



Senate

General Assembly

File No. 571

February Session, 2024

Senate Bill No. 377

Senate, April 22, 2024

The Committee on Appropriations reported through SEN. OSTEN of the 19th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT CONCERNING THE TEACHERS' RETIREMENT BOARD'S RECOMMENDATIONS FOR CHANGES TO THE TEACHERS' RETIREMENT SYSTEM STATUTES.

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

1 Section 1. Subdivision (15) of section 10-183b of the 2024 supplement
2 to the general statutes is repealed and the following is substituted in lieu
3 thereof (*Effective from passage*):

4 (15) "Employer" means an elected school committee, a board of
5 education, the State Board of Education, the Office of Early Childhood,
6 the Technical Education and Career System, the Board of Regents for
7 Higher Education or any of the constituent units, the governing body of
8 the Children's Center and its successors for members hired before July
9 1, 2024, The University of Connecticut Board of Trustees, the E. O. Smith
10 School, or any other activity, institution or school employing members,
11 except "employer" shall not include the State Education Resource Center
12 for members hired on or after July 1, 2022.

13 Sec. 2. Subdivision (21) of section 10-183b of the 2024 supplement to
14 the general statutes is repealed and the following is substituted in lieu
15 thereof (*Effective from passage*):

16 (21) "Public school" means any day school conducted within or
17 without this state under the orders and superintendence of a duly
18 elected school committee, a board of education, the State Board of
19 Education, the Office of Early Childhood, the Board of Regents for
20 Higher Education, or any of its constituent units, The University of
21 Connecticut Board of Trustees, the board of governors or any of its
22 constituent units, the Technical Education and Career System, the E. O.
23 Smith School, the Children's Center and its successors for members
24 hired before July 1, 2024, the State Education Resource Center
25 [established pursuant to section 10-4q of the 2014 supplement to the
26 general statutes, revision of 1958, revised to January 1, 2013, the State
27 Education Resource Center established pursuant to section 10-357a] for
28 members hired before July 1, 2022, joint activities of boards of education
29 authorized by subsection (b) of section 10-158a and (A) any institution
30 supported by the state at which teachers are employed or any
31 incorporated secondary school not under the orders and
32 superintendence of a duly elected school committee or board of
33 education but located in a town not maintaining a high school and
34 providing free tuition to pupils of the town in which it is located, and
35 which has been approved by the State Board of Education under the
36 provisions of part II of chapter 164, or (B) on and after July 1, 2023, any
37 school operated by an interdistrict magnet school operator described in
38 section 10-264s, provided such institution, secondary school or school is
39 classified as a public school by the retirement board.

40 Sec. 3. Subsection (g) of section 10-183g of the general statutes is
41 repealed and the following is substituted in lieu thereof (*Effective July 1,*
42 *2024*):

43 (g) A member's complete formal application for retirement, if sent by
44 mail, shall be deemed to have been filed with the board on the date such
45 application is postmarked. Such application for retirement shall be

46 irrevocable on the date the member retires. No benefit computed under
47 subsections (a) to (d), inclusive, of this section and under subsections (a)
48 to (g), inclusive, of section 10-183aa shall become effective until a
49 member eligible for retirement under section 10-183f files with the board
50 a complete formal application for retirement and terminates service
51 with such member's employer. Such benefit shall accrue from the first
52 day of the month following the calendar month in which such
53 application is filed and payment of such benefit in equal monthly
54 installments shall commence on the last day of the month in which such
55 benefit begins to accrue. The initial payment of such benefit may be
56 made not later than three months following the effective date of
57 retirement, provided such payment shall be retroactive to such effective
58 date. Upon a finding that extenuating circumstances relating to the
59 health of a member caused a delay in the filing of the member's complete
60 formal application, and such application is filed on or after July 1, 1986,
61 the board may deem such application to have been filed up to three
62 months earlier than the actual date of the filing. Upon a finding that
63 extenuating circumstances related to the health of a member caused a
64 delay in the filing of an election pursuant to subsection (g) of section 10-
65 183aa, and such election is filed on or after July 1, 1986, the board may
66 deem such election to have been filed as of the date such member's
67 benefits would otherwise have been converted to a normal retirement
68 benefit under this section.

69 Sec. 4. Subsection (c) of section 10-183h of the general statutes is
70 repealed and the following is substituted in lieu thereof (*Effective July 1,*
71 *2024*):

72 (c) In lieu of a basic survivor's benefit and a lump sum death benefit,
73 a [sole] survivor who has attained age eighteen, and is the member's
74 designated beneficiary may elect to receive an amount equal to such
75 member's accumulated contributions together with credited interest. In
76 the absence of a designation, the member's surviving spouse or, if none,
77 the member's surviving children in equal shares or, if none, the
78 member's estate, shall be entitled to the lump sum payment of the
79 accumulated contributions with credited interest.

80 Sec. 5. Subsection (a) of section 10-183l of the 2024 supplement to the
81 general statutes is repealed and the following is substituted in lieu
82 thereof (*Effective July 1, 2024*):

