amended also to provide clarity by an employer, as defined, in any position in which the retired teacher would receive any form of compensation paid out of public money appropriated for school purposes. To amend Section 10-183y to clarify the responsibility of the member to provide the legal basis for any appeal, other than this section. To amend section 10-183z is amended to remove the incorrect contribution rate and other conforming changes. To amend Section 10-183aa to provide discretionary authority to the board for delays in applications. Section 10-183ff is amended to provide that the board may at its discretion consider a request for a reimbursement of bank charges. Subsection (e) and (f) are repealed as outdated. To amend section 10-183jj is amended to make certain conforming

changes. To amend section 10-183kk is amended to delete the “Notwithstanding ... “language so that this section and Section 10-183n are in concert. To amend section 10-183pp is amended to make certain conforming changes. To amend section 10-183rr is amended to make certain conforming changes. To amend section 10-183tt, added by legislation in 2019 addresses the interest rate. It sets credited interest to be no more than 4.0%. This is in violation of the federal tax requirements with respect to the voluntary contributions. Actual interest earned must be credited. The limitation of a 4% cap must be lifted for the voluntary contributions.

PROPOSAL BACKGROUND

◇ Reason for Proposal

Please consider the following, if applicable:

- (1) *Have there been changes in federal/state/local laws and regulations that make this legislation necessary?*
- (2) *Has this proposal or something similar been implemented in other states? If yes, what is the outcome(s)? Are other states considering something similar this year?*
- (3) *Have certain constituencies called for this action?*
- (4) *What would happen if this was not enacted in law this session?*

The following are new terms introduced or modification of existing terms: Amortization of unfunded liabilities, Annual Salary, Average Annual Salary, Contributions, Credited Interest, Co-participant, Designated Beneficiary, Disabled, Disability Allowance, Formal application for Retirement, Formal application for Disability Allowance, Funding, Member, Public School, Retired Member, School Year and Teacher. Employer has been modified to indicate that employees hired on or after July 1, 2020 with the governing body of the Children’s Center and its successors shall not be considered an employer in the system. The definition of teacher has been modified to require individuals employed on or after July 1, 2020, as a member of the professional staff of the State Board of Education, or any of the constituent units, must be a pre-existing member of the teachers’ retirement system. Section 10-183b (9) to specify that the term “Voluntary contributions are only after-tax contributions withheld by the member’s employer form their annual salary. Section 10-183e (a) is modified to more accurately express the requirements for credited service. Subsection (b) retains the

original list of the types of service that is Connecticut teaching service, includes some effective dates and modifies this subsection to make it clear that service in 3, 8, and 10 is service in the public schools in Connecticut. In addition, permanent full time positions with the state, the American school for the deaf, the Connecticut Institute for the Blind or the Newington Children's Hospital will no longer qualify for service after July 1, 2020. Subsection (c) is modified to make conforming changes on the timing of the purchase of ACS and to indicate no amount deposited to purchase service credit shall be treated as a voluntary contributions. Subsections (d) and (e) are eliminated as the type of service is included in the subsection (b) enumeration. Subsections (f) and (g) are redesignated (d) and (e) with a conforming change. Section 10-183f (a), (c) and (d) are modified to provide clarity. Subsection (b) is modified to make clear the credited service is in the public schools of Connecticut and to make it clear that the member must attain age 60 prior to termination of employment and to conform it to other sections. Subsection (f) is amended to eliminate the co-participant language as it is obsolete with the 2017 legislative changes. Subsection (g) is amended to make it clear when the minimum payments must begin when a teacher continues to work for the same employer past 70 ½. Section 10-183g (b) is modified to make clear the credited service is in the public schools of Connecticut and to conform it to other sections. Subsection (c) contains a deletion of an outdated provision. The deletions in subsection (d) conforms the changes made in Section 10-183e. In addition, the phrase in the public schools of Connecticut is added to make this clear and consistent with other provisions. Subsection (f) is amended to delete language which is not required and to clarify the alternate payment forms and time for payment under each. Subsection (g) is amended to clarify that the benefit described in this section is effective after the member is eligible for retirement, files a complete formal application and separates from service with their employer. The last sentence of this subsection is amended to delete an outdated provision and to delete the word allowance and use the term benefit to be consistent with other changes. Subsection (h) is amended to delete the calculation of the death benefit as it is now stated in

section 10-183j (b). The subsection is revised to correctly state how the normal form of retirement benefit is calculated. Subsection (q) is amended to make it clear cost of living increases to the benefit are included in the limitation and to delete an outdated provision. Section 10-183h (a) is amended to express the provision more clearly. Subsection (b) is amended to delete an outdated provision and to add in the public schools of Connecticut. Subsection (c) is amended to clarify the provision and to delete an obsolete provision. Subsection (f) is amended to change the reference to the correct term in the definitions. Section 10-183i (a) is amended to more correctly state the alternative payment forms and time for payment under each. Section 10-183i(a) is amended also to specify that the term “Voluntary contributions are only after-tax contributions withheld by the member’s employer form their annual salary and to more correctly state the alternative payment forms and time for payment under each. Section 10-183j (a) through (d) are amended to define the Plan N, Plan C and Plan D options and amend 2019 language. Subsection (d) (2) is deleted to remove an outdated provision. Subsection 10-183j (d) (2) is amended to add that the co-participant option is terminated on legal separation in addition to death or divorce for years before July 1, 2016. For years on or after July 1, 2020 the term legal separation is added so that a co-participant option shall not be terminated in the event of divorce or legal separation. Section 10-183 (a), (b) and (c) are amended to make it clear that termination must be a result of an event other than death of the member and to add that the service must be in the public schools in Connecticut. Subsection (b) is also amended to make it clear that if a member elects a refund, all credited service shall be cancelled and any rights to benefits provided by this chapter shall be extinguished, except as provided in subsection (d) of this section, which is amended to state the beginning date of the interest calculation period. Section 10-183l (a) is amended to provide for a minimum quorum number of six and to then specify that all decisions must be a majority of members voting at a meeting in which a quorum is present. Subsection (b) is amended to provide for the title for the administrator as determined by the board instead of the term secretary. Also, the term normal cost is deleted and the

term actuarially determined employer contribution is added. Section 10-183n (a) is amended to provide for the responsibility of remitting payment to TRB is that of the member plus credited interest. This amendment would also permit the board to waive any amount due if it would cause a hardship to the member. It is also amended to provide that the TRB is not responsible to credit interest on certain refunds. Subsection (d) is amended to remove outdated language. A new subsection (e) is added to require the employer to timely file a quarterly report with additions, deletions and plan changes in order to receive the subsidy under 10-183t(c). Failure to do so will result in a delay of the subsidy for that quarter. The subsidy payment is limited to six months from the date the board receives the report with the new eligible members or dependents disclosed. The employer will hold the members and dependents harmless as a result of the employer's untimely or inaccurate filing of the report. Section 10-183o is amended to permit the payment of mandatory contributions by an employer on behalf of a member when in the armed services, consistent with the requirements of the Uniformed Services Employment and Reemployment Act of 1994. Section 10-183p is amended in Subsection (a) to eliminate obsolete language regarding transfers to/from ARP or SERS and TRB and to provide for the requirements to obtain credit for time served in other retirement systems. Certain other language is deleted as it is outdated. Subsection (b) is repealed as it is outdated. Section 10-183q (a) is amended to provide for three instances where the funds may be accessed for DROs and trustee to trustee transfers or rollovers. Section 10-183t (a) is amended to delete the last sentence as this is an outdated provision as the board no longer participates in this reimbursement program with the federal government. Subsection (b) is amended to recognize other requirements for coverage under a state plan. Subsection (e) is added to address issues concerning the processing of subsidy payments. Section 10-183v is amended to repeal subsection (a) (2) and (f) as they are outdated. Subsection (a) is amended also to provide clarity by an employer, as defined, in any position in which the retired teacher would receive any form of compensation paid out of public money appropriated for school purposes. Subsection (e) is

modified regarding a member's account settlement if the member is re-employed. [Subsection (a) is amended to address certain situations involving temporary agencies and independent contractors to avoid this rule. In addition a prima facie rule is established to address another situation which allowed teachers to avoid this rule. Subsection (e) is modified regarding a member's account settlement if the member is re-employed. Subsection (f) establishes the rule that if a teacher is found to violate the provisions of this section as determined by the board, the board has the authority to remedy the situation with an immediate suspension of the benefit until the teacher establishes compliance. Subsection (g) adds a definition of employed or reemployed.]Section 10-183y is amended to clarify the responsibility of the member to provide the legal basis for any appeal, other than this section. Section 10-183z is amended to remove the incorrect contribution rate and other conforming changes. Section 10-183aa is amended to provide discretionary authority to the board for delays in applications. Section 10-183ff is amended to provide that the board may at its discretion consider a request for a reimbursement of bank charges. Subsection (e) and (f) are repealed as outdated. Section 10-183jj is amended to make certain conforming changes. Section 10-183kk is amended to delete the "Notwithstanding ... "language so that this section and Section 10-183n are in concert. Section 10-183pp is amended to make certain conforming changes. Section 10-183rr is amended to make certain conforming changes. Section 10-183tt, added by legislation in 2019 addresses the interest rate. It sets credited interest to be no more than 4.0%. This is in violation of the federal tax requirements with respect to the voluntary contributions. Actual interest earned must be credited. The limitation of a 4% cap must be lifted for the voluntary contributions.

Origin of Proposal

New Proposal

Resubmission

If this is a resubmission, please share:

- (1) What was the reason this proposal did not pass, or if applicable, was not included in the Administration's package?
- (2) Have there been negotiations/discussions during or after the previous legislative session to improve this proposal?
- (3) Who were the major stakeholders/advocates/legislators involved in the previous work on this legislation?
- (4) What was the last action taken during the past legislative session?

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PROPOSAL IMPACT

◇ **AGENCIES AFFECTED** *(please list for each affected agency)*

Agency Name: [Click here to enter text.](#)

Agency Contact (name, title, phone): [Click here to enter text.](#)

Date Contacted: [Click here to enter text.](#)

Approve of Proposal YES NO Talks Ongoing

Summary of Affected Agency's Comments

[Click here to enter text.](#)

Will there need to be further negotiation? YES NO

◇ **FISCAL IMPACT** *(please include the proposal section that causes the fiscal impact and the anticipated impact)*

Municipal *(please include any municipal mandate that can be found within legislation)*

[Click here to enter text.](#)

State

[Click here to enter text.](#)

Federal

[Click here to enter text.](#)

Additional notes on fiscal impact

Click here to enter text.

◇ **POLICY and PROGRAMMATIC IMPACTS** *(Please specify the proposal section associated with the impact)*

Click here to enter text.

◇ **EVIDENCE BASE**

What data will be used to track the impact of this proposal over time, and what measurable outcome do you anticipate? Is that data currently available or must it be developed? Please provide information on the measurement and evaluation plan. Where possible, those plans should include process and outcome components. Pew MacArthur Results First [evidence definitions](#) can help you to establish the evidence-base for your program and their [Clearinghouse](#) allows for easy access to information about the evidence base for a variety of programs.

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Insert fully drafted bill here

General Assembly

Amendment

January Session, 2020

LCO No.

Offered

by:

To: Subst. Senate Bill No.

File No.

Cal. No.

***"AN ACT CONCERNING REVISIONS TO THE TEACHERS'
RETIREMENT SYSTEM."***

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Section 10-183b of the general statutes is repealed
4 and the following is substituted in lieu thereof (*Effective July 1,*
5 *2020*):

6 As used in this chapter, unless the context otherwise requires:

7 (1) "Actuarial reserve basis" means a basis under which the
8 liabilities of the retirement system are determined under acceptable
9 actuarial methods and under which assets are accumulated under a
10 program designed to achieve a proper balance between the
11 accumulated assets and the liabilities of the system.

12 (2) "Amortization of unfunded liabilities" means: (A) For fiscal
13 years ending on or before June 30, 2019, a systematic program of
14 annual payments determined as a level per cent of expected member
15 annual salaries in lieu of a lump sum payment; and (B) for fiscal
16 years ending on or after June 30, 2020, a systematic program of
17 annual payments, transitioning equally over five consecutive fiscal
18 years from a level per cent of expected annual member salaries to a
19 level payment, in lieu of a lump sum payment. [means a systematic
20 program of annual payments determined as a level per cent of

21 expected member annual salaries in lieu of a lump sum payment.]

22 (3) "Annual salary" means the annual salary rate for service as a
23 Connecticut teacher during a school year but not including unused
24 sick leave, unused vacation, terminal pay, coaching or extra duty
25 assignments, unless compensation for coaching or extra duty
26 assignment was included in salary for which contributions were
27 made prior to July 1, 1971. In no event shall annual salary include
28 amounts determined by the board to be included for the purpose of
29 inflating the member's average annual salary. The inclusion in
30 annual salary of amounts paid to the member, in lieu of payment by
31 the employer for the cost of benefits, insurance, or individual
32 retirement arrangements which in prior years had been paid by the
33 employer and not included in the member's annual salary, shall be
34 prima facie evidence that such amounts are included for the purpose
35 of inflating the member's average annual salary. Annual salary shall
36 not (A) include payments the timing of which may be directed by
37 the member, (B) include payments to a superintendent pursuant to
38 an individual contract between such superintendent and a board of
39 education, of amounts which are not included in base salary, or (C)
40 exceed the maximum amount allowed under Section 401(a)(17) of
41 the Internal Revenue Code for the applicable limitation year,
42 provided in no event shall the limitation under Section 401(a)(17) of
43 the Internal Revenue Code apply to the annual salary of a member
44 whose membership began prior to January 1, 1996, if such limitation
45 would reduce the amount of the member's annual salary below the
46 amount permitted for calculation of the member's retirement benefit
47 under this chapter, [167a,] without regard to the limitation under
48 Section 401(a)(17) of the Internal Revenue Code. Annual salary
49 shall include amounts paid to the member during a sabbatical leave
50 during which mandatory contributions were remitted, provided such

51 member returned to full-time teaching for at least five full years
52 following the completion of such leave.

53 (4) "Average annual salary" means the average [annual salary
54 received during the three years of highest salary] of the three highest
55 annual salaries received as an active member

56 (5) "Board" means the Teachers' Retirement Board.

57 (6) "Child" means a natural child, an adopted child, or a stepchild
58 of a deceased member who has been a stepchild for at least one year
59 immediately prior to the date on which the member died. A child is
60 a "dependent child" of a deceased member if at the time of the
61 member's death (A) the member was living with the child or
62 providing or obligated to provide, by agreement or court order, a
63 reasonable portion of the support of the child, and (B) the child (i)
64 is unmarried and has not attained age eighteen, or (ii) is disabled and
65 such disability began prior to the child's attaining age eighteen.

