



General Assembly

January Session, 2021

***Raised Bill No. 1080***

LCO No. 5547



Referred to Committee on APPROPRIATIONS

Introduced by:  
(APP)

***AN ACT CONCERNING VARIOUS REVISIONS TO THE TEACHERS' RETIREMENT SYSTEM.***

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

1 Section 1. Section 10-183b of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2021*):

3 As used in this chapter, unless the context otherwise requires:

4 (1) "Actuarial reserve basis" means a basis under which the liabilities  
5 of the retirement system are determined under acceptable actuarial  
6 methods and under which assets are accumulated under a program  
7 designed to achieve a proper balance between the accumulated assets  
8 and the liabilities of the system.

9 (2) "Amortization of unfunded liabilities" means: (A) For fiscal years  
10 ending on or before June 30, 2019, a systematic program of annual  
11 payments determined as a level per cent of expected member annual  
12 salaries in lieu of a lump sum payment; and (B) for fiscal years ending  
13 on or after June 30, 2020, a systematic program of annual payments,

14 transitioning equally over five consecutive fiscal years from a level per  
15 cent of expected annual member salaries to a level payment, in lieu of a  
16 lump sum payment.

17 (3) "Annual salary" means the annual salary rate for service as a  
18 Connecticut teacher during a school year but not including unused sick  
19 leave, unused vacation, terminal pay, coaching or extra duty  
20 assignments, unless compensation for coaching or extra duty  
21 assignment was included in salary for which contributions were made  
22 prior to July 1, 1971. In no event shall annual salary include amounts  
23 determined by the board to be included for the purpose of inflating the  
24 member's average annual salary. The inclusion in annual salary of  
25 amounts paid to the member, in lieu of payment by the employer for the  
26 cost of benefits, insurance, or individual retirement arrangements which  
27 in prior years had been paid by the employer and not included in the  
28 member's annual salary, shall be prima facie evidence that such  
29 amounts are included for the purpose of inflating the member's average  
30 annual salary. Annual salary shall not (A) include payments the timing  
31 of which may be directed by the member, (B) include payments to a  
32 superintendent pursuant to an individual contract between such  
33 superintendent and a board of education, of amounts which are not  
34 included in base salary, or (C) exceed the maximum amount allowed  
35 under Section 401(a)(17) of the Internal Revenue Code for the applicable  
36 limitation year, provided in no event shall the limitation under Section  
37 401(a)(17) of the Internal Revenue Code apply to the annual salary of a  
38 member whose membership began prior to January 1, 1996, if such  
39 limitation would reduce the amount of the member's annual salary  
40 below the amount permitted for calculation of the member's retirement  
41 benefit under chapter 167a, without regard to the limitation under  
42 Section 401(a)(17) of the Internal Revenue Code. Annual salary shall  
43 include amounts paid to the member during a sabbatical leave during  
44 which mandatory contributions were remitted, provided such member  
45 returned to full-time teaching for at least five full years following the  
46 completion of such leave.

47 (4) "Average annual salary" means the average annual salary received  
48 during the three years of highest salary.

49 (5) "Board" means the Teachers' Retirement Board.

50 (6) "Child" means a natural child, an adopted child, or a stepchild of  
51 a deceased member who has been a stepchild for at least one year  
52 immediately prior to the date on which the member died. A child is a  
53 "dependent child" of a deceased member if at the time of the member's  
54 death (A) the member was living with the child or providing or  
55 obligated to provide, by agreement or court order, a reasonable portion  
56 of the support of the child, and (B) the child (i) is unmarried and has not  
57 attained age eighteen, or (ii) is disabled and such disability began prior  
58 to the child's attaining age eighteen.

59 (7) "Contributions" means amounts withheld pursuant to this chapter  
60 and paid to the board by an employer from compensation payable to a  
61 member. Prior to July 1, 1989, "mandatory contributions" are  
62 contributions required to be withheld under this chapter and consist of  
63 five per cent regular contributions and "one per cent contributions".  
64 From July 1, 1989, to June 30, 1992, "mandatory contributions" are  
65 contributions required to be withheld under this chapter and consist of  
66 five per cent regular contributions and one per cent health  
67 contributions. From July 1, 1992, to June 30, 2004, "mandatory  
68 contributions" are contributions required to be withheld under this  
69 chapter and consist of six per cent "regular contributions" and one per  
70 cent health contributions. From July 1, 2004, to December 31, 2017,  
71 "mandatory contributions" are contributions required to be withheld  
72 under this chapter and consist of six per cent regular contributions and  
73 one and one-fourth per cent health contributions. From January 1, 2018,  
74 to December 31, 2019, inclusive, "mandatory contributions" are  
75 contributions required to be withheld under this chapter and consist of  
76 seven per cent "regular contributions" and one and one-fourth per cent  
77 health contributions. On and after January 1, 2020, "mandatory  
78 contributions" are contributions required to be withheld under this  
79 chapter and consist of seven per cent "regular contributions" and one

