



General Assembly

January Session, 2007

Raised Bill No. 7339

LCO No. 5320

05320_____APP

Referred to Committee on Appropriations

Introduced by:
(APP)

AN ACT CONCERNING HEALTH INSURANCE FOR RETIRED TEACHERS.

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

1 Section 1. Subdivision (7) of section 10-183b of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2007*):

4 (7) "Contributions" means amounts withheld pursuant to this
5 chapter and paid to the board by an employer from compensation
6 payable to a member. Prior to July 1, 1989, "mandatory contributions"
7 are contributions required to be withheld under this chapter and
8 consist of five per cent regular contributions and "one per cent
9 contributions". From July 1, 1989, to June 30, 1992, "mandatory
10 contributions" are contributions required to be withheld under this
11 chapter and consist of five per cent regular contributions and one per
12 cent health contributions. From July 1, 1992, to June 30, 2004,
13 "mandatory contributions" are contributions required to be withheld
14 under this chapter and consist of six per cent "regular contributions"
15 and one per cent health contributions. [On or after] From July 1, 2004,
16 to June 30, 2007, "mandatory contributions" are contributions required

17 to be withheld under this chapter and consist of six per cent regular
18 contributions and one and one-fourth per cent health contributions.
19 From July 1, 2007, to June 30, 2008, "mandatory contributions" are
20 contributions required to be withheld under this chapter and consist of
21 six per cent regular contributions and one and one-half per cent health
22 contributions. On and after July 1, 2008, "mandatory contributions" are
23 contributions required to be withheld under this chapter and consist of
24 six per cent regular contributions and one and three-fourths per cent
25 health contributions. "Voluntary contributions" are contributions by a
26 member authorized to be withheld under section 10-183i.

27 Sec. 2. Subsection (c) of section 10-183t of the general statutes is
28 repealed and the following is substituted in lieu thereof (*Effective July*
29 *1, 2007*):

30 (c) [On and after] From July 1, 2000, to June 30, 2007, the board shall
31 pay a subsidy equal to the subsidy paid in the fiscal year ending June
32 30, 2000, to the board of education or to the state, if applicable, on
33 behalf of any member who is receiving retirement benefits or a
34 disability allowance from the system, or the spouse, or the surviving
35 spouse of such member, or a disabled dependent of such member if
36 there is no spouse or surviving spouse, who is participating in a health
37 insurance plan maintained by a board of education or by the state, if
38 applicable. On and after July 1, 2007, the board shall pay a subsidy of
39 two hundred fifty dollars to the board of education or to the state, if
40 applicable, on behalf of any member who is receiving retirement
41 benefits or a disability allowance from the system, or the spouse, or the
42 surviving spouse of such member, or a disabled dependent of such
43 member if there is no spouse or surviving spouse, who is participating
44 in a health insurance plan maintained by a board of education or by
45 the state, if applicable. Such payment shall not exceed the actual cost
46 of such insurance. With respect to any person participating in any such
47 plan pursuant to subsection (b) of this section, the state shall
48 appropriate to the board [one-third] forty per cent of the cost of the
49 subsidy. No payment to a board of education pursuant to this

50 subsection may be used to reduce the amount of any premium
51 payment on behalf of any such member, spouse or surviving spouse,
52 or disabled dependent, made by such board pursuant to any
53 agreement in effect on July 1, 1990. On and after July 1, 2008, in
54 addition to the subsidy, the board shall pay an annual adjustment to
55 the subsidy based on the CPI-U for medical care for the Northeastern
56 United States, as determined by the Bureau of Labor Statistics. Such
57 adjustment shall not exceed four per cent.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2007</i>	10-183b(7)
Sec. 2	<i>July 1, 2007</i>	10-183t(c)

Statement of Purpose:

To increase the current health insurance subsidy for retired teachers to two hundred fifty dollars per month and provide an annual medical cost of living increase thereafter. Requested by CEA.

[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.]