66 (7) "Contributions" means amounts withheld pursuant to this
67 chapter and paid to the board by an employer from compensation
68 payable to a member. Prior to July 1, 1989, "mandatory
69 contributions" are contributions required to be withheld under this
70 chapter and consist of five per cent regular contributions and "one
71 per cent contributions". From July 1, 1989, to June 30, 1992,
72 "mandatory contributions" are contributions required to be withheld
73 under this chapter and consist of five per cent regular contributions
74 and one per cent health contributions. From July 1, 1992, to June 30,
75 2004, "mandatory contributions" are contributions required to be
76 withheld under this chapter and consist of six per cent "regular
77 contributions" and one per cent health contributions. From July 1,
78 2004, to December 31, 2017, "mandatory contributions" are

79 contributions required to be withheld under this chapter and consist
80 of six per cent regular contributions and one and one-fourth per cent
81 health contributions. From January 1, 2018, to December 31, 2019,
82 inclusive, "mandatory contributions" are contributions required to
83 be withheld under this chapter and consist of seven per cent "regular
84 contributions" and one and one-fourth per cent health contributions.
85 On and after January 1, 2020, "mandatory contributions" are
86 contributions required to be withheld under this chapter and consist
87 of seven per cent "regular contributions" and one and one-fourth per
88 cent health contributions, except that no health contributions shall
89 be required for an employee of the state that (A) has completed the
90 vesting service necessary to receive health benefits provided to
91 retired state employees, and (B) does not participate in any group
92 health insurance plans maintained for retired teachers. Nothing in
93 this subdivision shall affect any other obligation of such a state
94 employee to contribute to the state's retiree health care trust fund.
95 "Voluntary contributions" are contributions by a member authorized
96 to be withheld under section 10-183i.[as amended by this act.]
97 Service purchase contributions are contributions made by a member
98 solely for the purpose of purchasing service credit.

99 (8) "Coparticipant" means the person designated under the
100 provisions of subsection (d) of section 10-183j.

101
102 [(8)](9)"Credited interest" means interest at the rate from time to
103 time fixed by the board consistent with industry standards and
104 practices. Such interest shall be applied to a member's account based
105 on the balance as of the previous June thirtieth. Credited interest
106 shall accrue [be assessed] on any mandatory contributions which
107 were due but not remitted prior to the close of the school year for
108 which salary was paid.

109 [(9)](10) "Current service" means service rendered in the current
110 fiscal year.

111 [(10)](11) "Dependent former spouse" means a former spouse of
112 a deceased member who (A) has in his or her care a dependent child
113 of the deceased member; and (B) was receiving, or was entitled to
114 receive, from the deceased member at the time of the death of the
115 deceased member, at least one-half of his or her support; and (C) has
116 not remarried; and (D) is the parent of the child or adopted the child
117 while married to the member and before the child attained age
118 eighteen or, while married to the member, both of them adopted the
119 child before the child attained age eighteen.

120 [(11)](12) "Dependent parent" means a parent of a deceased
121 member who (A) has reached the age of sixty-five; and (B) has not
122 married after the death of the member; and (C) was receiving at least
123 one-half of his or her support from the member at the time of the
124 member's death and files proof of such support within two years of
125 the date of the member's death; and (D) is not receiving, or entitled
126 to a federal or state old age benefit based on the parent's own
127 earnings, equal to or greater than the amount the parent would be
128 entitled to as a dependent parent under this chapter. A "parent of a
129 deceased member" is (i) the mother or father of a deceased member;
130 or (ii) a stepparent of a deceased member by a marriage entered into
131 before the member attained age sixteen; or (iii) an adopting parent
132 of a deceased member who adopted the deceased member before the
133 member attained age sixteen.

134 [(12)](13) "Designated beneficiary" means any person or persons
135 designated on a form prescribed by the board by a member to receive
136 amounts which may become payable under this chapter as the result
137 of the member's death[whether before or after retirement. If a

138 designated beneficiary is not living at the time of the death of a
139 member, the amounts that would have been payable to the
140 designated beneficiary shall be paid to the member's estate.](14)
141 "Disability allowance" means the amount payable to a disabled
142 member pursuant to the provisions of section 10-183aa.

143 [(13)] (15) "Disabled" means the inability to perform any
144 teaching service, whether or not such service is performed full-time
145 or part-time, in a public or nonpublic school or a non-school setting,
146 on a volunteer basis or for compensation, within or without the state
147 of Connecticut, or engage in any substantial gainful activity by
148 reason of any medically determinable physical or mental
149 impairment [which] that (A) is permanent or can be expected to last
150 continually for not less than twelve months from the onset of such
151 impairment, or (B) can be expected to result in death or to be of
152 long-continued and indefinite duration, except that during the first
153 twenty-four months that a member is receiving a disability
154 allowance, "disabled" means the inability to perform the usual duties
155 of his occupation by reason of any such impairment.

156 [(14)] (16) "Employer" means an elected school committee, a
157 board of education, the State Board of Education, the Office of Early
158 Childhood, the Board of Regents for Higher Education or any of the
159 constituent units, [the governing body of the Children's Center and
160 its successors,] the E. O. Smith School and any other activity,
161 institution or school employing members. With respect to members
162 hired prior to July 1, 2020, "employer" also means the governing
163 body of the Children's Center and its successors.

164 [(15)] (17) "Formal leave of absence" means any absence from
165 active service in the public schools of Connecticut formally granted
166 by a member's employer as evidenced by contemporary records of

167 the employer, provided in the case of an absence due to a member's
168 illness, medical or other evidence of such member's illness may, at
169 the discretion of the Teachers' Retirement Board, be accepted in lieu
170 of evidence of the formal granting of a leave.

171 [(16)] (18) "Formal application of retirement" means (A) the
172 member's application, birth certificate or notarized statement
173 supported by other evidence satisfactory to the board, in lieu thereof,
174 (B) records of service, [when] if such records are required by the
175 board to determine a salary rate or years of creditable service, (C) a
176 statement of payment plan including the period certain under the
177 Plan C option and the coparticipant's share under the Plan D option,
178 if selected [and,] (D) [in the case of an application for a disability
179 benefit, a physician's or an advanced practice registered nurse's
180 statement of health,] in the case of a member who is married, a
181 marriage certificate, and (E) any other documentation required by
182 the board.

183 (19) "Formal application for Disability Allowance" means (A) the
184 member's application, birth certificate or notarized statement
185 supported by other evidence satisfactory to the board, in lieu thereof,
186 (B) records of service, if such records are required by the board to
187 determine a salary rate or years of creditable service, (C) a
188 physician's statement of health, including, but not limited to,
189 medical reports and office notes from your physician(s) (D) in the
190 case of a member who is married, a marriage certificate, (E) an
191 employer's statement from human resources regarding work
192 performance and attendance records and any other information
193 regarding the disability, (F) the member's statement outlining the
194 effect your illness has on your ability to perform your job duties and
195 (G) any other documentation required by the board.

196 [(17)] (20) "Funding" means the accumulation of assets in
197 advance of the payment of retirement allowances in accordance with
198 a [definite actuarial program] reasonable actuarial methodology.

199 [(18)] (21) "Member" means any Connecticut teacher employed
200 for an average of at least one-half of each school day, [except that
201 no teacher who under any provision of the general statutes elects not
202 to participate in the system shall be a member unless and until the
203 teacher elects to participate in the system] and who was employed
204 on and compensated for the first work day, according to such
205 member's schedule, of a school month. Members teaching in a
206 nonpublic school classified as a public school [by the board] under
207 the provisions of this section may continue as members as long as
208 they continue as teachers in such school even if the school ceases to
209 be so classified. A former teacher who has not withdrawn his or her
210 accumulated contributions shall be an "inactive member". A
211 member who, during the period of a formal leave of absence granted
212 by his or her employer, but not exceeding an aggregate of ten school
213 months, continues to make mandatory contributions to the board,
214 retains his or her status as an active member.

215 [(19)] (22) "Normal cost" means the amount of contribution
216 which the state is required to make into the retirement fund in order
217 to meet the actuarial cost of current service.

218 [(20)] (23) "Public school" means any day school conducted
219 within or without this state under the orders and superintendence of
220 a duly elected school committee, a board of education, the State
221 Board of Education, the Office of Early Childhood, the board of
222 governors or any of its constituent units, the E. O. Smith School,
223 [the Children's Center and its successors, the State Education
224 Resource Center established pursuant to section 10-4q of the 2014

225 supplement to the general statutes, revision of 1958, revised to
226 January 1, 2013, the State Education Resource Center established
227 pursuant to section 10-357a,] joint activities of boards of education
228 authorized by subsection (b) of section 10-158a and any institution
229 supported by the state at which teachers are employed or any
230 incorporated secondary school not under the orders and
231 superintendence of a duly elected school committee or board of
232 education but located in a town not maintaining a high school and
233 providing free tuition to pupils of the town in which it is located,
234 and which has been approved by the State Board of Education under
235 the provisions of part II of chapter 164, provided that such institution
236 or such secondary school is classified as a public school by the
237 retirement board. With respect to members hired prior to July 1,
238 2020, "public school" also means the Children's Center and its
239 successors, the State Education Resource Center established
240 pursuant to section 10-4q of the 2014 supplement to the general
241 statutes, revision of 1958, revised to January 1, 2013, and the State
242 Education Resource Center established pursuant to section 10-357a.

243 [(21)] (24) "Retirement allowance" means payments for life
244 derived from member contributions, including credited interest, and
245 contributions from the state.

246 (25) "Retired member" means a member receiving a retirement
247 benefit as computed under section 10-183g.

248 [(22)] (26) "School year" means the twelve months ending on
249 June thirtieth of each year.

250 [(23)] (27) "Surviving spouse" means a widow or widower of a
251 deceased member who (A) was living with the member at the time
252 of the member's death, or receiving, or entitled by court order or

253 agreement to receive, regular support payments from the member,
254 and (B) has not remarried.

255 [(24)] (28) "Survivors" means a surviving spouse, a dependent
256 former spouse, a dependent child and a dependent parent.

257 [(25)] (29) "System" means the Connecticut teachers' retirement
258 system.

259 [(26)] (30) "Teacher" means (A) any [teacher] person employed
260 by the public schools of Connecticut, including, but not limited to,
261 a (e.g., teacher, permanent substitute teacher, principal, assistant
262 principal, supervisor, assistant superintendent or superintendent) in
263 a professional capacity while possessing a certificate or permit
264 issued by the State Board of Education, except State Board of
265 Education endorsement 85 or any succession endorsement,
266 provided on and after July 1, 1975, such certificate shall be for the
267 position in which the person is then employed, except as provided
268 for in section 10-183qq, (B) certified personnel hired prior to July
269 1, 2020, who provide health and welfare services for children in
270 nonprofit schools, as provided in section 10-217a, under an oral or
271 written agreement, (C) any person who is engaged in teaching or
272 supervising schools for adults in a program which leads to a high
273 school diploma if the annual salary paid for such service is equal to
274 or greater than the minimum salary paid for a regular, full-time
275 teaching position in the day schools in the town where such service
276 is rendered, (D) [a member of the professional staff of the State
277 Board of Education,] an employee of the Office of Early
278 Childhood [,] or [of] the Board of Regents for Higher Education or
279 any of the constituent units, [and] (E) a [member of the] staff

280 member of the State Education Resource Center established
281 pursuant to section 10-4q of the 2014 supplement to the general
282 statutes, revision of 1958, revised to January 1, 2013, or the State
283 Education Resource Center established pursuant to section 10-
284 357a, employed in a professional capacity while possessing a
285 certificate or permit issued by the State Board of Education,
286 provided such staff member was hired prior to July 1, 2020, and
287 (F) any person employed as professional staff of the State Board of
288 Education, provided such person was a member or inactive
289 member of the system prior to July 1, 2020. A "permanent
290 substitute teacher" is [one who serves as such for at least ten
291 months during any school year] a person who serves as a substitute
292 teacher in the same assignment for an entire school year.

293 [(27)] (31) "Unfunded liability" means the actuarially
294 determined value of the liability for service before the date of the
295 actuarial valuation less the accumulated assets in the retirement
296 fund.

297 [(28)] (32) "Internal Revenue Code" means the Internal Revenue
298 Code of 1986, or any subsequent corresponding internal revenue
299 code of the United States, as from time to time amended, and any
300 regulations promulgated under or interpretations of said code that
301 may affect this chapter.

302 [(29)] (33) "Limitation year" means the twelve-month period
303 beginning each July first and ending each June thirtieth.

304 Sec. 2. Section 10-183e of the general statutes is repealed and the
305 following is substituted in lieu thereof (*Effective July 1, 2020*):

306 (a) (1) A member shall receive a month of credited service for
307 each month of service from September 1 through June 30, as a
308 teacher, [provided the Teachers' Retirement Board may grant a
309 member] subject to the payment of the mandatory contributions for
310 such month. Ten months of credited service shall be equal to one
311 year of credited service. A member may not accumulate more than
312 one year of credited service during any school year.

313 (2) The Teachers' Retirement Board may allow a member to
314 receive a month of credited service for a month during which such
315 member was employed after the first school day but not later than
316 the fifth school day of such month if [(1)] (A) such month was the
317 member's first month of service as a teacher, and [(2)] (B) such
318 month of credited service is needed by the member in order to
319 qualify for a normal retirement benefit. [Ten months of credited
320 service shall be equal to one year of credited service. A member may
321 not accumulate more than one year of credited service during any
322 school year.]

