



Senate

General Assembly

File No. 667

January Session, 2005

Senate Bill No. 1318

Senate, May 4, 2005

The Committee on Appropriations reported through SEN. HARP of the 10th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT REQUIRING THE TIMELY TRANSMITTAL BY EMPLOYERS OF NECESSARY INFORMATION TO THE TEACHERS' RETIREMENT BOARD.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 10-183n of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2005*):

3 (a) Each employer shall: (1) Before employing a teacher notify such
4 teacher of the provisions of this chapter applicable to such teacher; (2)
5 distribute, post or otherwise disseminate in a timely manner, to
6 teachers in its employ, any notices, bulletins, newsletters, annual
7 statements of account and other information supplied by the board for
8 the purpose of properly notifying teachers of their rights and
9 obligations under the system; (3) furnish to the board at times
10 designated by said board such reports and information as the board
11 deems necessary or desirable for the proper administration of the
12 system; and (4) deduct each month seven and one-fourth per cent of

13 one-tenth of such teacher's annual salary rate as directed by said board
14 and any additional voluntary deductions as authorized by such
15 teacher, except that no deductions shall be made from any amounts
16 received by regularly employed teachers for special teaching
17 assignments rendered for the State Board of Education or the Board of
18 Governors of Higher Education unless the salary for such special
19 teaching assignment is equal to or greater than the minimum salary
20 paid for such teacher's regular teaching assignment.

21 (b) Each local treasurer or other person having custody of amounts
22 deducted under this chapter by an employer shall transmit and report
23 such amounts to the board so that they are received by said board no
24 later than the fifth business day of the following month. On and after
25 July 1, 2001, all such amounts shall be transmitted via electronic
26 transfer of funds. Such amounts shall at all times be the property of the
27 system and while in the custody of such local treasurer or other person
28 such person is a fiduciary with respect to such amounts and shall
29 discharge [his] a fiduciary's responsibilities solely for the benefit of the
30 system. If such amounts are not accompanied by the reports and
31 information deemed necessary or desirable by the board for the proper
32 administration of the system, in accordance with subsection (a) of this
33 section, the board may deem such amounts not received by the fifth
34 business day of the following month for purposes of this subsection
35 until the date on which such reports and information are received. Said
36 board shall be entitled to receive from an employer interest at the rate
37 of nine per cent per year from the due date on all amounts deducted
38 by such employer and not received by said board by the fifth business
39 day of the following month. Interest at the rate of nine per cent per
40 year shall be compounded annually on the interest assessed from the
41 date payment is received to the date the interest assessment is paid.
42 Such interest shall be treated as an amount earned by assets of the
43 system.

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

46 (d) Each member shall file with the board an enrollment and such
47 other forms, documents and information as the board deems necessary
48 or desirable for the proper administration of the system.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	<i>July 1, 2005</i>	10-183n
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APP *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 06 \$	FY 07 \$
Teachers' Retirement Bd.	GF - None	None	None

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill will increase administrative efficiency within the Teachers' Retirement Board but is not expected to have any budgetary impact.

OFA Bill Analysis

SB 1318

AN ACT REQUIRING THE TIMELY TRANSMITTAL BY EMPLOYERS OF NECESSARY INFORMATION TO THE TEACHERS' RETIREMENT BOARD.**SUMMARY:**

The bill requires that supporting data be provided by the local school boards concurrently with the mandatory teacher contributions. This data is necessary to establish the accuracy of the funds received from the employer. This proposal would ease benefit administration by providing the Teachers' Retirement Board with the means to obtain accurate and complete financial information on their membership in a timely manner.

EFFECTIVE DATE: July 1, 2005

COMMITTEE ACTION

Appropriations Committee

Joint Favorable Report

Yea 50 Nay 0