80 and one-fourth per cent health contributions, except that no health  
81 contributions shall be required for an employee of the state that (A) has  
82 completed the vesting service necessary to receive health benefits  
83 provided to retired state employees, and (B) does not participate in any  
84 group health insurance plans maintained for retired teachers. Nothing  
85 in this subdivision shall affect any other obligation of such a state  
86 employee to contribute to the state's retiree health care trust fund.  
87 "Voluntary contributions" are contributions by a member authorized to  
88 be withheld under section 10-183i, as amended by this act.

89 (8) "Credited interest" means interest at the rate from time to time  
90 fixed by the board consistent with industry standards and practices.  
91 Such interest shall be applied to a member's account based on the  
92 balance as of the previous June thirtieth. Credited interest shall be  
93 assessed on any mandatory contributions which were due but not  
94 remitted prior to the close of the school year for which salary was paid.

95 (9) "Current service" means service rendered in the current fiscal year.

96 (10) "Dependent former spouse" means a former spouse of a deceased  
97 member who (A) has in his or her care a dependent child of the deceased  
98 member; and (B) was receiving, or was entitled to receive, from the  
99 deceased member at the time of the death of the deceased member, at  
100 least one-half of his or her support; and (C) has not remarried; and (D)  
101 is the parent of the child or adopted the child while married to the  
102 member and before the child attained age eighteen or, while married to  
103 the member, both of them adopted the child before the child attained  
104 age eighteen.

105 (11) "Dependent parent" means a parent of a deceased member who  
106 (A) has reached the age of sixty-five; and (B) has not married after the  
107 death of the member; and (C) was receiving at least one-half of his or  
108 her support from the member at the time of the member's death and files  
109 proof of such support within two years of the date of the member's  
110 death; and (D) is not receiving, or entitled to a federal or state old age  
111 benefit based on the parent's own earnings, equal to or greater than the

112 amount the parent would be entitled to as a dependent parent under  
113 this chapter. A "parent of a deceased member" is (i) the mother or father  
114 of a deceased member; or (ii) a stepparent of a deceased member by a  
115 marriage entered into before the member attained age sixteen; or (iii) an  
116 adopting parent of a deceased member who adopted the deceased  
117 member before the member attained age sixteen.

118 (12) "Designated beneficiary" means a person designated on a form  
119 prescribed by the board by a member to receive amounts which become  
120 payable under this chapter as the result of the member's death whether  
121 before or after retirement. If a designated beneficiary is not living at the  
122 time of the death of a member, the amounts that would have been  
123 payable to the designated beneficiary shall be paid to the member's  
124 estate.

125 (13) "Disabled" means the inability to perform any teaching service,  
126 whether or not such service is performed full-time or part-time, in a  
127 public or nonpublic school or a nonschool setting, on a volunteer basis  
128 or for compensation, within or without the state, or engage in any  
129 substantial gainful activity by reason of any medically determinable  
130 physical or mental impairment [which] that (A) is permanent or can be  
131 expected to last continually for not less than twelve months from the  
132 onset of such impairment, or (B) can be expected to result in death or to  
133 be of long-continued and indefinite duration, except that during the first  
134 twenty-four months that a member is receiving a disability allowance,  
135 "disabled" means the inability to perform the usual duties of his  
136 occupation by reason of any such impairment.

137 (14) "Employer" means an elected school committee, a board of  
138 education, the State Board of Education, the Office of Early Childhood,  
139 the Board of Regents for Higher Education or any of the constituent  
140 units, the governing body of the Children's Center and its successors,  
141 the E. O. Smith School and any other activity, institution or school  
142 employing members.

143 (15) "Formal leave of absence" means any absence from active service

144 in the public schools of Connecticut formally granted by a member's  
145 employer as evidenced by contemporary records of the employer,  
146 provided in the case of an absence due to illness, medical or other  
147 evidence of such illness may, at the discretion of the Teachers'  
148 Retirement Board, be accepted in lieu of evidence of the formal granting  
149 of a leave.

