



Substitute House Bill No. 5401

Public Act No. 10-22

AN ACT MAKING CLARIFYING CHANGES TO THE TEACHERS' RETIREMENT SYSTEM STATUTES.

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

Section 1. Subsection (d) of section 10-183f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(d) A member is eligible to receive a deferred vested retirement benefit beginning at age sixty who: (1) Has accumulated ten years of credited service in the public schools of Connecticut; and (2) terminates service before becoming eligible for any other retirement benefit; and (3) leaves his or her accumulated contributions with the system. [If such ten years of credited service is completed after the member attains age sixty, the benefit shall be payable beginning at age sixty-five.]

Sec. 2. Subsection (a) of section 10-183jj of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) A local or regional board of education may establish a retirement incentive plan for teachers, as defined in subparagraph (A) of subdivision (26) of section 10-183b, in its employ who are members of

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the teachers' retirement system. The plan shall provide for purchase of additional credited service by a board of education and a member of the system who chooses to participate in the plan, of additional credited service for such member and for payment by the board of education of not less than fifty per cent of the entire cost of such additional credited service and payment by the member of the remaining percentage of such total cost. [Payment shall be made in one lump sum, prior to retirement.] The member shall pay the remaining percentage of such total cost, if any, in one lump sum not later than thirty days after receipt of notification by the Teachers' Retirement Board of the amount owed. Any such plan shall specify a maximum number of years, not exceeding five years, of additional credited service which may be purchased under the plan. Any such plan shall have a two-month application period.

Sec. 3. Subsection (e) of section 10-183jj of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(e) For each year of additional credited service purchased pursuant to this section, the local or regional board of education and the member shall pay, in accordance with subsection (a) of this section, an amount specified by the Teachers' Retirement Board equal to the actuarial present value, determined according to actuarial tables adopted by the Teachers' Retirement Board, of the difference between the retirement benefit which the member is entitled to receive based upon the member's service apart from such purchased service and the benefit which the member is entitled to receive including such service. [Payment for such service may be made in equal annual installment payments, including interest, not exceeding three times the number of years being purchased.] The local or regional board of education may pay such board's percentage of the entire cost of the additional credited service purchased pursuant to subsection (a) of this section in

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equal annual installment payments, including interest, not exceeding three times the number of years being purchased. Payments shall be made in accordance with subsection (b) of section 10-183n and rules adopted by the Teachers' Retirement Board. Any late payments or outstanding obligations from a prior year's purchase or from late payment of monthly mandatory deductions shall be included as part of the cost of purchasing such service. Any additional credited service purchased for any such member shall be in addition to any credited service purchased pursuant to section 10-183e.

Approved May 5, 2010