83 (a) (1) On and after July 1, 1991, the management of the system shall
84 continue to be vested in the Teachers' Retirement Board, whose
85 members shall include the Treasurer, the Secretary of the Office of Policy
86 and Management and the Commissioner of Education, or their
87 designees, who shall be voting members of the board, ex officio. (2) On
88 or before June 15, 1985, and quadrennially thereafter, the members of
89 the system shall elect from their number, in a manner prescribed by said
90 board, two persons to serve as members of said board for terms of four
91 years beginning July first following such election. Both of such persons
92 shall be active teachers who shall be nominated by the members of the
93 system who are not retired and elected by all the members of the system.
94 On or before July 1, 1991, and quadrennially thereafter, the members of
95 the system shall elect from their number, in a manner prescribed by said
96 board, three persons to serve as members of said board for terms of four
97 years beginning July first following such election. Two of such persons
98 shall be retired teachers who shall be nominated by the retired members
99 of the system and elected by all the members of the system and one shall
100 be an active teacher who shall be nominated by the members of the
101 system who are not retired and elected by all the members of the system.
102 (3) On or before July 1, 2011, and quadrennially thereafter, the members
103 of the system shall elect from their number, in a manner prescribed by
104 said board, one person to serve as a member of said board for a term of
105 four years beginning July first following such election. Such person shall
106 be an active teacher who shall be nominated by the members of the
107 system who are not retired, elected by all the members of the system
108 and a member of an exclusive representative of a teachers' bargaining
109 unit that is not represented by the members of the board elected under
110 subdivision (2) of this subsection. (4) On or before October 1, 2023, and
111 in July quadrennially thereafter, the retired members of the system shall
112 elect from their number, in a manner prescribed by said board, two
113 persons to serve as members of said board for a term of four years
114 beginning October first following such election. Both of such persons

115 shall be (A) retired teachers who are receiving a pension benefit from
116 the system, and (B) nominated and elected by the members of the
117 system who are retired. (5) If a vacancy occurs in the positions filled by
118 the members of the system who are not retired, said board shall elect a
119 member of the system who is not retired to fill the unexpired portion of
120 the term. If a vacancy occurs in the positions filled by the retired
121 members of the system, said board shall elect a retired member of the
122 system to fill the unexpired portion of the term. The Governor shall
123 appoint five public members to said board in accordance with the
124 provisions of section 4-9a, one of whom shall be the mayor, first
125 selectman or chief elected official of a municipality. On and after
126 October 31, 2017, the Governor shall fill the next vacant position on the
127 board that is appointed by the Governor with a person who is the
128 mayor, first selectman or chief elected official of a municipality. The
129 members of the board shall serve without compensation, but shall be
130 reimbursed for any expenditures or loss of salary or wages which they
131 incur through service on the board. A majority of the membership of the
132 board shall constitute a quorum for the transaction of any business.

133 Sec. 6. Subsection (b) of section 4d-80 of the general statutes is
134 repealed and the following is substituted in lieu thereof (*Effective July 1,*
135 *2024*):

136 (b) The Governor shall appoint a chairperson from among the
137 members of the commission or their designees. Subject to the provisions
138 of chapter 67, and within available appropriations, the commission may
139 appoint an executive director and such other employees as may be
140 necessary for the discharge of the duties of the commission.
141 Notwithstanding any provision of the general statutes, the executive
142 director shall have the option to elect participation in the state
143 employees retirement system, or the alternate retirement program
144 established for eligible employees in higher education, [or the teachers'
145 retirement system.]

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	10-183b(15)
Sec. 2	<i>from passage</i>	10-183b(21)
Sec. 3	<i>July 1, 2024</i>	10-183g(g)
Sec. 4	<i>July 1, 2024</i>	10-183h(c)
Sec. 5	<i>July 1, 2024</i>	10-183l(a)
Sec. 6	<i>July 1, 2024</i>	4d-80(b)

APP *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$	FY 27 \$
Teachers' Retirement Bd.	GF - Savings	None	None	50,000

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill realigns election dates resulting in savings of approximately \$50,000 quadrennially beginning in FY 27.

The bill also makes various technical changes to the statutes governing the Teachers' Retirement System that serve to clarify the administration of benefits and do not result in a fiscal impact.

The Out Years

The annualized ongoing fiscal impact identified above would continue quadrennially thereafter into the future subject to inflation.

OFA Bill Analysis**SB 377*****AN ACT CONCERNING THE TEACHERS' RETIREMENT BOARD'S RECOMMENDATIONS FOR CHANGES TO THE TEACHERS' RETIREMENT SYSTEM STATUTES.*****SUMMARY:**

The bill makes various changes to the statutes governing the Teachers' Retirement System (TRS) that serve to clarify the administration of benefits. These changes include: (1) clarifying the definition of employer and public school by including dates for sunset groups; (2) clarifying that a member's application for retirement is irrevocable on the date the member retires; (3) allowing the return of a members' accumulated contributions and credited interest to their surviving spouse or children if no beneficiary was elected; (4) changing the timing of a retiree member election to the Teachers' Retirement Board (TRB) and (5) removing an outdated reference to the TRS.

EFFECTIVE DATE: July 1, 2024, except Sections 1 -2 are effective from passage.

ANALYSIS BY SECTION:***Section 1***

Amends the definition of employer to clarify the Children's Center is to sunset on 7/1/24 and the State Education Resource Center was sunset on 7/1/22.

Section 2

Amends the definition of public school to clarify the Children's Center is to sunset on 7/1/24 and the State Education Resource Center is to sunset on 7/1/22.

Section 3

Makes a technical change to the TRS benefit eligibility statutes that clarifies the commencement of the benefit. Members may withdraw the retirement applications up to the day before their retirement date.

Section 4

Amends the TRS death benefit statutes to create default beneficiaries for the return of accumulated contributions and credited interest in the absence of a designee or surviving spouse. In this event, the next default designees are the surviving children, if none, then the funds are awarded to the member's estate.

Section 5

Amends the month the TRB election is held for two retiree seats from October to July and continuing quadrennially thereafter. PA 23-63 added two board seats for retired members of the TRS to the TRB via an October 1, 2023 election.

Section 6

Removes outdated language from the statutes that allowed the executive director of the Commission for Education Technology.

COMMITTEE ACTION

Appropriations Committee

Joint Favorable

Yea 52 Nay 0 (04/04/2024)