150 (16) "Formal application of retirement" means (A) the member's  
151 application, birth certificate or notarized statement supported by other  
152 evidence satisfactory to the board, in lieu thereof, (B) records of service,  
153 [when] if such records are required by the board to determine a salary  
154 rate or years of creditable service, (C) a statement of payment plan,  
155 [and,] including, if applicable, the fixed period of time selected by a  
156 member under Plan C or the coparticipant's share designated under  
157 Plan D, (D) in the case of an application for a disability benefit, a  
158 physician's or an advanced practice registered nurse's statement of  
159 health, and (E) any other documentation required by the board.

160 (17) "Funding" means the accumulation of assets in advance of the  
161 payment of retirement allowances in accordance with a definite  
162 actuarial program.

163 (18) "Member" means any Connecticut teacher employed for an  
164 average of at least one-half of each school day, except that no teacher  
165 who under any provision of the general statutes elects not to participate  
166 in the system shall be a member unless and until the teacher elects to  
167 participate in the system. Members teaching in a nonpublic school  
168 classified as a public school by the board under the provisions of this  
169 section may continue as members as long as they continue as teachers  
170 in such school even if the school ceases to be so classified. A former  
171 teacher who has not withdrawn his or her accumulated contributions  
172 shall be an "inactive member". A member who, during the period of a  
173 formal leave of absence granted by his or her employer, but not  
174 exceeding an aggregate of ten school months, continues to make  
175 mandatory contributions to the board, retains his or her status as an  
176 active member.

177 (19) "Normal cost" means the amount of contribution which the state  
178 is required to make into the retirement fund in order to meet the  
179 actuarial cost of current service.

180 (20) "Public school" means any day school conducted within or  
181 without this state under the orders and superintendence of a duly  
182 elected school committee, a board of education, the State Board of  
183 Education, the Office of Early Childhood, the board of governors or any  
184 of its constituent units, the E. O. Smith School, the Children's Center and  
185 its successors, the State Education Resource Center established pursuant  
186 to section 10-4q of the 2014 supplement to the general statutes, revision  
187 of 1958, revised to January 1, 2013, the State Education Resource Center  
188 established pursuant to section 10-357a, joint activities of boards of  
189 education authorized by subsection (b) of section 10-158a and any  
190 institution supported by the state at which teachers are employed or any  
191 incorporated secondary school not under the orders and  
192 superintendence of a duly elected school committee or board of  
193 education but located in a town not maintaining a high school and  
194 providing free tuition to pupils of the town in which it is located, and  
195 which has been approved by the State Board of Education under the  
196 provisions of part II of chapter 164, provided that such institution or  
197 such secondary school is classified as a public school by the retirement  
198 board.

199 (21) "Retirement allowance" means payments for life derived from  
200 member contributions, including credited interest, and contributions  
201 from the state.

202 (22) "School year" means the twelve months ending on June thirtieth  
203 of each year.

204 (23) "Surviving spouse" means a widow or widower of a deceased  
205 member who (A) was living with the member at the time of the  
206 member's death, or receiving, or entitled by court order or agreement to  
207 receive, regular support payments from the member, and (B) has not  
208 remarried.

209 (24) "Survivors" means a surviving spouse, a dependent former  
210 spouse, a dependent child and a dependent parent.

211 (25) "System" means the Connecticut teachers' retirement system.

212 (26) "Teacher" means (A) any teacher, permanent substitute teacher,  
213 principal, assistant principal, supervisor, assistant superintendent or  
214 superintendent employed by the public schools in a professional  
215 capacity while possessing a certificate or permit issued by the State  
216 Board of Education, provided on and after July 1, 1975, such certificate  
217 shall be for the position in which the person is then employed, except as  
218 provided for in section 10-183qq, (B) certified personnel who provide  
219 health and welfare services for children in nonprofit schools, as  
220 provided in section 10-217a, under an oral or written agreement, (C) any  
221 person who is engaged in teaching or supervising schools for adults if  
222 the annual salary paid for such service is equal to or greater than the  
223 minimum salary paid for a regular, full-time teaching position in the  
224 day schools in the town where such service is rendered, (D) a member  
225 of the professional staff of the State Board of Education, the Office of  
226 Early Childhood, or of the Board of Regents for Higher Education or any  
227 of the constituent units, and (E) a member of the staff of the State  
228 Education Resource Center established pursuant to section 10-4q of the  
229 2014 supplement to the general statutes, revision of 1958, revised to  
230 January 1, 2013, or the State Education Resource Center established  
231 pursuant to section 10-357a, employed in a professional capacity while  
232 possessing a certificate or permit issued by the State Board of Education.  
233 A "permanent substitute teacher" is one who serves as such for at least  
234 ten months during any school year.

