



General Assembly

February Session, 2006

**Raised Bill No. 5723**

LCO No. 2934

\*02934\_\_\_\_\_APP\*

Referred to Committee on Appropriations

Introduced by:  
(APP)

**AN ACT AUTHORIZING TEACHERS WHO ARE MEMBERS OF THE  
TEACHERS' RETIREMENT SYSTEM TO CONTRIBUTE UP TO ONE-  
HALF THE COST OF RETIREMENT INCENTIVE PLANS  
ESTABLISHED BY BOARDS OF EDUCATION.**

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

1 Section 1. Section 10-183jj of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2006*):

3 (a) A local or regional board of education may establish a retirement  
4 incentive plan for teachers, as defined in subdivision (1) of subsection  
5 (26) of section 10-183b, as amended, in its employ who are members of  
6 the teachers' retirement system. The plan shall provide for purchase of  
7 additional credited service by [the] a board of education and a member  
8 of the system who chooses to participate in the plan, of additional  
9 credited service for such [members who choose to participate in the  
10 plan] member and for payment by the board of education of not less  
11 than fifty per cent of the entire cost of such additional credited service  
12 and payment by the member of the remaining percentage of such total  
13 cost. Any such plan shall specify a maximum number of years, not  
14 exceeding five years, of additional credited service which may be

15 purchased under the plan. Any such plan shall have a two-month  
16 application period.

17 (b) Any such member who has attained age fifty and (1) who would  
18 become eligible to receive a retirement benefit under subsection (a), (b)  
19 or (c) of section 10-183f if such member received additional credited  
20 service pursuant to subsection (e) of this section, or (2) who is not  
21 retired and is eligible to receive a retirement benefit under subsection  
22 (a), (b) or (c) of [said] section 10-183f shall be eligible to apply. Any  
23 member who applies shall agree in writing, as part of such application,  
24 to submit a complete formal application for retirement to the Teachers'  
25 Retirement Board on a date which shall be established by the board of  
26 education which employs the member, provided such date shall be on  
27 or before the last day of the school year in which additional credited  
28 service is purchased for such member pursuant to this section.

29 (c) All such eligible members may participate in the plan except that  
30 a local or regional board of education may limit the number of such  
31 members for whom it purchases such additional credited service in  
32 any calendar year to a specified percentage of such members in its  
33 employ on the first day of January of such year. If participation is  
34 limited, members with a greater length of service with the board of  
35 education, if they choose to participate, shall have additional credited  
36 service purchased before members with a lesser length of service with  
37 the board of education.

38 (d) The amount of additional credited service purchased for any  
39 member pursuant to such retirement incentive plan shall be uniformly  
40 determined but shall not exceed the lesser of the following: (1) Five  
41 years of additional credited service, or (2) an amount of service credit  
42 equal to one-fifth of the member's total credited service, including  
43 additional credited service purchased by the member [,] pursuant to  
44 the provisions of section 10-183e.

45 (e) For each year of additional credited service purchased pursuant  
46 to this section, the local or regional board of education and the member

47 shall pay, in accordance with subsection (a) of this section, an amount  
48 specified by the Teachers' Retirement Board equal to the actuarial  
49 present value, determined according to actuarial tables adopted by the  
50 Teachers' Retirement Board, of the difference between the retirement  
51 benefit which the member is entitled to receive based upon the  
52 member's service apart from such purchased service and the benefit  
53 which the member is entitled to receive including such service.  
54 Payment for such service may be made in equal annual installment  
55 payments, including interest, not exceeding three times the number of  
56 years being purchased. Payments shall be made in accordance with  
57 subsection (b) of section 10-183n, as amended, and rules adopted by  
58 the Teachers' Retirement Board. Any late payments or outstanding  
59 obligations from a prior year's purchase or from late payment of  
60 monthly mandatory deductions shall be included as part of the cost of  
61 purchasing such service. [When a board of education purchases  
62 additional credited service for a member pursuant to this section, the  
63 Teachers' Retirement Board shall notify the member in writing.] Any  
64 additional credited service purchased for any such member shall be in  
65 addition to any credited service purchased pursuant to section 10-183e.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2006</i>	10-183jj

**Statement of Purpose:**

To permit members of the teachers' retirement system who are eligible for retirement incentive plans established by local or regional boards of education to pay up to one-half of the cost of purchasing additional credited service on behalf of such member, not exceeding the lesser of (1) five years of additional credited service, or (2) an amount of service credit equal to one-fifth of the member's total credited service, including additional credited service purchased by the member pursuant to the provisions of section 10-183e of the general statutes.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*

