



General Assembly

February Session, 2016

Raised Bill No. 267

LCO No. 1880



Referred to Committee on APPROPRIATIONS

Introduced by:
(APP)

AN ACT MAKING CHANGES TO THE TEACHERS' RETIREMENT SYSTEM TO ALLOW RETENTION OF THE PLAN D COPARTICIPANT OPTION AFTER DIVORCE AND TO CEASE CREDITING INTEREST ON CERTAIN INACTIVE, NONVESTED MEMBERS, AND ELIMINATING CERTAIN OBSOLETE LANGUAGE.

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

1 Section 1. Subsection (d) of section 10-183j of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2016*):

4 (d) The benefits payable to such member and such coparticipant
5 shall be computed as follows:

6 (1) The benefit payable to such member at retirement and to such
7 coparticipant upon such member's death shall be the actuarial
8 equivalent of the normal, early [] or proratable [or disability] benefit
9 for which such member is eligible and based upon such member's age
10 at retirement and the age of such coparticipant on such retirement
11 date.

12 (2) The benefit payable to such coparticipant of such member who
13 dies after such option first becomes effective but before retirement

14 shall be the actuarial equivalent of the normal, early or proratable
15 benefit for which such member was eligible based on such member's
16 age at death and the age of such coparticipant on such date of death.

17 (3) [The benefit payable to a member whose designated
18 coparticipant dies or is divorced from the member after the effective
19 date of the option but before the retirement or death of such member
20 shall be the normal, early, proratable or disability benefit for which the
21 member is eligible. A] (A) Except as provided in subparagraph (B) of
22 this subdivision, a coparticipant option shall be terminated, for any
23 member whose designated coparticipant dies or is divorced from the
24 member after the member's retirement, on the date of such death or
25 divorce. Such member shall thereupon be paid the normal, early [,] or
26 proratable [or disability] retirement benefit for which the member is
27 eligible. (B) On and after July 1, 2016, upon the divorce of a member
28 and such member's designated coparticipant subsequent to the
29 member's retirement, the member may retain the coparticipant
30 designation and the coparticipant option elected at the time of
31 retirement by filing a qualified domestic relations order with the
32 board.

33 Sec. 2. Section 10-183ee of the general statutes is repealed and the
34 following is substituted in lieu thereof (*Effective July 1, 2016*):

35 (a) After at least twenty-five years have elapsed since a [member]
36 vested member, or ten years have elapsed since a nonvested member,
37 of the teachers' retirement system ceased to be a teacher for any cause
38 other than death or retirement or two years have elapsed from the date
39 any other person became entitled to a benefit pursuant to this chapter,
40 the Teachers' Retirement Board shall send a statement to such member
41 or such person at the last known address of the person setting forth the
42 amount of the accumulated contributions or other benefits standing to
43 the credit of such person. The statement shall give notice to such
44 person that unless payment is demanded of said amount prior to a
45 date at least ninety days from the date the notice is given, the amount

46 will be deemed abandoned and [will be transferred by the retirement
47 board to the pension reserve account within the Teachers' Retirement
48 Fund] no further interest shall be credited to said amount.

49 (b) Any accumulated contributions or other benefits so deemed
50 abandoned [and transferred to the pension reserve account] may be
51 claimed by the person entitled to the accumulated contributions or
52 other benefits, or in the event of his death, by his estate or by such
53 person or persons as he shall have nominated to receive such
54 accumulated contributions, by filing a claim with the retirement board
55 in such form and in such manner as may be prescribed by the
56 retirement board, seeking the return of such abandoned accumulated
57 contributions or other benefits. [without interest.] In the event such
58 claim is properly made the retirement board shall pay over to the
59 person or persons or estate making such claim the amount of such
60 accumulated contributions or other benefits. [without interest. The
61 payment shall be made from the pension reserve account.]

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2016</i>	10-183j(d)
Sec. 2	<i>July 1, 2016</i>	10-183ee

Statement of Purpose:

To permit a member of the teachers' retirement system to retain the coparticipant designation and the coparticipant option elected at the time of retirement after a subsequent divorce, cease crediting interest on unclaimed contributions for inactive, nonvested members of the teachers' retirement system and eliminate obsolete language concerning the pension reserve account.

[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.]