235 (27) "Unfunded liability" means the actuarially determined value of  
236 the liability for service before the date of the actuarial valuation less the  
237 accumulated assets in the retirement fund.

238 (28) "Internal Revenue Code" means the Internal Revenue Code of  
239 1986, or any subsequent corresponding internal revenue code of the  
240 United States, as from time to time amended, and any regulations



241 promulgated under or interpretations of said code that may affect this  
242 chapter.

243 (29) "Limitation year" means the twelve-month period beginning  
244 each July first and ending each June thirtieth.

245 Sec. 2. Section 10-183f of the general statutes is repealed and the  
246 following is substituted in lieu thereof (*Effective July 1, 2021*):

247 (a) A member is eligible to receive a normal retirement benefit [who]  
248 if such member (1) has attained age sixty and has accumulated twenty  
249 years of credited service in the public schools of Connecticut, or (2) has  
250 attained any age and has accumulated thirty-five years of credited  
251 service, at least twenty-five years of which are service in the public  
252 schools of Connecticut.

253 (b) A member is eligible to receive a proratable retirement benefit  
254 [who] if such member has attained age sixty prior to termination of  
255 service and has accumulated at least ten years of credited service in the  
256 public schools of Connecticut.

257 (c) A member is eligible to receive an early retirement benefit [who]  
258 if such member has accumulated twenty-five years of credited service  
259 at least twenty years of which are service in the public schools of  
260 Connecticut, or [who] if such member has attained the age of fifty-five  
261 and has accumulated at least twenty years of credited service, at least  
262 fifteen of which are service in the public schools of Connecticut.

263 (d) A member is eligible to receive a deferred vested retirement  
264 benefit beginning at age sixty [who] if such member: (1) Has  
265 accumulated ten years of credited service in the public schools of  
266 Connecticut; and (2) terminates service before becoming eligible for any  
267 other retirement benefit; and (3) leaves his or her accumulated  
268 contributions with the system.

269 (e) Repealed by P.A. 79-541, S. 5, 6.

270 (f) The survivors of a member who dies (1) while in service in the  
 271 public schools of Connecticut, (2) within two months after withdrawal  
 272 from such service and prior to the effective date of such member's  
 273 retirement or (3) while receiving a disability benefit under section 10-  
 274 183aa, as amended by this act, shall receive survivors' benefits. [, except  
 275 that, if a member who has elected a coparticipant option, under section  
 276 10-183j, dies after such option becomes effective, such coparticipant  
 277 option shall be given effect and no survivors' benefits shall be payable.]  
 278 Before any survivors' benefits are paid, the board shall receive such  
 279 applications and other documents and information as it deems  
 280 necessary.

281 (g) Notwithstanding any provision of this chapter, pursuant to  
 282 Section 401(a)(9) of the Internal Revenue Code, a member shall begin  
 283 receiving benefits under this chapter no later than April first of the  
 284 calendar year following the calendar year in which (1) the member  
 285 attains age seventy and one-half, or seventy-two for members who  
 286 attain such age on or after January 1, 2020, or (2) if the member retires  
 287 after age seventy and one-half, [the] or seventy-two for members who  
 288 attain such age on or after January 1, 2020, in the calendar year in which  
 289 such member retires.

290 Sec. 3. Subsection (a) of section 10-183i of the general statutes is  
 291 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
 292 *2021*):

293 (a) A member may make voluntary contributions to the system and  
 294 may, no more than once, withdraw such voluntary contributions from  
 295 the system under rules of the board. Any voluntary contribution shall  
 296 be made solely by payroll deduction of an amount subject to state,  
 297 federal or local tax in the tax or income year in which such voluntary  
 298 contribution is made. Voluntary contributions shall be subject to the  
 299 limitations imposed under Section 415(c) of the Internal Revenue Code  
 300 for the applicable limitation year. Such contributions shall earn credited  
 301 interest. Upon retirement such member shall elect to receive the  
 302 accumulated contributions plus credited interest either in a lump sum

