



House Bill No. 6988

Public Act No. 07-211

AN ACT UPDATING THE SOCIAL SECURITY RETIREMENT AGE TO REFLECT FEDERAL CHANGES AND CONCERNING A RETIREMENT ANNUITY PROGRAM FOR MUNICIPAL EMPLOYEES.

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

Section 1. Subsection (a) of section 5-163 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007*):

(a) (1) Each member who retires or who has been retired under the retirement system before [he has attained sixty-five years of age] attaining full retirement age under the Social Security Act, as amended from time to time, shall receive additional temporary monthly retirement income payable until [he] such member reaches [sixty-five years of age] full retirement age under said Social Security Act or, if earlier, the date on which [he] such member would be eligible for a Social Security disability insurance benefit. (2) The amount of such temporary income shall be determined by the Retirement Commission so that the total retirement income payable to the member during the temporary period shall equal that payable under the provisions of the retirement system in effect immediately before February 21, 1958, modified to the extent that the three highest-paid years rather than the

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five highest-paid years shall be used in determining the retirement income.

Sec. 2. Section 5-264 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The Comptroller, on behalf of any employee who is eligible to participate in an annuity program that is authorized in accordance with the provisions of Section 403(b) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended, may enter into a written agreement with such employee to purchase an individual or group retirement annuity contract that is approved by the Comptroller, which contract will qualify for income tax benefits provided for under Section 403(b) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended; provided the annual salary or compensation of the employee shall be reduced by the amount of the premiums paid for the purchase of such annuity contract for the purposes of said Section 403(b). Such employee's rights under such annuity contract shall be nonforfeitable. The Comptroller (1) shall thereafter make such premium payments while such annuity contract is in force and such employee is actively employed by the state and eligible to participate in such an annuity program and (2) upon written notice given by the employee shall make any changes in the manner or amount of premium payments required under the terms of any subsequent agreement entered into by such employee and the Comptroller shall stop such premium payments when so notified by such employee.

(b) The Comptroller, on behalf of an employee described in subsection (a) of this section, may enter into a written agreement with such employee for the purchase of shares of an investment company, registered under the Investment Company Act of 1940, which shares are registered under the Securities Act of 1933, including equity, fixed

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income, short-term or money market mutual funds. Notwithstanding any provision of the general statutes, the Comptroller may make deposits or payments to an investment company, registered under the Investment Company Act of 1940, for the purchase of shares of such investment company, which shares are registered under the Securities Act of 1933, including equity, fixed income, short-term or money market mutual funds. Such payments shall not be construed to be a prohibited use of the general assets of the state.

(c) Upon request of a political subdivision of the state, the State Comptroller shall make available to the employees of the political subdivision the annuity program authorized in accordance with the provisions of Section 403(b) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended, provided to state employees under such additional terms and conditions as the State Comptroller may prescribe.

Approved July 5, 2007