323 (b) Any member may purchase, as provided in subsection (c) of
324 this section, additional credited service, but not to exceed an
325 aggregate of one year in the case of service described in subdivision
326 (2) of this subsection for each two years of active full-time service
327 as a Connecticut teacher; and not to exceed an aggregate of one year
328 in the case of absence described in subdivision (8) of this subsection
329 for each five years of active full-time service as a Connecticut
330 teacher, provided if any such absence exceeds thirty consecutive
331 school months, such additional credited service shall be limited to
332 thirty school months; and not to exceed an aggregate of ten years for
333 all service described in this subsection, except for service described
334 in subdivision (2) of this subsection. In no event may any service

335 described in this subsection be purchased if the member is receiving
336 or is, or will become, entitled to receive a retirement benefit based
337 upon such service from any governmental system other than the
338 teachers' retirement system or the federal Social Security System.
339 Additional credited service includes:

340 (1) Service as a teacher in a school for military dependents
341 established by the United States Department of Defense;

342 (2) Service as a teacher in the public schools of another state of
343 the United States, its territories or possessions;

344 (3) Service in the armed forces of the United States in time of war,
345 as defined in section 27-103, or service in said armed forces during
346 the period beginning October 27, 1953, and ending January 31,
347 1955;

348 (4) Service rendered prior to July 1, 2020, in a permanent, full-
349 time, nonteaching position for the state;

350 (5) Service as a teacher at The University of Connecticut prior to
351 July 1, 1965;

352 (6) Service as a teacher at the Wheeler School and Library, North
353 Stonington, prior to September 1, 1949;

354 (7) Service as a teacher at the Gilbert Home, Winsted, prior to
355 September 1, 1948;

356 (8) Any formal leave of absence as provided in regulations
357 adopted by the board, if the member subsequently returns to service
358 for at least one school year;

359 (9) Service rendered prior to July 1, 2020, as a teacher at the

360 American School [at Hartford] for the Deaf, the Connecticut
361 Institute for the Blind or the Newington Children's Hospital;

362 (10) Forty or more days of service as a substitute teacher, or the
363 equivalent service rendered at less than half-time, in a single public
364 school system within the state of Connecticut in any school year,
365 provided eighteen days of such service shall equal one month of
366 credited service under subsection (a) of this section, after July 1,
367 2020, such service shall be determined on a school-year basis;

368 (11) Service in the armed forces of the United States, other than
369 service described in subdivision (3) of this subsection, not to exceed
370 thirty months;

371 (12) Service as a full-time, salaried, elected official of the state or
372 any political subdivision of the state during the 1978 calendar year
373 or thereafter, if such member subsequently returns to service as a
374 teacher in a public school for at least one school year;

375 (13) Service in the public schools of Connecticut as a member of
376 the federal Teacher Corps, not to exceed two years;

377 (14) Service in the United States Peace Corps;

378 (15) Service in the United States VISTA (Volunteers in Service
379 to America) program;

380 (16) Service in the public schools of Connecticut as a social work
381 assistant, from January 1, 1969, to December 31, 1986, inclusive, if
382 such member became a certified school social worker and remained
383 in public school service as a social worker after certification; and

384 (17) Service prior to July 1, 2007, as a member of the staff of the
385 State Education Resource Center established pursuant to section 10-

386 4q of the general statutes, revision of 1958, revised to January 1,
387 2007, employed in a professional capacity while possessing a
388 certificate or permit issued by the State Board of Education.

389 Any service described in subdivision (3), (8) or (10) of this
390 subsection shall be considered service in the public schools of
391 Connecticut.

392 (c) Additional credited service [must] may only be purchased by
393 a member (1) prior to the [time] effective date of such member's
394 retirement, or (2) at the time a surviving spouse elects benefits under
395 the provisions of subsection (d) of section 10-183h [, or (3) at the
396 time benefits commence as provided under sections 10-183g and 10-
397 183jj]. Any purchase of such service shall be accomplished by the
398 member paying to the board an amount determined on the basis of
399 actuarial factors adopted by the board that reflect the present value
400 of one-half of the full actuarial cost of the benefit increase that will
401 be derived by the purchase of such service, except that in the case of
402 purchase of service described in subdivision (17) of subsection (b)
403 of this section, or in the case of purchase of service described in
404 subdivision (2) of said subsection (b) in excess of ten years, the
405 present value of the full actuarial cost. Such factors shall consider
406 the member's age at the time of purchase, actual or projected salary,
407 and the earliest date on which the member would be eligible for a
408 normal retirement allowance. Payments for additional credited
409 service may be made in a lump sum by transfer of funds from the
410 member's accumulated one per cent contributions withheld prior to
411 July 1, 1989, with credited interest and accumulated voluntary
412 contributions with credited interest plus such other amounts as may
413 be required to complete the purchase. Any such other amount shall
414 be deposited directly into such member's regular account. No

415 amount deposited in accordance with this subsection shall be treated
416 as a voluntary contribution as described in section 10-183i.

417 [(d) For the purpose of determining eligibility for benefits under
418 section 10-183f, credited service purchased under subsection (b) of
419 this section shall not be used except that (1) service in a school for
420 military dependents described in subdivision (1) of subsection (b) of
421 this section and out-of-state public school service described in
422 subdivision (2) of said subsection (b) shall be used to determine
423 eligibility for a normal retirement benefit based upon thirty-five
424 years of credited service and for an early retirement benefit; and (2)
425 military service described in subdivision (3) of said subsection (b),
426 any leave of absence described in subdivision (8) of said subsection
427 (b) and substitute service described in subdivision (10) of said
428 subsection (b) shall be used as if they were service in the public
429 schools of Connecticut.

430 (e) For purposes of computing benefit amounts under section 10-
431 183g, other than proratable benefits and deferred vested retirement
432 benefits, credited service purchased under subsection (b) of this
433 section shall be used in the same manner as credited service
434 described in subsection (a) of this section. In computing proratable
435 benefits, purchased service credits shall be used as set forth in
436 subsection (b) of section 10-183g. In computing deferred vested
437 retirement benefits, purchased service credits shall be used as set
438 forth in subsection (d) of section 10-183g. In computing the lump
439 sum death benefit under section 10-183h, military service described
440 in subdivision (3) of subsection (b) of this section and leaves of
441 absence described in subdivision (8) of said subsection (b) shall be
442 used as if they were service in the public schools of Connecticut.]

443 [(f)] (d) For purposes of computing benefit amounts under

444 [section 10-183g] this chapter, whole months of credited service,
445 including additional credited service, in excess of whole years shall
446 be used in determining aggregate accumulations of credited service.

447 [(g)] (e) Any member who has been elected to a full-time or part-
448 time position in an organization which has been duly designated as
449 the teachers' representative or who has been elected to a full-time or
450 part-time position in a state-wide, national or international
451 bargaining organization may, during the time such member so
452 serves, continue membership and may make, or have made for such
453 member, payments of contributions for such time, provided the
454 organization which such member represents shall pay the full
455 actuarial cost that would otherwise be incurred by the state for the
456 time such member serves in excess of one year. If payment is made
457 during such periods or at any time before retirement, such member
458 shall receive credit for such service and shall be considered as
459 serving as a public school teacher in the state for the purpose of
460 computing length of service, and for the purpose of computing
461 average annual salary, and shall be considered by the retirement
462 board as though such member were remaining in such member's
463 latest teaching position.

464 Sec. 3. Section 10-183f of the general statutes is repealed and the
465 following is substituted in lieu thereof (*Effective July 1, 2020*):

466 (a) A member is eligible to receive a normal retirement benefit
467 [who] if such member (1) has attained age sixty and has accumulated
468 twenty years of credited service in the public schools of
469 Connecticut, or (2) has attained any age and has accumulated thirty-
470 five years of credited service, at least twenty-five years of which are
471 service in the public schools of Connecticut.

472 (b[c]) A member is eligible to receive an early retirement benefit
473 [who] if such member has accumulated twenty-five years of credited
474 service, at least twenty years of which are service in the public
475 schools of Connecticut, or [who] if such member has attained the
476 age of fifty-five and has accumulated at least twenty years of
477 credited service, at least fifteen of which are service in the public
478 schools of Connecticut.

479 (c[b]) A member is eligible to receive a proratable retirement
480 benefit [who] if such member has attained age sixty prior to
481 termination of service and has accumulated at least ten years of
482 credited service in the public schools of Connecticut.

483 (d) A member is eligible to receive a deferred vested retirement
484 benefit beginning at age sixty [who] if such member: (1) Has
485 accumulated ten years of credited service in the public schools of
486 Connecticut; and (2) terminates service before becoming eligible for
487 any other retirement benefit; and (3) leaves his or her accumulated
488 contributions with the system.

489 (e) Repealed by P.A. 79-541, S. 5, 6.

490 (f) The survivors of a member who dies (1) while in service in the
491 public schools of Connecticut, (2) within two months after
492 withdrawal from such service and prior to the effective date of such
493 member's retirement or (3) while receiving a disability benefit under
494 section 10-183aa, shall receive survivors' benefits. [, except that, if
495 a member who has elected a coparticipant option, under section 10-
496 183j, dies after such option becomes effective, such coparticipant
497 option shall be given effect and no survivors' benefits shall be
498 payable.] Before any survivors' benefits are paid, the board shall
499 receive such applications and other documents and information as it

500 deems necessary.

501 (g) Notwithstanding any provision of this chapter, pursuant to
502 Section 401(a)(9) of the Internal Revenue Code, a member shall
503 begin receiving benefits under this chapter no later than April first
504 of the calendar year following the calendar year in which [(1)] the
505 member attains age seventy and one-half [, or (2)] or, if later, the
506 year the member terminates service [retires after age seventy and
507 one-half, the calendar year in which such member retires].

508 Sec. 4. Section 10-183g of the general statutes is repealed and the
509 following is substituted in lieu thereof (*Effective July 1, 2020*):

510 (a) The normal retirement benefit shall be two per cent times the
511 number of years of full-time credited service and a proportional
512 fraction of two per cent times the number of years of credited service
513 at less than full-time multiplied by average annual salary. In no
514 event, however, shall such benefit exceed seventy-five per cent of
515 such salary or be less than three thousand six hundred dollars.

516 (b[c]) The early retirement benefit shall be computed in the same
517 manner as the normal retirement benefit, then actuarially reduced,
518 on the basis of early retirement tables adopted from time to time by
519 the board, for each month early retirement precedes the minimum
520 age at which the member could have retired with a normal retirement
521 benefit pursuant to section 10-183f. [Such minimum age shall be
522 such member's actual age at retirement plus the lesser of (1) the
523 difference between such age and age sixty, or (2) the difference
524 between thirty-five years and the sum of such member's years of
525 Connecticut public school service plus all purchased leaves of
526 absence, military and out-of-state public school service.] On and
527 after July 1, 1999, any revisions to the early retirement tables shall

528 be submitted to the Office of Policy and Management and the joint
 529 standing committee of the General Assembly having cognizance of
 530 matters relating to appropriations and the budgets of state agencies
 531 within one month of their adoption by the board. Any such revisions
 532 shall be accompanied by an actuarial certification of the costs
 533 associated with such revisions.

534 (c[b]) The proratable retirement benefit shall be computed as
 535 follows: Average annual salary multiplied by (1) number of years of
 536 credited service [, excluding all additional credited service, except
 537 service described in subdivisions (3), (8) and (10) of subsection (b)
 538 of section 10-183e,] in the public schools of Connecticut multiplied
 539 by the applicable percentage based on age and service as determined
 540 from the table below, and (2) number of years of all additional
 541 credited service not used in subdivision (1) of this subsection
 542 multiplied by one per cent.

T1 TABLE

T2 AGE OF RETIREMENT

T3 Years Of

T4 Connecticut

T5	Service	60	61	62	63	64	65	66	67	68	69	70
T6	10	1. 0	1. 0	1. 0	1. 0	1. 0	1. 0	1. 0	1. 0	1. 0	1. 0	1. 0
T7	11	1. 1	1. 1	1. 1	1. 1	1. 1	1. 1	1. 1	1. 1	1. 1	1. 1	1. 1
T8	12	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.

SB		WORKING DRAFT										Amendment	
		2	2	2	2	2	2	2	2	2	2	2	2
T9	13	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.
		3	3	3	3	3	3	3	3	3	3	3	3
T10	14	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.
		4	4	4	4	4	4	4	4	4	4	4	4
T11	15	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.
		5	5	5	5	5	5	5	5	5	5	5	5
T12	16	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.
		6	6	6	6	6	6	6	6	6	6	6	6
T13	17	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.
		7	7	7	7	7	7	7	7	7	7	7	7
T14	18	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.
		8	8	8	8	8	8	8	8	8	8	8	8
T15	19	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.	1.
		9	9	9	9	9	9	9	9	9	9	9	9
T16	20	2.	2.	2.	2.	2.	2.	2.	2.	2.	2.	2.	2.
		0	0	0	0	0	0	0	0	0	0	0	0

543 (d) The deferred vested retirement benefit shall be computed as
544 follows: Average annual salary multiplied by (1) number of years of
545 credited service [, excluding all additional credited service, except
546 service described in subdivisions (3), (8) and (10) of subsection (b)
547 of section 10-183e,] in the public schools of Connecticut multiplied
548 by two per cent, then actuarially reduced in the same manner as the
549 early retirement benefit if the years of service which could have been

550 rendered were less than twenty years by age sixty or by the
551 subsequent date of retirement, and (2) number of years of all
552 additional credited service not used in subdivision (1) of this
553 subsection multiplied by one per cent.

554 (e) Repealed by P.A. 79-541, S. 5, 6.

555 (f) (1) In addition to a retirement benefit computed under
556 subsections (a) to (d), inclusive, of this section and a disability
557 allowance under subsections (a) to (g), inclusive, of section 10-
558 183aa, and except as provided in subdivision (2) of this subsection,
559 a member shall receive a lump sum payment equal to the member's
560 accumulated one per cent contributions withheld prior to July 1,
561 1989, and any voluntary contributions with credited interest. Such
562 lump sum shall be paid not later than three months after (A) the
563 effective date of retirement, or (B) the date the first payment of a
564 disability allowance under section 10-183aa is made, except the
565 board may delay payment of such lump sum in the case of
566 extenuating circumstances. If such delay occurs, the board shall
567 submit a written notice to the member explaining the nature of the
568 extenuating circumstances and an estimate as to when such lump
569 sum shall be paid.

570 (2) In lieu of such lump sum, the member may elect to receive an
571 actuarially equivalent annuity for life. [Such lump sum or annuity
572 shall be paid, or commenced to be paid,] Payment of such annuity,
573 if elected, shall commence when the first payment of the [other]
574 retirement benefit computed under subsections (a) to (d), inclusive,
575 of this section or a disability allowance under section 10-183aa is
576 made.

577 (g) A member's complete formal application for retirement, if sent

578 by mail, shall be deemed to have been filed with the board on the
579 date such application is postmarked. No benefit computed under
580 subsections (a) to (d), inclusive, of this section and under
581 subsections (a) to (g), inclusive, of section 10-183aa shall become
582 effective until [the end of the calendar month of the filing by the] a
583 member eligible for retirement under section 10-183f, files with the
584 board [of] a complete formal application for retirement and
585 terminates service with such member's employer. Such benefit shall
586 accrue from the first day of the month following [such] the calendar
587 month such application is filed and payment of such benefit in equal
588 monthly installments shall commence on the last day of the month
589 in which such benefit begins to accrue. The initial payment of such
590 benefit may be made not later than three months following the
591 effective date of retirement, provided such payment shall be
592 retroactive to such effective date. Upon a finding that extenuating
593 circumstances relating to the health of a member caused a delay in
594 the filing of the member's complete formal application, and such
595 application is filed on or after July 1, 1986, the board may deem
596 such application to have been filed up to three months earlier than
597 the actual date of the filing. Upon a finding that extenuating
598 circumstances related to the health of a member caused a delay in
599 the filing of an election pursuant to subsection (g) of section 10-
600 183aa, and such election is filed on or after July 1, 1986, the board
601 may deem such election to have been filed as of the date such
602 member's benefits would otherwise have been converted to a normal
603 retirement [allowance, provided such member's disability allowance
604 became effective on or before November 1, 1976, and such member
605 attained the age of sixty on or after August 1, 1984] benefit under
606 this section.