303 or in the form of an actuarially equivalent annuity for life. Such lump  
 304 sum, [or] if elected, shall be paid not later than three months after the  
 305 effective date of retirement, except the board may delay payment of  
 306 such lump sum in the case of extenuating circumstances. If such delay  
 307 occurs, the board shall submit a written notice to the member explaining  
 308 the nature of the extenuating circumstances and an estimate as to when  
 309 such lump sum shall be paid. Payment of such annuity, if elected, shall  
 310 [be paid or commenced to be paid] commence when the first payment  
 311 of such member's other retirement benefit is made. If such member dies  
 312 before the effective date of his or her retirement, the accumulated  
 313 contributions plus credited interest shall be paid to such member's  
 314 designated beneficiary.

315       Sec. 4. Section 10-183l of the general statutes is repealed and the  
 316 following is substituted in lieu thereof (*Effective July 1, 2021*):

317       (a) (1) On and after July 1, 1991, the management of the system shall  
 318 continue to be vested in the Teachers' Retirement Board, whose  
 319 members shall include the Treasurer, the Secretary of the Office of Policy  
 320 and Management and the Commissioner of Education, or their  
 321 designees, who shall be voting members of the board, ex officio. (2) On  
 322 or before June 15, 1985, and quadrennially thereafter, the members of  
 323 the system shall elect from their number, in a manner prescribed by said  
 324 board, two persons to serve as members of said board for terms of four  
 325 years beginning July first following such election. Both of such persons  
 326 shall be active teachers who shall be nominated by the members of the  
 327 system who are not retired and elected by all the members of the system.  
 328 On or before July 1, 1991, and quadrennially thereafter, the members of  
 329 the system shall elect from their number, in a manner prescribed by said  
 330 board, three persons to serve as members of said board for terms of four  
 331 years beginning July first following such election. Two of such persons  
 332 shall be retired teachers who shall be nominated by the retired members  
 333 of the system and elected by all the members of the system and one shall  
 334 be an active teacher who shall be nominated by the members of the  
 335 system who are not retired and elected by all the members of the system.

336 (3) On or before July 1, 2011, and quadrennially thereafter, the members  
 337 of the system shall elect from their number, in a manner prescribed by  
 338 said board, one person to serve as a member of said board for a term of  
 339 four years beginning July first following such election. Such person shall  
 340 be an active teacher who shall be nominated by the members of the  
 341 system who are not retired, elected by all the members of the system  
 342 and a member of an exclusive representative of a teachers' bargaining  
 343 unit that is not represented by the members of the board elected under  
 344 subdivision (2) of this subsection. (4) If a vacancy occurs in the positions  
 345 filled by the members of the system who are not retired, said board shall  
 346 elect a member of the system who is not retired to fill the unexpired  
 347 portion of the term. If a vacancy occurs in the positions filled by the  
 348 retired members of the system, said board shall elect a retired member  
 349 of the system to fill the unexpired portion of the term. The Governor  
 350 shall appoint five public members to said board in accordance with the  
 351 provisions of section 4-9a, one of whom shall be the mayor, first  
 352 selectman or chief elected official of a municipality. On and after the  
 353 effective date of this section, the Governor shall fill the next vacant  
 354 position on the board that is appointed by the Governor with a person  
 355 who is the mayor, first selectman or chief elected official of a  
 356 municipality. The members of the board shall serve without  
 357 compensation, but shall be reimbursed for any expenditures or loss of  
 358 salary or wages which they incur through service on the board. [All  
 359 decisions of the board shall require the approval of six members of the  
 360 board or a majority of the members who are present, whichever is  
 361 greater] A majority of the membership of the board shall constitute a  
 362 quorum for the transaction of any business.

363 (b) In carrying out its duties, the board may employ [a secretary] a  
 364 chief administrator with a title established by the board, who shall also  
 365 serve as secretary of the board, an administrative officer and such  
 366 [clerical and other assistance] staff as may be necessary. Their salaries  
 367 shall be paid by said board with the approval of the Secretary of the  
 368 Office of Policy and Management. Said board shall employ the services  
 369 of one or more actuaries, each of which shall be an individual or firm

