



General Assembly

February Session, 2010

Raised Bill No. 5401

LCO No. 1635

01635_____APP

Referred to Committee on Appropriations

Introduced by:
(APP)

AN ACT CONCERNING TECHNICAL CHANGES TO THE TEACHERS' RETIREMENT SYSTEM STATUTES.

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

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2 repealed and the following is substituted in lieu thereof (*Effective from*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

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

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13 repealed and the following is substituted in lieu thereof (*Effective from*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

15 (a) A local or regional board of education may establish a retirement
16 incentive plan for teachers, as defined in subparagraph (A) of
17 subdivision (26) of section 10-183b, in its employ who are members of
18 the teachers' retirement system. The plan shall provide for purchase of
19 additional credited service by a board of education and a member of
20 the system who chooses to participate in the plan, of additional
21 credited service for such member and for payment by the board of
22 education of not less than fifty per cent of the entire cost of such
23 additional credited service and payment by the member of the
24 remaining percentage of such total cost. [Payment shall be made in one
25 lump sum, prior to retirement.] The member shall pay the remaining
26 percentage of such total cost, if any, in one lump sum not later than
27 thirty days after receipt of notification by the Teachers' Retirement
28 Board of the amount owed. Any such plan shall specify a maximum
29 number of years, not exceeding five years, of additional credited
30 service which may be purchased under the plan. Any such plan shall
31 have a two-month application period.

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33 repealed and the following is substituted in lieu thereof (*Effective from*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

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

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

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	10-183f(d)
Sec. 2	<i>from passage</i>	10-183jj(a)
Sec. 3	<i>from passage</i>	10-183jj(e)

Statement of Purpose:

To delete obsolete language from the definition of deferred vested retirement and to clarify the language of the early retirement incentive plan.

[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.]