607 [(h) A benefit computed under subsections (a) to (d), inclusive, of

608 this section and under subsections (a) to (g), inclusive, of section 10-
609 183aa shall continue until the death of the member. If twenty-five
610 per cent of the aggregate benefits paid to a member prior to death
611 are less than such member's accumulated regular contributions,
612 including any one per cent contributions withheld prior to July 1,
613 1989, and any voluntary contributions plus credited interest, the
614 member's designated beneficiary shall be paid on the death of the
615 member a lump sum amount equal to the difference between such
616 aggregate payments and such accumulated contributions plus
617 credited interest that had been accrued to the date benefits
618 commenced.] (~~i~~h) [In lieu of a benefit computed under subsections
619 (a) to (d), inclusive, of this section and under subsections (a) to (g),
620 inclusive, of section 10-183aa, a] A member [may] shall elect one
621 of the benefit options described in section 10-183j or any other
622 actuarially equivalent option which the board may offer from time
623 to time.

624 (~~j~~i) Beginning the first day of January or July which follows
625 nine months in retirement, a retired member who retired prior to
626 September 1, 1992, or a member's successor beneficiary, except a
627 person receiving survivor's benefits, shall be eligible for an annual
628 five per cent cost of living allowance on any benefit except a benefit
629 based upon such member's one per cent contributions or voluntary
630 contributions. Such cost of living allowance shall be computed on
631 the basis of the retirement benefits to which such retired member or
632 successor beneficiary was entitled on the last day of the preceding
633 December or June except benefits based upon one per cent or
634 voluntary contributions. Such member's successor beneficiary
635 means any person, other than such member, receiving benefits as the
636 result of the election of a period certain option or a coparticipant
637 option, including an election for such an option by a surviving

638 spouse under subsection (d) of section 10-183h. The right to such
639 allowance, or any portion thereof, may be waived by the person
640 entitled thereto at any time. Any waiver shall remain in effect until
641 the first day of the month following such person's death or the filing
642 with the board of a written notice of cancellation of the waiver. Any
643 allowance waived shall be forever forfeited. If on any subsequent
644 first day of January or July the Teacher's Retirement Board
645 determines that the National Consumer Price Index for urban wage
646 earners and clerical workers for the twelve-month period ending on
647 the last day of the preceding November or May has increased less
648 than the cost of living allowance provided under this subsection, the
649 cost of living allowance provided by this subsection shall be
650 adjusted to reflect the change in such index provided such cost of
651 living allowance shall not be less than three per cent.

652 ([k]j) Beginning the first day of January or July which follows
653 nine months in retirement, a retired member who retired on or after
654 September 1, 1992, or a member's successor beneficiary, except a
655 person receiving survivor's benefits, shall be eligible for an annual
656 cost of living allowance calculated in accordance with the
657 provisions of subsections (l) or (m) of this section on any benefit
658 except a benefit based upon such member's one per cent
659 contributions or voluntary contributions. Such cost of living
660 allowance shall be computed on the basis of the retirement benefits
661 to which such retired member or successor beneficiary was entitled
662 on the last day of the preceding December or June except benefits
663 based upon one per cent or voluntary contributions. Such member's
664 successor beneficiary means any person, other than such member,
665 receiving benefits as the result of the election of a period certain
666 option or a coparticipant option, including an election for such an
667 option by a surviving spouse under subsection (d) of section 10-

668 183h. The right to such allowance, or any portion thereof, may be
669 waived by the person entitled thereto at any time. Any waiver shall
670 remain in effect until the first day of the month following such
671 person's death or the filing with the board of a written notice of
672 cancellation of the waiver. Any allowance waived shall be forever
673 forfeited.

674 ([l]k) (1) Beginning the first day of January or July which follows
675 nine months in retirement, a retired member who retired on or after
676 September 1, 1992, or a member's successor beneficiary, except a
677 person receiving survivor's benefits, shall be eligible for an annual
678 cost of living allowance. The cost of living allowance shall be
679 calculated by using the percentage cost of living adjustment granted
680 by the Social Security Administration for the applicable year,
681 computed on the basis of the retirement benefits to which such
682 retired member or successor beneficiary was entitled on the last day
683 of the preceding December or June except benefits based upon one
684 per cent or voluntary contributions, provided no cost of living
685 allowance shall exceed six per cent and provided further, if the total
686 return earned by the trustees on the market value of the pension
687 assets for the preceding fiscal year is less than eight and one-half per
688 cent, any cost of living allowance granted shall not exceed one and
689 one-half per cent.

690 (2) A member entering the retirement system commencing on or
691 after July 1, 2007, or such member's successor beneficiary, except a
692 person receiving survivor's benefits, shall, beginning the first day of
693 January or July that follows nine months in retirement, be eligible
694 for an annual cost of living allowance as follows: The cost of living
695 allowance shall be calculated by using the percentage cost of living
696 adjustment granted by the Social Security Administration for the

697 applicable year, computed on the basis of the retirement benefits to
698 which such retired member or successor beneficiary was entitled on
699 the last day of the preceding December or June, as applicable, except
700 benefits based upon one per cent or voluntary contributions,
701 provided (A) no cost of living allowance shall exceed five per cent,
702 and (B) if the total return earned by the trustees on the market value
703 of the pension assets for the preceding fiscal year is less than eight
704 and one-half per cent, any cost of living allowance granted shall not
705 exceed one per cent, if such total return for the preceding fiscal year
706 is greater than eight and one-half per cent but less than eleven and
707 one-half per cent, any cost of living allowance granted shall not
708 exceed three per cent, and if such return exceeds eleven and one-
709 half per cent, any cost of living allowance granted shall not exceed
710 five per cent.

711 (m) Repealed by P.A. 07-186, S. 14.

712 (n) Repealed by P.A. 07-186, S. 14.

713 ([o]) On January 1, 1988, each eligible retired member who had
714 rendered at least twenty-five years of full-time service prior to
715 normal retirement under the provisions of subsection (a) of section
716 10-183f, or such member's successor beneficiary, as defined in
717 subsection (j) of this section, shall receive a single increase in
718 retirement benefits provided under this chapter. Such increase shall
719 be paid to such eligible members or successor beneficiaries whose
720 monthly benefit as of December 31, 1987, before any reduction for
721 an optional benefit payment plan, is less than eight hundred dollars,
722 and shall be sufficient to increase such monthly benefit to eight
723 hundred dollars.

724 ([p] m) On January 1, 1991, each eligible retired member who

725 had rendered at least twenty-five years of full-time service at least
726 twenty years of which were service in the public schools of
727 Connecticut prior to early retirement before January 1, 1976, under
728 the provisions of subsection (c) of section 10-183f, or such
729 member's successor beneficiary, as defined in subsection (j) of this
730 section, shall receive a single increase in retirement benefits
731 provided under this chapter. Such increase shall be paid to such
732 eligible members or successor beneficiaries whose monthly benefit
733 as of December 31, 1990, before any reduction for an optional
734 benefit payment plan, is less than eight hundred dollars, and shall be
735 sufficient to increase such monthly benefit to eight hundred dollars.

736 ([q] n) On January 1, 1999, each eligible retired member who had
737 rendered at least twenty-five years of full-time service, or such
738 member's successor beneficiary, as defined in subsection (j) of this
739 section, shall receive a single increase in benefits provided under
740 this chapter. Such increase shall be sufficient to increase the
741 monthly benefit of such eligible members or successor beneficiaries,
742 whose monthly benefit as of December 31, 1998, before any
743 actuarial reduction for early retirement or for an optional benefit
744 payment plan, is less than twelve hundred dollars and shall be
745 sufficient to increase such monthly benefit to twelve hundred
746 dollars.

747 ([r]o) No retirement benefit payable under this chapter, including
748 any cost of living allowance, shall exceed the maximum dollar limit
749 in effect under Section 415(b) of the Internal Revenue Code for the
750 applicable limitation year, as increased in subsequent years pursuant
751 to Section 415(d) of the Internal Revenue Code. [A subsequent
752 annual increase shall apply to a member if the increase becomes
753 effective after the member retires or, if such increase becomes

754 effective before a member retires, after the date on which such
755 benefit begins to accrue.]

756 Sec. 5. Section 10-183h of the general statutes is repealed and the
757 following is substituted in lieu thereof (*Effective July 1, 2020*):

758 (a) The basic monthly survivor's [monthly] benefit, subject to a
759 family maximum of one thousand five hundred dollars, shall be (1)
760 three hundred dollars each for a surviving spouse, plus twenty-five
761 dollars for each year of service in excess of twelve years in the
762 Connecticut public schools completed by the member, subject to a
763 maximum monthly benefit of six hundred dollars, (2) three hundred
764 dollars each for a dependent former spouse; for a dependent parent
765 if there is no surviving spouse or dependent child; and for a legal
766 guardian of any dependent child if there is no surviving spouse,
767 dependent former spouse or dependent parent, and (3) three hundred
768 dollars for each dependent child. In applying the family maximum,
769 the benefit shall be first allocated to the child or children, with the
770 excess allocated to the surviving spouse and any dependent former
771 spouse in proportion to the amount each would receive according to
772 the above formula. Payment of the benefit shall commence on the
773 last day of the month following the month of the member's death.
774 Such benefit shall continue through the month preceding the month
775 in which the survivor dies or ceases to be eligible for such benefit.
776 Such benefit to the legal guardian of dependent children shall
777 continue until all such children are no longer dependent, as defined
778 in section 10-183b. Notwithstanding the provisions of this
779 subsection, any such surviving spouse, dependent former spouse,
780 dependent parent or legal guardian may waive the right to payment
781 of the benefit under this subsection in order that a designated
782 beneficiary who is the child of the deceased member may receive

783 such member's accumulated contributions plus credited interest.
784 Such waiver shall be made prior to the payment of the benefit to any
785 such surviving spouse, dependent former spouse, dependent parent
786 or legal guardian.

787 (b) [If no coparticipant option under 10-183j has become
788 effective, a] A lump sum death benefit shall be payable to [the] a
789 surviving spouse. Such benefit shall be one thousand dollars for five
790 years or less of Connecticut public school service, plus two hundred
791 dollars for each year of credited service in the public schools of
792 Connecticut in excess of five years, to a maximum of two thousand
793 dollars. [For purposes of this subsection, purchased military service
794 and purchased leaves of absence under subdivisions (3) and (8) of
795 subsection (b) of section 10-183e shall be deemed to be Connecticut
796 public school service.] If there is no surviving spouse, such benefit
797 shall be equal to the member's burial expenses but not in excess of
798 what would have been payable to a surviving spouse and shall be
799 payable to the person who paid such expenses. No payment under
800 this subsection shall be made unless application for the payment is
801 filed with the board within two years of such member's death.

802 (c) In lieu of such basic survivor's benefit and such lump sum
803 death benefit, a sole survivor who has attained age eighteen, and is
804 the member's designated beneficiary may elect to receive an amount
805 equal to such member's accumulated contributions together with
806 credited interest. [When a member has designated two or more
807 beneficiaries, who have, at the time of such member's death, attained
808 age eighteen, the one entitled to basic survivor's benefits, if any,
809 shall be deemed the sole survivor within the meaning of this
810 subsection, provided, that all other designated beneficiaries
811 relinquish all claim to any amounts that may be due them from the

812 system.]

813 (d) The surviving spouse of any member who, at the time of death
814 was eligible for a retirement benefit other than a disability benefit
815 and had not filed a waiver of the coparticipant's option, may elect to
816 receive (1) a monthly benefit for life equal to the benefit payable if
817 a one hundred per cent coparticipant's option had been elected, or
818 (2) an amount equal to the member's accumulated contributions with
819 credited interest.

820 (e) If no coparticipant option has become effective and if the
821 aggregate payments under this section are less than the accumulated
822 mandatory contributions of a deceased member plus credited
823 interest, there shall be paid to such member's designated beneficiary
824 an amount equal to the difference between such aggregate payments
825 and such accumulated mandatory contributions plus credited
826 interest.

827 (f) Notwithstanding the provisions of subparagraph (B) of
828 subdivision [(23)] (27) of section 10-183b, benefits payable under
829 this section to a surviving spouse shall not be terminated because of
830 remarriage if such surviving spouse has attained the age of sixty.

831 (g) If a member who has filed an application for retirement dies
832 prior to the effective date of retirement, such member's spouse, if
833 such spouse is designated on such application as the sole designated
834 beneficiary, may elect to receive either (1) the preretirement death
835 benefits as set forth in this section, or (2) the benefit payment option
836 selected by the deceased member on such retirement application.

837 Sec. 6. Subsection (a) of section 10-183i of the general statutes is
838 repealed and the following is substituted in lieu thereof (*Effective*
839 *July 1, 2020*):

840 (a) A member may make voluntary contributions to the system
841 and may, no more than once, withdraw such voluntary contributions
842 from the system under rules of the board. Any voluntary
843 contribution shall be made solely by payroll deduction of an amount
844 subject to state, federal or local tax in the tax or income year in
845 which such voluntary contribution is made. Voluntary contributions
846 shall be subject to the limitations imposed under Section 415(c) of
847 the Internal Revenue Code for the applicable limitation year. Such
848 contributions shall earn credited interest. Upon retirement such
849 member shall elect to receive the accumulated contributions plus
850 credited interest either in a lump sum or in the form of an actuarially
851 equivalent annuity for life. Such lump sum, [or] if elected, shall be
852 paid not later than three months after the effective date of retirement,
853 except the board may delay payment of such lump sum in the case
854 of extenuating circumstances. If such delay occurs, the board shall
855 submit a written notice to the member explaining the nature of the
856 extenuating circumstances and an estimate as to when such lump
857 sum shall be paid. Payment of such annuity, if elected, shall [be paid
858 or commenced to be paid] commence when the first payment of such
859 member's other retirement benefit is made. If such member dies
860 before the effective date of his or her retirement, the accumulated
861 contributions plus credited interest shall be paid to such member's
862 designated beneficiary.