370 having on its staff a fellow of the Society of Actuaries, to carry out the  
 371 actuarial duties of this section and sections 10-183b, as amended by this  
 372 act, 10-183r, and 10-183z and for such related purposes as the board  
 373 deems advisable. The cost of such services shall be charged to the funds  
 374 provided for in section 10-183r. Said board shall arrange for such  
 375 actuary to prepare an actuarial valuation of the assets and liabilities of  
 376 the system as of June 30, 1980, and at least once every two years  
 377 thereafter. On the basis of reasonable actuarial assumptions approved  
 378 by the board, such actuary shall determine the [normal cost] actuarially  
 379 determined employer contribution required to meet the actuarial cost of  
 380 current service and the unfunded accrued liability. Commencing  
 381 December 1, 2002, such valuation shall be completed prior to December  
 382 first biennially. Said board shall adopt all needed actuarial tables and  
 383 may adopt regulations and rules not inconsistent with this chapter,  
 384 including regulations and rules for payment of purchased service  
 385 credits and repayment of previously withdrawn accumulated  
 386 contributions. Said board shall establish [such funds as are] an  
 387 operational budget necessary for the management of the system. The  
 388 board may enter into such contractual agreements, in accordance with  
 389 established procedures, as may be necessary for the discharge of its  
 390 duties.

391 Sec. 5. Section 10-183p of the general statutes is repealed and the  
 392 following is substituted in lieu thereof (*Effective July 1, 2021*):

393 [(a) Any member of either the state employees retirement system or  
 394 the teachers' retirement system, if eligible to belong to the other or in  
 395 accordance with the provisions of subsection (h) of section 5-160 or  
 396 section 5-192e, may transfer from the one to which such member  
 397 belongs to the other or prior to the first of the month following three  
 398 months after June 28, 1985, to an alternate retirement program, as  
 399 defined in subsection (u) of section 5-154, when authorized to do so, in  
 400 the case of a transfer between said systems or a transfer from the  
 401 teachers' retirement system to an alternate retirement program, by the  
 402 concurrent action of the State Employees Retirement Commission and

403 the Teachers' Retirement Board. No person shall be eligible to  
404 membership in more than one such system or program at the same time,  
405 provided nothing contained herein shall affect the rights of any person  
406 who, on June 18, 1953, was a member of both systems. Any member of  
407 the teachers' retirement system who elects or has elected to participate  
408 in an alternate retirement program shall receive a refund of all  
409 contributions made by him into said system in lieu of any benefits under  
410 said system. Any former state employee who was, during such  
411 employee's period of employment, eligible to belong to either the state  
412 employees retirement system or the teachers' retirement system and  
413 who withdrew from the state employees retirement system after July 1,  
414 1940, to become a member of the teachers' retirement system may be  
415 credited in the teachers' retirement system with such member's period  
416 of state service upon making application in writing to the secretary of  
417 the Teachers' Retirement Board and paying contributions for such  
418 period of service with credited interest from the date such service was  
419 rendered.

420 (b) No person who has creditable service as a member of the state  
421 employees retirement system and who transfers, on or after May 6, 1975,  
422 to the teachers' retirement system shall be entitled to benefits from the  
423 teachers' retirement system until such person has been a member of and  
424 contributed to said system for a period of one year. If such transferee  
425 dies or becomes disabled before completion of that one year, such  
426 transfer shall be deemed to be cancelled and such person shall be  
427 deemed to be a member of the state employees retirement system.]

428 Any member who is also a participant in an alternate retirement  
429 program, as defined in subsection (u) of section 5-154, the state  
430 employees retirement system or any other retirement system may  
431 purchase service credit in the Connecticut teachers' retirement system  
432 in accordance with section 10-183e, provided such member withdraws  
433 any and all employee funds and forfeits all employer contributions and  
434 earnings thereon in the respective system, other than the Social Security  
435 System or the nonregular military retirement system under 10 USC

436 Chapter 1223, as amended from time to time. No person shall be eligible  
437 for membership in more than one such system or program at the same  
438 time for the same service.

439 Sec. 6. Section 10-183v of the general statutes is repealed and the  
440 following is substituted in lieu thereof (*Effective July 1, 2021*):

441 (a) (1) Except as provided in subdivisions (2) and (3) of this subsection  
442 and subsection (b) of this section, a teacher receiving retirement benefits  
443 from the system may not be employed by an employer in a teaching  
444 position receiving compensation paid out of public money appropriated  
445 for school purposes except that such teacher may be employed in such  
446 a position and receive no more than forty-five per cent of the maximum  
447 salary level for the assigned position for each school year. Any teacher  
448 who receives in excess of such amount shall reimburse the board for the  
449 amount of such excess.