863 Sec. 7. Section 10-183j of the general statutes is repealed and the
864 following is substituted in lieu thereof (*Effective July 1, 2020*):

865 (a) [In lieu of a normal, early, proratable or deferred vested
866 benefit, a] A member [may] shall elect [either] one of the benefit
867 options described in [subsections] subsection (b), [and] (c) or (d) of
868 this section.

869 (b) The Plan N normal allowance may be elected in which the
870 member receives the full unreduced benefit for life. Upon the
871 member's death,

872 [(1) A member who retires on or after July 1, 2019,
873 notwithstanding the provisions of subsection (2) of section 10-
874 183c,] if twenty-five per cent of the aggregate benefits paid to the
875 member [before July 1, 2019, and prior to death], inclusive of the
876 month of the member's death, are less than such member's
877 accumulated regular contributions and credited interest on the
878 effective date of retirement, including any one per cent contributions
879 withheld prior to July 1, 1989, and any voluntary contributions plus
880 credited interest, the member's designated beneficiary shall be paid
881 a lump sum amount equal to the difference.

882 [(2) A member who retires on or after July 1, 2019,
883 notwithstanding the provisions of subsection (2) of section 10-183c,
884 if twenty-five per cent of the aggregate benefits paid to a member
885 before July 1, 2019, and prior to death, plus fifty per cent of the
886 aggregate benefits paid to a member on or after July 1, 2019, and
887 prior to death, are less than such member's accumulated regular
888 contributions, including any one per cent contributions withheld
889 prior to July 1, 1989, and any voluntary contributions plus credited
890 interest, the member's designated beneficiary shall be paid on the
891 death of the member a lump sum amount equal to the difference
892 between such aggregate payments and such accumulated
893 contributions plus credited interest that had been accrued to the date
894 benefits commenced.]

895 [(b) A] (c) The Plan C period certain option may be elected in
896 which the member receives an actuarially reduced benefit for life.
897 Such member may select a fixed period of twenty-five years or such

898 shorter period as the board may offer. If such member dies before
899 receiving the benefit for the selected period, such benefit shall be
900 paid to one or more designated beneficiaries for the remainder of
901 such period. In the event there are multiple designated beneficiaries
902 and one or more designated beneficiaries die before the term
903 expires, the decedent's share shall be equally allocated to the
904 remaining designated beneficiaries.

905 If a sole designated beneficiary dies before receiving the
906 remaining payments for the selected period, any remaining
907 payments shall be paid to such sole designated beneficiary's estate
908 as a commuted value.

909 If all of the [such] member's designated beneficiaries die before
910 such member, or if such member has no designated beneficiary and
911 such member dies prior to the expiration of the period described in
912 this subsection, the commuted value shall be paid to such member's
913 estate.

914 [(c) A] (d) (1) The Plan D coparticipant's option may be elected
915 in which the member receives an actuarially reduced benefit for life
916 as provided in [subsection (d)] subdivision (2) of this [section]
917 subsection and upon such member's death, one-third, one-half, two-
918 thirds, three-fourths or all of such amount is paid to such member's
919 designated beneficiary for life. Any member who elects said option
920 shall designate a sole designated beneficiary, who shall be such
921 member's coparticipant. Such designation shall be irrevocable and
922 shall terminate as provided in subparagraph (B) of subdivision (2)
923 of this subsection. [With respect to any benefits which become
924 effective on or after January 1, 2001, but prior to July 1, 2019, i] If
925 twenty-five per cent of the aggregate benefits paid to the member,
926 up to and inclusive of the month of the member's death, [or] and

927 such member's designated beneficiary are, upon the death of such
928 member [or] and such designated beneficiary, less than such
929 member's accumulated contributions plus credited interest, the
930 estate of such member or such designated beneficiary, as
931 appropriate, shall be paid a lump sum amount equal to the
932 difference.

933 [With respect to any benefits which become effective on or after
934 July 1, 2019, if twenty-five per cent of the aggregate benefits paid
935 to the member or such member's designated beneficiary before July
936 1, 2019, plus fifty per cent of the aggregate benefits paid to the
937 member or such member's designated beneficiary on and after July
938 1, 2019, are, upon the death of such member or such designated
939 beneficiary, less than such member's accumulated contributions plus
940 credited interest, the estate of such member or such designated
941 beneficiary, as appropriate, shall be paid a lump sum amount equal
942 to the difference between (i) such accumulated contributions plus
943 credited interest that had been accrued as of the date benefits
944 commenced, and (ii) fifty per cent of the aggregate benefit paid.]

945 [(d)] (2) The benefits payable to such member and such
946 coparticipant shall be computed as follows:

947 [(1)] (A) The benefit payable to such member at retirement and
948 to such coparticipant upon such member's death shall be the
949 actuarial equivalent of the normal, early, [or] proratible or deferred
950 vested benefit for which such member is eligible and based upon
951 such member's age at retirement and the age of such coparticipant
952 on such retirement date. In the event the member predeceases the
953 coparticipant, upon the death of the coparticipant, any remaining
954 benefit shall be paid in a lump sum to the coparticipant's estate. In
955 the event the coparticipant predeceases the member, upon divorce,

956 or on or after July 1, 2020, upon legal separation, the member's
957 actuarially reduced benefit shall revert to the unreduced benefit
958 provided for under Plan N and, upon the member's death, any
959 remaining value in the member's account shall be paid to the
960 member's designated beneficiary, if any, otherwise to the member's
961 estate.

962 [(2) The benefit payable to such coparticipant of such member
963 who dies after such option first becomes effective but before
964 retirement shall be the actuarial equivalent of the normal, early or
965 proratable benefit for which such member was eligible based on
966 such member's age at death and the age of such coparticipant on such
967 date of death.]

968 [(3) (A)] (B) (i) Except as provided in subparagraph (B)(ii) of this
969 subdivision, a coparticipant option shall be terminated, for any
970 member whose designated coparticipant dies, or is divorced, or on
971 or after July 1, 2020, is legally separated from the member after the
972 member's retirement, on the date of such death[, or] divorce or legal
973 separation. Such member shall thereupon be paid the normal, early,
974 [or] proratable or deferred vested retirement benefit for which the
975 member is eligible. (B) (ii) On and after July 1, 2016, upon the
976 divorce or, on or after July 1, 2020, the legal separation of a member
977 and such member's designated coparticipant subsequent to the
978 member's retirement, the member may retain the coparticipant
979 designation and the coparticipant option elected at the time of
980 retirement by filing a [qualified] domestic relations order with the
981 board.

982 Sec. 8. Section 10-183k of the general statutes is repealed and the
983 following is substituted in lieu thereof (*Effective July 1, 2020*):

984 (a) A member who voluntarily or involuntarily terminates service
985 with his or her employer prior to retirement or death shall be entitled
986 to have refunded his or her accumulated voluntary contributions
987 with credited interest.

988 (b) A member who voluntarily or involuntarily terminates service
989 with his or her employer prior to retirement or death with less than
990 five years' credited service in the public schools of Connecticut shall
991 be entitled to have refunded his or her accumulated regular
992 contributions with credited interest. A member who voluntarily or
993 involuntarily terminates service with his or her employer prior to
994 retirement or death with more than five years of credited service in
995 the public schools of Connecticut shall be entitled to have refunded
996 his or her accumulated regular contributions with credited interest
997 and his or her accumulated one per cent contributions withheld prior
998 to July 1, 1989. If such member elects a refund, all credited service
999 shall be cancelled and any rights to benefits provided by this chapter
1000 shall be extinguished, except as provided in subsection (d) of this
1001 section.

1002 (c) A member who voluntarily or involuntarily terminates service
1003 with his or her employer prior to retirement or death with more than
1004 ten years' credited service in the public schools of Connecticut but
1005 prior to retirement may elect to receive in lieu of the benefits
1006 provided by this chapter a refund of his or her accumulated
1007 contributions with credited interest as provided in subsection (b) of
1008 this section. If such member elects a refund, all credited service shall
1009 be cancelled and any rights to benefits provided by this chapter shall
1010 be extinguished, except as provided in subsection (d) of this section.
1011 If such member does not elect a refund, but dies before age sixty or
1012 before receiving the deferred vested benefit, if later, such member's

1013 accumulated contributions with credited interest as provided in
1014 subsection (b) of this section [accumulated voluntary contributions,
1015 accumulated regular contributions and accumulated one per cent
1016 contributions withheld prior to July 1, 1989, together with credited
1017 interest] shall be paid to such member's designated beneficiary.

1018 (d) A member who receives a refund and returns to service shall
1019 be regarded as a new member unless such member repays, subject
1020 to the requirements established by the board, the amount refunded
1021 representing service teaching in the public schools of Connecticut,
1022 other than voluntary contributions and the interest thereon, together
1023 with credited interest compounded from the date of withdrawal
1024 [interest was last credited to such member's account] to the date of
1025 repayment. The credited service accumulated before termination
1026 and any unrefunded one per cent contributions withheld prior to July
1027 1, 1989, and credited interest shall be restored to a member who
1028 makes such repayment. Restored contributions and interest shall be
1029 credited with credited interest for the period between the last day for
1030 which interest was credited on such contributions and such
1031 member's [return to service] date of repayment.

1032 Sec. 9. Section 10-183*l* of the general statutes is repealed and the
1033 following is substituted in lieu thereof (*Effective July 1, 2020*):

1034 (a) (1) On and after July 1, 1991, the management of the system
1035 shall continue to be vested in the Teachers' Retirement Board, whose
1036 members shall include the Treasurer, the Secretary of the Office of
1037 Policy and Management and the Commissioner of Education, or
1038 their designees, who shall be voting members of the board, ex
1039 officio. (2) On or before June 15, 1985, and quadrennially thereafter,
1040 the members of the system shall elect from their number, in a
1041 manner prescribed by said board, two persons to serve as members

1042 of said board for terms of four years beginning July first following
1043 such election. Both of such persons shall be active teachers who
1044 shall be nominated by the members of the system who are not retired
1045 and elected by all the members of the system. On or before July 1,
1046 1991, and quadrennially thereafter, the members of the system shall
1047 elect from their number, in a manner prescribed by said board, three
1048 persons to serve as members of said board for terms of four years
1049 beginning July first following such election. Two of such persons
1050 shall be retired teachers who shall be nominated by the retired
1051 members of the system and elected by all the members of the system
1052 and one shall be an active teacher who shall be nominated by the
1053 members of the system who are not retired and elected by all the
1054 members of the system. (3) On or before July 1, 2011, and
1055 quadrennially thereafter, the members of the system shall elect from
1056 their number, in a manner prescribed by said board, one person to
1057 serve as a member of said board for a term of four years beginning
1058 July first following such election. Such person shall be an active
1059 teacher who shall be nominated by the members of the system who
1060 are not retired, elected by all the members of the system and a
1061 member of an exclusive representative of a teachers' bargaining unit
1062 that is not represented by the members of the board elected under
1063 subdivision (2) of this subsection. (4) If a vacancy occurs in the
1064 positions filled by the members of the system who are not retired,
1065 said board shall elect a member of the system who is not retired to
1066 fill the unexpired portion of the term. If a vacancy occurs in the
1067 positions filled by the retired members of the system, said board
1068 shall elect a retired member of the system to fill the unexpired
1069 portion of the term. The Governor shall appoint five public members
1070 to said board in accordance with the provisions of section 4-9a, one
1071 of whom shall be the mayor, first selectman or chief elected official
1072 of a municipality. On and after the effective date of this section, the

1073 Governor shall fill the next vacant position on the board that is
1074 appointed by the Governor with a person who is the mayor, first
1075 selectman or chief elected official of a municipality. The members
1076 of the board shall serve without compensation, but shall be
1077 reimbursed for any expenditures or loss of salary or wages which
1078 they incur through service on the board. Six members of the board
1079 shall constitute a quorum for the transaction of any business. All
1080 decisions of the board shall require the approval of [six members of
1081 the board or] a majority of the members who are present [,
1082 whichever is greater] at a meeting at which a quorum is present.

1083 (b) In carrying out its duties, the board may employ a person as
1084 the administrative officer with a title established by the board [a
1085 secretary] who shall also serve as secretary of the board and such
1086 [clerical and other assistance] staff as may be necessary. Their
1087 salaries shall be paid by said board with the approval of the
1088 Secretary of the Office of Policy and Management. Said board shall
1089 employ the services of one or more actuaries, each of which shall be
1090 an individual or firm having on its staff a fellow of the Society of
1091 Actuaries, to carry out the actuarial duties of this section and
1092 sections 10-183b, 10-183r, and 10-183z and for such related
1093 purposes as the board deems advisable. The cost of such services
1094 shall be charged to the funds provided for in section 10-183r. Said
1095 board shall arrange for such actuary to prepare an actuarial valuation
1096 of the assets and liabilities of the system as of June 30, 1980, and at
1097 least once every two years thereafter. On the basis of reasonable
1098 actuarial assumptions approved by the board, such actuary shall
1099 determine the [normal cost] actuarially determined employer
1100 contribution required to meet the actuarial cost of current service
1101 and the unfunded accrued liability. Commencing December 1, 2002,
1102 such valuation shall be completed prior to December first biennially.

1103 Said board shall adopt all needed actuarial tables and may adopt
1104 regulations and rules not inconsistent with this chapter, including
1105 regulations and rules for payment of purchased service credits and
1106 repayment of previously withdrawn accumulated contributions.
1107 Said board shall establish [such funds as are] an operational budget
1108 necessary for the management of the system. The board may enter
1109 into such contractual agreements, in accordance with established
1110 procedures, as may be necessary for the discharge of its duties.

1111 Sec. 10. Section 10-183n of the general statutes is repealed and
1112 the following is substituted in lieu thereof (*Effective July 1, 2020*):

1113 (a) Each employer shall: (1) Before employing a teacher notify
1114 such teacher of the provisions of this chapter applicable to such
1115 teacher; (2) distribute, post or otherwise disseminate in a timely
1116 manner, to teachers in its employ, any notices, bulletins, newsletters,
1117 annual statements of account and other information supplied by the
1118 board for the purpose of properly notifying teachers of their rights
1119 and obligations under the system; (3) furnish to the board at times
1120 designated by said board such reports and information as the board
1121 deems necessary or desirable for the proper administration of the
1122 system; and (4) deduct each month [seven] eight and one-fourth per
1123 cent of one-tenth of such teacher's annual salary rate as directed by
1124 said board, [and] any additional voluntary deductions and service
1125 purchase credit contributions as authorized by such teacher. [,
1126 except that no deductions shall be made from any amounts received
1127 by regularly employed teachers for special teaching assignments
1128 rendered for the State Board of Education or the Board of Regents
1129 for Higher Education unless the salary for such special teaching
1130 assignment is equal to or greater than the minimum salary paid for
1131 such teacher's regular teaching assignment.] In the event the

1132 employer does not deduct the mandatory contribution amount set
1133 forth in subdivision (4) of this subsection, a member who is not
1134 employed by an employer shall remit such payment to the board in
1135 order to receive the annual salary rate credit for the amount on which
1136 the payment relates. If the employer was unable to deduct the
1137 mandatory contribution amount in subdivision (4) due to insufficient
1138 salary, the employee shall be responsible for the payment of the
1139 mandatory contribution amount plus the credited interest due from
1140 the date the payment of the mandatory contribution amount was
1141 required to be made by the employer to the date of payment by the
1142 member. If the employee received sufficient salary for the employer
1143 to deduct the mandatory contribution amount but the employer
1144 failed to do so, the employee is responsible for the payment of the
1145 mandatory contribution amount and the employer shall be
1146 responsible for the payment of the credited interest due from the date
1147 the payment of the mandatory contribution amount was required to
1148 be made by the employer to the date of payment by the member. If
1149 the employer deducted but failed to remit the mandatory
1150 contribution amount, the employer shall be responsible for the
1151 payment of both the mandatory contribution amount plus the
1152 credited interest due from the date the payment of the mandatory
1153 contribution amount was required to be made by the employer to the
1154 date of payment to the system. In the event the mandatory
1155 contribution amount is not received by the system the member will
1156 be ineligible for the associated service credit.

1157 The board shall not be required to refund credited interest for
1158 payments made prior to the due date such payment was required.

1159 (b) Each local treasurer or other person having custody of
1160 amounts deducted under this chapter by an employer shall transmit

1161 and report such amounts to the board so that they are received by
1162 said board no later than the fifth business day of the following
1163 month. On and after July 1, 2001, all such amounts shall be
1164 transmitted via electronic transfer of funds. Such amounts shall at
1165 all times be the property of the system and while in the custody of
1166 such local treasurer or other person such person is a fiduciary with
1167 respect to such amounts and shall discharge a fiduciary's
1168 responsibilities solely for the benefit of the system. If such amounts
1169 are not accompanied by the reports and information deemed
1170 necessary or desirable by the board for the proper administration of
1171 the system, in accordance with subsection (a) of this section, the
1172 board may deem such amounts not received by the fifth business day
1173 of the following month for purposes of this subsection until the date
1174 on which such reports and information are received. Said board shall
1175 be entitled to receive from an employer interest at the rate of nine
1176 per cent per year from the due date on all amounts deducted by such
1177 employer and not received by said board by the fifth business day of
1178 the following month. Interest at the rate of nine per cent per year
1179 shall be compounded annually on the interest assessed from the date
1180 payment is received to the date the interest assessment is paid. Such
1181 interest shall be treated as an amount earned by assets of the system.

1182 (c) All amounts received by the board under this section shall be
1183 forwarded to the State Treasurer.

1184 (d) Each member shall file with the board [an enrollment and such
1185 other] such forms, documents and information as the board deems
1186 necessary or desirable for the proper administration of the system.

1187 Sec. 11. Section 10-183o of the general statutes is repealed and
1188 the following is substituted in lieu thereof (*Effective July 1, 2020*):

1189 During any period when this country is at war, a board of
1190 education may [cause to be paid] pay to the retirement board the
1191 mandatory contributions of members who were in its employ at the
1192 time of entering into the armed forces, as defined in section 27-103,
1193 [. Such contributions as may be approved by the board of education
1194 shall be included in the annual itemized budget estimate of the costs
1195 of maintenance of public schools for the ensuing year] on behalf of
1196 such members, in accordance with the Uniformed Services
1197 Employment and Reemployment Rights Act of 1994, 38 USC
1198 Chapter 43, as amended from time to time.

1199 Sec. 12. Section 10-183p of the general statutes is repealed and
1200 the following is substituted in lieu thereof (*Effective July 1, 2020*):

1201 [(a) Any member of either the state employees retirement system
1202 or the teachers' retirement system, if eligible to belong to the other
1203 or in accordance with the provisions of subsection (h) of section 5-
1204 160 or section 5-192e, may transfer from the one to which such
1205 member belongs to the other or prior to the first of the month
1206 following three months after June 28, 1985, to an alternate
1207 retirement program, as defined in subsection (u) of section 5-154,
1208 when authorized to do so, in the case of a transfer between said
1209 systems or a transfer from the teachers' retirement system to an
1210 alternate retirement program, by the concurrent action of the State
1211 Employees Retirement Commission and the Teachers' Retirement
1212 Board. No person shall be eligible to membership in more than one
1213 such system or program at the same time, provided nothing
1214 contained herein shall affect the rights of any person who, on June
1215 18, 1953, was a member of both systems. Any member of the
1216 teachers' retirement system who elects or has elected to participate
1217 in an alternate retirement program shall receive a refund of all

1218 contributions made by him into said system in lieu of any benefits
1219 under said system. Any former state employee who was, during such
1220 employee's period of employment, eligible to belong to either the
1221 state employees retirement system or the teachers' retirement system
1222 and who withdrew from the state employees retirement system after
1223 July 1, 1940, to become a member of the teachers' retirement system
1224 may be credited in the teachers' retirement system with such
1225 member's period of state service upon making application in writing
1226 to the secretary of the Teachers' Retirement Board and paying
1227 contributions for such period of service with credited interest from
1228 the date such service was rendered.

1229 (b) No person who has creditable service as a member of the state
1230 employees retirement system and who transfers, on or after May 6,
1231 1975, to the teachers' retirement system shall be entitled to benefits
1232 from the teachers' retirement system until such person has been a
1233 member of and contributed to said system for a period of one year.
1234 If such transferee dies or becomes disabled before completion of
1235 that one year, such transfer shall be deemed to be cancelled and
1236 such person shall be deemed to be a member of the state
1237 employees retirement system.]Any member who is also a
1238 participant in an alternate retirement program, as defined in
1239 subsection (u) of section 5-154, the state employees retirement
1240 system or any other retirement system, may, consistent with
1241 section 10-183e, purchase service credit in the Connecticut
1242 teachers' retirement system, provided such member withdraws any
1243 and all employee funds and forfeits all employer contributions and
1244 earnings thereon in the respective system, other than the Social
1245 Security System or the non-regular military retirement system
1246 under 10 United States Code Chapter 1223, as amended from time
1247 to time. No person shall be eligible for membership in more than
1248 one such system or program at the same time for the same service.

1249 Sec. 13. Section 10-183q of the general statutes is repealed and
1250 the following is substituted in lieu thereof (*Effective July 1, 2020*):

1251 (a) The portion of each member's compensation deducted
1252 or to be deducted under this chapter and all rights of each
1253 member and of each survivor to receive benefits or other
1254 payments under this chapter shall be exempt from the
1255 operation of any laws relating to bankruptcy or insolvency;
1256 and, except as provided in subsection (b) of this section,
1257 shall not be subject to garnishment, attachment, execution,
1258 levy or any other similar legal process of any court. [No]
1259 Except as provided in subsection (c) of this section,
1260 assignment of any right of a member or any other person to
1261 receive benefits or other payments from the system shall
1262 not be valid. The funds of the system invested in personal
1263 property shall be exempt from taxation.

1264 (b) The portion of each member's compensation deducted or to be
1265 deducted under this chapter and all rights of each member to receive
1266 benefits or other payments under this chapter may be subject to
1267 attachment on behalf of an alternate payee as set forth in a domestic
1268 relations order.

1269 (c) A distributee may elect, at the time and in the manner
1270 prescribed by the board, to have any portion of the eligible rollover
1271 [such] distribution or trustee to trustee transfer paid directly to an
1272 eligible retirement plan by way of a direct rollover. Taxable funds
1273 can be distributed as a rollover if so elected by an eligible distributee.
1274 For purposes of this subsection, (1) "distributee" means a member,
1275 a member's surviving spouse or a member's former spouse who is
1276 an alternate payee under an approved domestic relations order; (2)
1277 "eligible rollover distribution" and "eligible retirement plan" each
1278 have the meaning provided in Section 402 of the Internal Revenue
1279 Code of 1986, or any subsequent corresponding internal revenue
1280 code of the United States, as amended from time to time, except (A)
1281 a qualified trust shall be considered an eligible retirement plan only
1282 if it accepts the distributee's eligible rollover distribution; and (B) in

1283 the case of an eligible rollover distribution to a surviving spouse, an
1284 eligible retirement plan shall mean an individual retirement account
1285 or an individual retirement annuity as defined in Section 408 of said
1286 Internal Revenue Code.Sec. 14. Section 10-183t of the general
1287 statutes is repealed and the following is substituted in lieu thereof
1288 (*Effective July 1, 2020*):

1289 (a) The retirement board shall offer one or more health benefit
1290 plans to: Any member receiving retirement benefits or a disability
1291 allowance from the system; the spouse or surviving spouse of such
1292 member, and a disabled dependent of such member if there is no
1293 spouse or surviving spouse, provided such member, spouse,
1294 surviving spouse, or disabled dependent is participating in Medicare
1295 Part A hospital insurance and Medicare Part B medical insurance.
1296 The board may offer one or more basic plans, the cost of which to
1297 any such member, spouse, surviving spouse or disabled dependent
1298 shall be one-third of the basic plan's premium equivalent, and one
1299 or more optional plans, provided such member, spouse, surviving
1300 spouse or disabled dependent shall pay one-third of the basic plan's
1301 premium equivalent plus the difference in cost between any such
1302 basic plans and any such optional plans. The board shall designate
1303 those plans which are basic and those plans which are optional for
1304 the purpose of determining such cost and the amount to be charged
1305 or withheld from benefit payments for such plans. The surviving
1306 spouse of a member, or a disabled dependent of a member if there
1307 is no surviving spouse, shall not be ineligible for participation in any
1308 such plan solely because such surviving spouse or disabled
1309 dependent is not receiving benefits from the system. With respect to
1310 any person participating in any such plan, the state shall appropriate
1311 to the board one-third of the cost of such basic plan or plans, or one-
1312 third of the cost of the rate in effect during the fiscal year ending

1313 June 30, 1998, whichever is greater. [On and after July 1, 2012,
1314 federal reimbursements received by the retirement board under the
1315 retiree drug subsidy provisions of Medicare Part D shall be used to
1316 offset amounts appropriated by the state to the board pursuant to this
1317 subsection.]

1318 (b) Any member who is receiving retirement benefits or a
1319 disability allowance from the system, the spouse or surviving spouse
1320 of such member, or a disabled dependent of such member if there is
1321 no spouse or surviving spouse, and who is not participating in
1322 Medicare Part A hospital insurance and Medicare Part B medical
1323 insurance, may fully participate in any or all group health insurance
1324 plans maintained for active teachers by such member's last
1325 employing board of education, or by the state in the case of a
1326 member who was employed by the state, provided such member
1327 either meets the state's eligibility criteria for health insurance or, if
1328 not, would be eligible to participate in the group health insurance
1329 plan offered by such member's last employing board of education,
1330 upon payment to such board of education or to the state, as
1331 applicable, by such member, spouse, surviving spouse or disabled
1332 dependent, of the premium charged for his form of coverage. Such
1333 premium shall be no greater than that charged for the same form of
1334 coverage for active teachers. The spouse, surviving spouse or
1335 disabled dependent shall not be ineligible for participation in any
1336 such plan solely because such spouse, surviving spouse or disabled
1337 dependent is not receiving benefits from the system. No person shall
1338 be ineligible for participation in such plans for failure to enroll in
1339 such plans at the time the member's retirement benefit or disability
1340 allowance became effective. Nothing in this subsection shall be
1341 construed to impair or alter the provisions of any collective
1342 bargaining agreement relating to the payment by a board of

1343 education of group health insurance premiums on behalf of any
1344 member receiving benefits from the system. Prior to the cancellation
1345 of coverage for any member, spouse, surviving spouse or disabled
1346 dependent for failure to pay the required premiums or cost due, the
1347 board of education or the state, if applicable, shall notify the
1348 Teachers' Retirement Board of its intention to cancel such coverage
1349 at least thirty days prior to the date of cancellation. Absent any
1350 contractual provisions to the contrary, the payments made pursuant
1351 to subsection (c) of this section shall be first applied to any cost
1352 borne by the member, spouse, surviving spouse or disabled
1353 dependent participating in any such plan. As used in this subsection,
1354 "last employing board of education" means the board of education
1355 by which such member was employed when such member filed his
1356 initial application for retirement, and "health insurance plans"
1357 means hospital, medical, major medical, [dental,] prescription drug
1358 or auditory benefit plans that are available to active teachers.

1359 (c) (1) On and after July 1, 2000, the board shall pay a subsidy
1360 equal to the subsidy paid in the fiscal year ending June 30, 2000, to
1361 the board of education or to the state, if applicable, on behalf of any
1362 member who is receiving retirement benefits or a disability
1363 allowance from the system, the spouse of such member, the
1364 surviving spouse of such member, or a disabled dependent of such
1365 member if there is no spouse or surviving spouse, who is
1366 participating in a health insurance plan maintained by a board of
1367 education or by the state, if applicable. Such payment shall not
1368 exceed the actual cost of such insurance.

1369 (2) With respect to any person participating in any such plan
1370 pursuant to subsection (b) of this section, the state shall appropriate
1371 to the board one-third of the cost of the subsidy, except that, for the

1372 fiscal year ending June 30, 2013, the state shall appropriate twenty-
1373 five per cent of the cost of the subsidy. On and after July 1, 2018,
1374 for the fiscal year ending June 30, 2019, and for each fiscal year
1375 thereafter, fifty per cent of the total amount appropriated by the state
1376 in each such fiscal year for the state's share of the cost of such
1377 subsidies shall be paid to the board on or before July first of such
1378 fiscal year, and the remaining fifty per cent of such total amount
1379 shall be paid to the board on or before December first of such fiscal
1380 year.

1381 (3) No payment to a board of education pursuant to this
1382 subsection may be used to reduce the amount of any premium
1383 payment on behalf of any such member, spouse, surviving spouse,
1384 or disabled dependent, made by such board pursuant to any
1385 agreement in effect on July 1, 1990. On and after July 1, 2012, the
1386 board shall pay a subsidy of two hundred twenty dollars per month
1387 on behalf of the member, spouse or the surviving spouse of such
1388 member who: (A) Has attained the normal retirement age to
1389 participate in Medicare, (B) is not eligible for Medicare Part A
1390 without cost, and (C) contributes at least two hundred twenty dollars
1391 per month towards his or her medical and prescription drug plan
1392 provided by the board of education.

1393 (d) The Treasurer shall establish a separate retired teachers' health
1394 insurance premium account within the Teachers' Retirement Fund.
1395 Commencing July 1, 1989, and annually thereafter all health benefit
1396 plan contributions withheld under this chapter in excess of five
1397 hundred thousand dollars shall, upon deposit in the Teachers'
1398 Retirement Fund, be credited to such account. Interest derived from
1399 the investment of funds in the account shall be credited to the
1400 account. Funds in the account shall be used for (1) payments to

1401 boards of education pursuant to subsection (c) of this section and for
1402 payment of premiums on behalf of members, spouses of members,
1403 surviving spouses of members or disabled dependents of members
1404 participating in one or more health insurance plans pursuant to
1405 subsection (a) of this section in an amount equal to the difference
1406 between the amount paid pursuant to subsection (a) of this section
1407 and the amount paid pursuant to subsection (c) of this section, and
1408 (2) payments for professional fees associated with the
1409 administration of the health benefit plans offered pursuant to this
1410 section. If, during any fiscal year, there are insufficient funds in the
1411 account for the purposes of all such payments, the General
1412 Assembly shall appropriate sufficient funds to the account for such
1413 purpose.

1414 (e) (1) Not later than the first business day of February, May,
1415 August and November, annually, each employer shall submit to the
1416 board, in a format established by the board, any information the
1417 board determines to be necessary with respect to the additions,
1418 deletions and premium changes for the health insurance subsidy
1419 program under subsection (c) of this section. Any report received by
1420 the board after the due date shall be processed in the following
1421 quarterly cycle. Failure to timely submit the quarterly report shall
1422 result in a delay of the subsidy for that quarter, which shall be paid
1423 as a retroactive subsidy as provided in subdivision (2) of this
1424 subsection.

1425 (2) Retroactive subsidy payments shall be limited to the subsidy
1426 amount for six months prior to the first day of the month in which
1427 the board receives an untimely report with the new eligible members
1428 or dependents included, except for members recently approved by
1429 the board for a disability allowance. The board shall pay the subsidy

1430 retroactively to the effective date of the disability, provided the
1431 eligible members or dependents are added to the report no later than
1432 the first quarter following the board's approval of the disability and
1433 the member's disability allowance is initiated within four months of
1434 board approval. The employer shall hold any member or dependent
1435 harmless for any costs associated with, arising from or out of the
1436 loss of the benefit of the subsidy as a result of such employer's
1437 untimely or inaccurate filing of the quarterly report.

1438 Sec. 15. Section 10-183v of the general statutes is repealed and
1439 the following is substituted in lieu thereof (*Effective July 1, 2020*):

1440 (a)(1) Except as provided in subdivisions (2) and (3) of this
1441 subsection and subsection (b) of this section, a teacher receiving
1442 retirement benefits from the system may not be employed by an
1443 employer, in a [teaching] position receiving compensation paid out
1444 of public money appropriated for school purposes except that such
1445 teacher may be employed in such a position and receive no more
1446 than forty-five per cent of the maximum salary level for the assigned
1447 position for each school year. Any teacher who receives in excess of
1448 such amount shall reimburse the board for the amount of such
1449 excess. (2) Commencing July 1, 2016, to June 30, 2020, inclusive,
1450 the provisions of subdivision (1) of this subsection establishing a
1451 limitation on the compensation of a reemployed teacher and
1452 requiring the reimbursement of any amount received in excess of
1453 that limitation shall not apply to a teacher who (A) is receiving
1454 retirement benefits from the system based on thirty-four or more
1455 years of credited service, (B) is reemployed as a teacher in a district
1456 designated as an alliance district pursuant to section 10-262u, and
1457 (C) was serving as a teacher in that district on July 1, 2015.

1458 (3) On and after July 1, 2016, a teacher receiving retirement

1459 benefits from the system may be employed in a teaching position
1460 and receive (A) compensation paid out of public money
1461 appropriated for school purposes, (B) health insurance benefits, and
1462 (C) other employment benefits provided to active teachers employed
1463 by such school system, provided such teacher does not receive a
1464 retirement income during such employment. Payment of such
1465 teacher's retirement income shall resume on the first day of the
1466 month following the termination of such employment. The
1467 compensation under subparagraph (A) of this subdivision shall be
1468 provided in accordance with subsection (c) of this section.

1469 (4) Notice of employment under this subsection shall be sent to
1470 the board by the employer at the beginning and end of the school
1471 year, or assignment within the school year when reemployed for less
1472 than the full school year.

1473 (b) A teacher receiving retirement benefits from the system may
1474 be reemployed for up to one full school year by a local board of
1475 education, the State Board of Education or by any constituent unit
1476 of the state system of higher education in a position (1) designated
1477 by the Commissioner of Education as a subject shortage area, or (2)
1478 at a school located in a school district identified as a priority school
1479 district, pursuant to section 10-266p, for the school year in which
1480 the teacher is being employed. Notice of such reemployment shall
1481 be sent to the board by the employer [and by the retired teacher] at
1482 the time of hire and at the end of the assignment. Such
1483 reemployment may be extended for one [an] additional school year,
1484 not to exceed two school years in the aggregate, provided the local
1485 board of education (A) submits a written request for approval to the
1486 Teachers' Retirement Board, (B) certifies that no qualified
1487 candidates are available prior to the reemployment of such teacher,

1488 and (C) indicates the type of assignment to be performed, the
1489 anticipated date of rehire and the expected duration of the
1490 assignment

1491 (c) The employment of a teacher under subsections (a) and (b) of
1492 this section shall not be considered as service qualifying for
1493 continuing contract status under section 10-151 and the salary of
1494 such teacher shall be fixed at an amount at least equal to that paid
1495 other teachers in the same school system with similar training and
1496 experience for the same type of service.

1497 (d) No person shall be entitled to survivor's benefits under
1498 subsection (f) of section 10-183f, as a result of reemployment under
1499 this section.

1500 (e) The same option plan of retirement benefits in effect prior to
1501 reemployment shall continue for a reemployed teacher during
1502 reemployment. In the event a reemployed teacher who is not
1503 receiving retirement benefits during reemployment dies during such
1504 reemployment, such teacher's account shall be settled under the plan
1505 in effect prior to such reemployment.

1506 (f) Any member in violation of any provision of this section, as
1507 determined by the board, shall be required to reimburse the board
1508 for the all amounts they received in excess of the amount permitted
1509 under this section. Such reimbursement will be accomplished
1510 through an offset of all or a portion of the excess amount which can
1511 be recaptured commencing with the next immediate retirement
1512 benefit payment issued to the member. The member can request an
1513 alternative payment method to reimburse the board for the excess
1514 through an acceptable alternative method agreed to by the board.

1515 (g) For purposes of this section, the term employed or reemployed

1516 shall mean to hire, retain or otherwise procure the services of a
1517 retired teacher or member by an employer, as an employee,
1518 independent contractor or by any other arrangement.

1519 (h) In no event shall a retired member be permitted to revert to
1520 active status after the effective date of retirement, provided
1521 however, a member may suspend their retirement benefit for
1522 reemployment purposes.

1523 (i[f]) The provisions of this section in effect on June 30, 2003,
1524 revision of 1958, revised to January 1, 2003, shall be applicable to
1525 any person making contributions to the Teachers' Retirement
1526 System on June 30, 2003, in accordance with said provisions.

1527 Sec. 16. Section 10-183y of the general statutes is repealed and
1528 the following is substituted in lieu thereof (*Effective July 1, 2020*):

1529 Any member may appeal to the Teachers' Retirement Board for
1530 reconsideration of a decision of the board affecting such member.
1531 Such member shall submit with such appeal a written statement
1532 identifying the section of the general statutes that provides for the
1533 benefit to which such member claims he or she was entitled and
1534 received a written denial for such a request [ed by such decision of
1535 the board]. Such appeal shall be made within ninety days of the date
1536 of issuance of written notice of such decision. The board shall meet
1537 to review such member's records and, if requested in writing, allow
1538 such member to appear at such meeting. The board shall render a
1539 written decision within sixty days of receipt of such request for
1540 reconsideration.

1541 Sec. 17. Section 10-183z of the general statutes is repealed and
1542 the following is substituted in lieu thereof (*Effective July 1, 2020*):

1543 (a) The retirement system for teachers shall be funded on an
1544 actuarial reserve basis. The retirement board shall, on or before
1545 December first, annually, certify to the General Assembly the
1546 amount necessary, on the basis of an actuarial determination, to
1547 establish and maintain the retirement fund on such determined
1548 actuarial reserve basis and make such other recommendations with
1549 regard to the fund and its administration as the board deems
1550 necessary. [For the fiscal year ending June 30, 2020, and each fiscal
1551 year thereafter, the retirement board shall, in making such actuarial
1552 determination, assume that the amount of the contributions required
1553 to be withheld under this chapter is six per cent "regular
1554 contributions" instead of seven per cent "regular contributions".] On
1555 the basis of each evaluation, the retirement board shall redetermine
1556 the normal rate of contribution and, until it is amortized, the
1557 unfunded past service liability. The General Assembly shall review
1558 the board's recommendations and certification and shall appropriate
1559 to the retirement fund the amount certified by the retirement board
1560 as necessary, provided said certification is in compliance with this
1561 section. On and after the effective date of this section, no public or
1562 special act of the General Assembly shall reduce such appropriation
1563 to an amount below such amount certified unless the Governor
1564 declares an emergency or the existence of extraordinary
1565 circumstances, in which the provisions of section 4-85 are invoked,
1566 and at least threefifths of the members of each chamber of the
1567 General Assembly vote to reduce such appropriation during the
1568 biennium for which the emergency or existence of extraordinary
1569 circumstances is declared. The amount appropriated by the General
1570 Assembly shall be deposited by the Treasurer into the retirement
1571 fund in quarterly allotments on July fifteenth, October first, January
1572 first and April first.

1573 (b) The board shall determine on an actuarial basis (1) a normal
 1574 rate of contribution which the state shall be required to make into
 1575 the retirement fund in order to meet the actuarial cost of current
 1576 service and (2) the unfunded past service liability. In making such
 1577 determination the board shall assume that the annual rate of interest
 1578 earned by the funds of the system invested by the State Treasurer
 1579 pursuant to section 10-183m equals the total assumed rate of return
 1580 adopted by the board under the provisions of section 10-183nn. For
 1581 the first eight years, the funding program for the actuarial reserve
 1582 basis shall consist of the following percentages of the sum of normal
 1583 cost and the amount required for a forty-year amortization of
 1584 unfunded liabilities, provided, if in any such year the amount
 1585 required to be paid by this section is less than the amount which
 1586 would be required to fund the system on a terminal basis and to pay
 1587 the annual cost of benefits payable under subsection (j) of section
 1588 10-183g or under other prior legislative adjustments to retirement
 1589 benefits, the state shall pay the greater amount:

1590	FISCAL YEAR	PERCENTAGE TO BE PAID OF
1591	BEGINNING	NORMAL COST PLUS FULL FORTY- YEAR AMORTIZATION FISCAL YEAR FROM THE BEGINNING BEGINNING OF SUCH FISCAL YEAR
1595	7-1-85	65
1596	7-1-86	70
1597	7-1-87	75
1598	7-1-88	80

1599 7-1-89 85

1600 7-1-90 90

1601 7-1-91 95

1602 7-1-92 100

1603 Commencing with the fiscal year [beginning July 1, 1992] ending
1604 June 30, 1993, and through the fiscal year ending June 30, 2019, the
1605 unfunded liability shall be amortized over a period of forty years.
1606 Commencing with the fiscal year ending June 30, 2020, the
1607 unfunded liability as of June 30, 2018, shall be separately amortized
1608 over a closed period of thirty years and future actuarial gains and
1609 losses shall be amortized over separate closed periods of twenty-five
1610 years, beginning the year each separate base is established. The
1611 phrase "fund the system on a terminal basis" means contribution by
1612 the state of such moneys as are certified by the Teachers' Retirement
1613 Board as necessary, according to the mortality table adopted yearly,
1614 for the full reserve for pensions for retiring teachers provided under
1615 sections 10-183f, 10-183j and 10- 183aa, but not such moneys as are
1616 necessary to make payments under subsection (j) of section 10-183g
1617 or under other prior legislative amendments to retirement benefits.

1618 (c) No act liberalizing the benefits of the retirement system shall be
1619 enacted by the General Assembly until the assembly has requested
1620 and received from the retirement board a certification of the
1621 unfunded liability created by such change and the cost of such
1622 change under the actuarial funding basis adopted by section 10-
1623 183b. [and this section using full normal cost plus thirty-year
1624 amortization.] Any unfunded liability created by such change shall
1625 be amortized over a period [of thirty years] consistent with actuarial
1626 recommendations approved by the retirement board.

1627 (d) The funds of the teachers' retirement system, except the expense
1628 fund, shall not be reduced or used for other than the purposes of said
1629 system.

1630 Sec. 18. Section 10-183aa of the general statutes is repealed and
1631 the following is substituted in lieu thereof (*Effective July 1, 2020*):

1632 **Sec. 10-183aa. Disability allowance.** (a) An active member is
1633 eligible for a disability allowance if he or she has (1) become
1634 disabled as a result of any sickness or injury incurred in the
1635 performance of his or her duty as a teacher, without regard to the
1636 member's accumulated years of service at the time the disability is
1637 incurred; or (2) accumulated at least five years of service in the
1638 public schools and becomes disabled, without regard to whether the
1639 disability was incurred in the performance of his or her duty as a
1640 teacher. Upon a finding that extenuating circumstances relating to
1641 the health of a member caused a delay in the filing of the active
1642 member's complete application for a disability allowance, and such
1643 application is filed on or after July 1, 1986, the board may deem
1644 such application to have been filed up to three months earlier than
1645 the actual date of the filing.

1646 Sec. 19. Section 10-183ff of the general statutes is repealed and
1647 the following is substituted in lieu thereof (*Effective July 1, 2020*):

1648 (a) Should any change or error in records result in any member or
1649 beneficiary receiving from the teachers' retirement system more or
1650 less than he would have been entitled to receive had the records been
1651 correct, then upon discovery of any such error the Teachers'
1652 Retirement Board shall notify the member or beneficiary affected
1653 and correct the same, and as far as practicable shall adjust the
1654 payments in such manner that the actuarial equivalent of the benefit
1655 to which such member or beneficiary was correctly entitled shall be

1656 paid, provided if such change or error results in any member or
1657 beneficiary receiving less than he would have been eligible to
1658 receive, such member or beneficiary may elect to have such benefit
1659 paid in a single payment. The board may, within the board's
1660 discretion, grant a request for a reimbursement of bank charges
1661 incurred by a member resulting from an erroneous suspension of
1662 benefits in error by the board, provided such member submits such
1663 request to the board not later than the last business day of the month
1664 following the month in which such error occurred.

1665 (b) If a member or beneficiary has been overpaid through no fault
1666 of his own, and he could not reasonably have been expected to detect
1667 the error, the board may waive any repayment which it believes
1668 would cause hardship.

1669 (c) Upon determination by the Teachers' Retirement Board that
1670 any person has erroneously been included in membership in the
1671 teachers' retirement system, contributions and interest credited
1672 under the provisions of this chapter shall be refunded and records of
1673 related service voided.

1674 (d) Upon determination that the Teachers' Retirement Board has
1675 invoiced a member for the purchase of additional credited service in
1676 an amount in excess of that permitted by law, and such member has
1677 paid the invoiced amount, the amount of the overpayment shall be
1678 refunded to such member with interest at a rate equal to the average
1679 of interest rates for the most recent ten-year period from the date of
1680 the member's retirement to the date such amount is refunded.

1681 [(e) Upon determination that a member has not purchased
1682 additional credited service which was invoiced to him in an amount
1683 in excess of that permitted by law, such member shall be given the

1684 opportunity at any time to make such purchase by the payment of
1685 the proper amount with interest to the date of payment. The
1686 additional benefit resulting from the credited service so purchased
1687 shall be made retroactive to the date of the member's retirement, and
1688 the aggregate amount of such additional benefit shall be paid to the
1689 member in a single payment together with interest calculated at a
1690 rate equal to the average of interest rates for the most recent ten-year
1691 period from the date each payment was due to the date such payment
1692 is made.]

1693 [(f)] (e) Upon determination by the Teachers' Retirement Board
1694 that a member received, on or after November 1, 2008, an estimate
1695 of benefits statement from the board that contained a material error,
1696 the board shall pay the member the benefits set forth in such estimate
1697 if the board determines that (1) the member could not reasonably
1698 have been expected to detect such error, and (2) the member, in
1699 reliance upon such estimate, irrevocably submitted (A) his or her
1700 resignation to the employing board of education, and (B) a formal
1701 application of retirement to the Teachers' Retirement Board. For
1702 purposes of this subsection, "material error" means an error that
1703 amounts to a difference of ten per cent or greater between the
1704 estimated retirement benefits and the actual retirement benefits to
1705 which such member would otherwise be entitled.

1706 Sec. 20. Section 10-183gg of the general statutes is repealed and
1707 the following is substituted in lieu thereof (*Effective July 1, 2020*):

1708 Part-time service averaging at least one-half of a school day but
1709 less than a full school day shall be treated as full-time service for
1710 purposes of determining eligibility for benefits under this chapter.
1711 For purposes of determining benefits under subsections (a) to (d),
1712 inclusive, of section 10-183g, the percentages utilized in said

1713 sections shall be proportionally reduced for each year or portion of
1714 a year of service rendered or purchased after July 1, 1977, which is
1715 part-time service. Notwithstanding the provisions [of subdivision
1716 (4)] of section 10-183b, the average annual salary of a member with
1717 part-time service shall be such member's full-time annualized salary
1718 during his three highest years. Any benefit awarded pursuant to this
1719 section shall be proportional in all respects to the benefit which
1720 would have been payable had such service been rendered on a full-
1721 time basis.

1722 Sec. 21. Subsection (a) of section 10-183jj of the general statutes
1723 is repealed and the following is substituted in lieu thereof (*Effective*
1724 *July 1, 2020*):

1725 (a) A local or regional board of education may establish a
1726 retirement incentive plan for teachers, as defined in subparagraph
1727 (A) of subdivision [(26)] (30) of section 10-183b, in its employ who
1728 are members of the teachers' retirement system. The plan shall
1729 provide for purchase of additional credited service by a board of
1730 education and a member of the system who chooses to participate in
1731 the plan, of additional credited service for such member and for
1732 payment by the board of education of not less than fifty per cent of
1733 the entire cost of such additional credited service and payment by
1734 the member of the remaining percentage of such total cost. The
1735 member shall pay the remaining percentage of such total cost, if any,
1736 in one lump sum not later than thirty days after receipt of notification
1737 by the Teachers' Retirement Board of the amount owed. Any such
1738 plan shall specify a maximum number of years, not exceeding five
1739 years, of additional credited service which may be purchased under
1740 the plan. Any such plan shall have a two-month application period.

1741 Sec. 22. Section 10-183kk of the general statutes is repealed and

1742 the following is substituted in lieu thereof (*Effective July 1, 2020*):

1743 [Notwithstanding any other provisions of this chapter,]
1744 M[m]andatory retirement contributions described in subdivision
1745 [(7)] (8) of section 10-183b, payable on all salary earned on or after
1746 July 1, 1991, shall be picked up by the employer of any teacher who
1747 is a member of the state teachers' retirement system. Such picked-
1748 up contributions shall be in lieu of employee contributions. The
1749 employer shall pick up these mandatory contributions by an
1750 equivalent reduction in the cash salary of the employee. Employees
1751 shall not have the option of choosing to receive the contributed
1752 amounts directly instead of having them paid by the employer to the
1753 retirement system. Employee contributions so picked up shall be
1754 treated for all purposes in the same manner and to the same extent
1755 as employee contributions prior to July 1, 1991. The mandatory
1756 contributions so picked up by the teacher's employer shall for all
1757 purposes of this chapter be considered to be included in the teacher's
1758 annual salary.

1759 Sec. 23. Section 10-183pp of the general statutes is repealed and
1760 the following is substituted in lieu thereof (*Effective July 1, 2020*):

1761 Any member who began receiving disability benefits October 1,
1762 1977, under the provisions of subsection (d) of section 10-166 and
1763 who elected to receive benefits in accordance with the former
1764 provisions of subsection (c) of section 10-164-7 of the Regulations
1765 of Connecticut State Agencies in effect June 30, 1978, may elect to
1766 receive such benefits readjusted under the provisions of subsection
1767 [(b) or] (c) or (d) of section 10-183j, provided such member provides
1768 written notice of such election to the Teachers' Retirement Board
1769 not later than ninety days following January 1, 2001.

1770 Sec. 24. Section 10-183rr of the general statutes is repealed and
1771 the following is substituted in lieu thereof (*Effective July 1, 2020*):

1772 Notwithstanding the provisions of subdivision [(26)] (30) of
1773 section 10-183b₂, concerning the requirement that a teacher hold a
1774 certificate for the position in which the person is employed, any
1775 teacher who possesses a certificate or permit issued by the State
1776 Board of Education and is notified on or after December 1, 2003, by
1777 the Department of Education that such teacher is not properly
1778 certified for the position in which the teacher is employed or has
1779 been employed, such teacher shall receive no further credit in the
1780 teachers' retirement system for employment in such position until
1781 the teacher becomes properly certified for such position. The
1782 Teachers' Retirement Board shall not rescind any credited service to
1783 such teacher for such employment and shall restore any such credit
1784 to such teacher if rescinded prior to May 27, 2008.

1785 Sec. 25. Section 10-183tt of the general statutes is repealed and
1786 the following is substituted in lieu thereof (*Effective July 1, 2020*):

1787 (a) Not later than fourteen business days after the last action
1788 necessary to make effective a state budget act for the biennium
1789 ending June 30, 2021, subject to the approval of the Teachers'
1790 Retirement Board, the credited interest percentage for member
1791 accounts, other than a member's voluntary account, shall be not
1792 more than four per cent per annum and the return assumption shall
1793 be six and nine-tenths per cent per annum. Notwithstanding the
1794 provisions of section 82 of this act and sections 12-801, 12-806
1795 and 12-812 of the general statutes, if the board fails to revise such
1796 percentage and adopt such return assumption: (1) No moneys shall
1797 be deposited in the Connecticut Teachers' Retirement Fund Bonds
1798 Special Capital Reserve Fund, established in section 82 of this act;

1799 (2) the Treasurer's duties and obligations under section 82 of this
1800 act shall terminate; and (3) the pledges made in section 82 of this
1801 act shall not be in effect.

1802 (b) If the board revises such percentage and adopts such return
1803 assumption in accordance with subsection (a) of this section, the
1804 board shall, on or before July 1, 2019, and notwithstanding the
1805 provisions of subsection (a) of section 10-183z of the general
1806 statutes: (1) Request a revised actuarial valuation for the fiscal
1807 years ending June 30, 2020, and June 30, 2021, based on changes
1808 to the benefit program, amortization period and the systematic
1809 program of annual payments applied to determine the amortization
1810 of unfunded liabilities of the Connecticut teachers' retirement
1811 system as provided in subdivision (2) of section 10-183b of the
1812 general statutes and section 10-183z of the general statutes; and (2)
1813 certify to the General Assembly for such fiscal years the amount
1814 necessary, based on such revised actuarial valuation, to maintain
1815 the Teachers' Retirement Fund on an actuarial reserve basis.

1816 Sec. 26. Subsection (d) of section 10-66dd of the general statutes
1817 is repealed and the following is substituted in lieu thereof (*Effective*
1818 *July 1, 2020*):

1819 (d) (1) An otherwise qualified school professional hired by a
1820 charter school prior to July 1, 2010, and employed in a charter
1821 school may participate in the state teachers' retirement system under
1822 chapter 167a on the same basis as if such professional were
1823 employed by a local or regional board of education. The governing
1824 council of a charter school shall make the contributions, as defined
1825 in [subdivision (7) of] section 10-183b, for such professional.

1826 (2) An otherwise qualified school professional hired by a charter
1827 school on or after July 1, 2010, and who has not previously been

1828 employed by a charter school in this state prior to July 1, 2010, shall
1829 participate in the state teachers' retirement system under chapter
1830 167a on the same basis as if such professional were employed by a
1831 local or regional board of education. The governing council of a
1832 charter school shall make the contributions, as defined in
1833 [subdivision (7) of] section 10-183b, for such professional.

1834 (3) Any administrator or person providing instruction or pupil
1835 services in a charter school who holds a charter school educator
1836 permit issued by the State Board of Education pursuant to section
1837 10-145q shall participate in the state teachers' retirement system
1838 under chapter 167a pursuant to subdivision (2) of this section when
1839 such administrator or person providing instruction or pupil services
1840 obtains professional certification pursuant to section 10-145b.

1841 Sec. 27. Section 10a-55i of the general statutes is repealed and the
1842 following is substituted in lieu thereof (*Effective July 1, 2020*):

1843 (a) There is established a Higher Education Consolidation
1844 Committee which shall be convened by the chairpersons of the joint
1845 standing committee of the General Assembly having cognizance of
1846 matters relating to higher education or such chairpersons' designee,
1847 who shall be a member of such joint standing committee. The
1848 membership of the Higher Education Consolidation Committee
1849 shall consist of the higher education subcommittee on
1850 appropriations and the chairpersons, vice chairpersons and ranking
1851 members of the joint standing committees of the General Assembly
1852 having cognizance of matters relating to higher education and
1853 appropriations. The Higher Education Consolidation Committee
1854 shall establish a meeting and public hearing schedule for purposes
1855 of receiving updates from (1) the Board of Regents for Higher
1856 Education on the progress of the consolidation of the state system of

1857 higher education pursuant to this section, section 4-9c, subsection
1858 (g) of section 5-160, section 5-199d, subsection (a) of section 7-
1859 323k, subsection (a) of section 7-608, subsection (a) of section 10-
1860 9, section 10-155d, subdivision [(14)] (17) of section 10-183b,
1861 sections 10a-1a to 10a-1d, inclusive, 10a-3 and 10a-3a, subsection
1862 (a) of section 10a-6a, sections 10a-6b, 10a-8, 10a-10a to 10a-11a,
1863 inclusive, 10a-17d and 10a-22a, subsections (f) and (h) of section
1864 10a-22b, subsections (c) and (d) of section 10a-22d, sections 10a-
1865 22h and 10a-22k, subsection (a) of section 10a-22n, sections 10a-
1866 22r, 10a-22s, 10a-22u, 10a-22v, 10a-22x and 10a-34 to 10a-35a,
1867 inclusive, subsection (a) of section 10a-48a, sections 10a-71 and
1868 10a-72, subsections (c) and (f) of section 10a-77, section 10a-88,
1869 subsection (a) of section 10a-89, subsection (c) of section 10a-99
1870 and sections 10a-102, 10a-104, 10a-105, 10a-109e, 10a-143 and
1871 10a-168a, and (2) the Board of Regents for Higher Education and
1872 The University of Connecticut on the program approval process for
1873 the constituent units. The Higher Education Consolidation
1874 Committee shall convene its first meeting on or before September
1875 15, 2011, and meet not less than once every two months.

1876 (b) The Office of Higher Education shall enter into a
1877 memorandum of understanding with the Office of Legislative
1878 Management providing that up to one hundred thousand dollars
1879 appropriated to said Office of Higher Education shall be used by the
1880 Higher Education Consolidation Committee to hire a consultant to
1881 assist said committee in fulfilling its duties."

1882



This act shall take effect as follows and shall amend the following sections:

Section 1	<i>July 1, 2020</i>	10-183b
Sec. 2	<i>July 1, 2020</i>	10-183e
Sec. 3	<i>July 1, 2020</i>	10-183f
Sec. 4	<i>July 1, 2020</i>	10-183g
Sec. 5	<i>July 1, 2020</i>	10-183h
Sec. 6	<i>July 1, 2020</i>	10-183i(a)
Sec. 7	<i>July 1, 2020</i>	10-183j
Sec. 8	<i>July 1, 2020</i>	10-183k
Sec. 9	<i>July 1, 2020</i>	10-183l
Sec. 10	<i>July 1, 2020</i>	10-183n
Sec. 11	<i>July 1, 2020</i>	10-183o
Sec. 12	<i>July 1, 2020</i>	10-183p
Sec. 13	<i>July 1, 2020</i>	10-183q
Sec. 14	<i>July 1, 2020</i>	10-183t
Sec. 15	<i>July 1, 2020</i>	10-183v
Sec. 16	<i>July 1, 2020</i>	10-183y
Sec. 17	<i>July 1, 2020</i>	10-183z



Sec. 18	<i>July 1, 2020</i>	10-183
Sec. 19	<i>July 1, 2020</i>	10-183aa
Sec. 20	<i>July 1, 2020</i>	10-183ff
Sec. 21	<i>July 1, 2020</i>	10-183gg
Sec. 22	<i>July 1, 2020</i>	10-183jj(a)
Sec. 23	<i>July 1, 2020</i>	10-183kk
Sec. 24	<i>July 1, 2020</i>	10-183pp
Sec. 25	<i>July 1, 2020</i>	10-183rr
Sec. 26	<i>July 1, 2020</i>	10-66dd
Sec. 27	<i>July 1, 2020</i>	10a-551
Sec.	<i>July 1, 2020</i>	