450 (2) Commencing July 1, 2016, to June 30, 2020, inclusive, the  
451 provisions of subdivision (1) of this subsection establishing a limitation  
452 on the compensation of a reemployed teacher and requiring the  
453 reimbursement of any amount received in excess of that limitation shall  
454 not apply to a teacher who (A) is receiving retirement benefits from the  
455 system based on thirty-four or more years of credited service, (B) is  
456 reemployed as a teacher in a district designated as an alliance district  
457 pursuant to section 10-262u, and (C) was serving as a teacher in that  
458 district on July 1, 2015.

459 (3) On and after July 1, 2016, a teacher receiving retirement benefits  
460 from the system may be employed in a teaching position and receive (A)  
461 compensation paid out of public money appropriated for school  
462 purposes, (B) health insurance benefits, and (C) other employment  
463 benefits provided to active teachers employed by such school system,  
464 provided such teacher does not receive a retirement income during such  
465 employment. Payment of such teacher's retirement income shall resume  
466 on the first day of the month following the termination of such  
467 employment. The compensation under subparagraph (A) of this

468 subdivision shall be provided in accordance with subsection (c) of this  
469 section.

470 (4) Notice of employment under this subsection shall be sent to the  
471 board by the employer at the beginning and end of the school year, or  
472 assignment within the school year when reemployed for less than the  
473 full school year.

474 (b) A teacher receiving retirement benefits from the system may be  
475 reemployed for up to one full school year by a local board of education,  
476 the State Board of Education or by any constituent unit of the state  
477 system of higher education (1) in a position designated by the  
478 Commissioner of Education as a subject shortage area for the school year  
479 in which the teacher is being employed, (2) at a school located in a school  
480 district identified as a priority school district, pursuant to section 10-  
481 266p, for the school year in which the teacher is being employed, (3) if  
482 the teacher graduated from a public high school in an educational  
483 reform district, as defined in section 10-262u, or (4) if the teacher  
484 graduated from an historically black college or university or a Hispanic-  
485 serving institution, as those terms are defined in the Higher Education  
486 Act of 1965, P.L. 89-329, as amended from time to time, and reauthorized  
487 by the Higher Education Opportunity Act of 2008, P.L. 110-315, as  
488 amended from time to time. Notice of such reemployment shall be sent  
489 to the board by the employer and by the retired teacher at the time of  
490 hire and at the end of the assignment. Such reemployment may be  
491 extended for [an] one additional school year, not to exceed two school  
492 years over the lifetime of the retiree, provided the local board of  
493 education (A) submits a written request for approval to the Teachers'  
494 Retirement Board, (B) certifies that no qualified candidates are available  
495 prior to the reemployment of such teacher, and (C) indicates the type of  
496 assignment to be performed, the anticipated date of rehire and the  
497 expected duration of the assignment.

498 (c) The employment of a teacher under subsections (a) and (b) of this  
499 section shall not be considered as service qualifying for continuing  
500 contract status under section 10-151 and the salary of such teacher shall



501 be fixed at an amount at least equal to that paid other teachers in the  
502 same school system with similar training and experience for the same  
503 type of service.

504 (d) No person shall be entitled to survivor's benefits under subsection  
505 (f) of section 10-183f, as amended by this act, as a result of reemployment  
506 under this section.

507 (e) The same option plan of retirement benefits in effect prior to  
508 reemployment shall continue for a reemployed teacher during  
509 reemployment.

510 (f) Any member in violation of any provision of this section, as  
511 determined by the board, shall be required to reimburse the board for  
512 all amounts such member received in excess of the amount permitted  
513 under this section. Such reimbursement shall be accomplished through  
514 an offset of all or a portion of the excess amount which can be recaptured  
515 commencing with the next immediate retirement benefit payment  
516 issued to such member. Such member may request an alternative  
517 payment method to reimburse the board for the excess amount through  
518 an acceptable alternative method agreed to by the board.

519 (g) In no event shall a retired member be permitted to revert to active  
520 status after the effective date of retirement, except a member may  
521 suspend their retirement benefit for reemployment purposes.

522 [(f)] (h) The provisions of this section in effect on June 30, 2003,  
523 revision of 1958, revised to January 1, 2003, shall be applicable to any  
524 person making contributions to the Teachers' Retirement System on  
525 June 30, 2003, in accordance with said provisions.

526 (i) For purposes of this section, "employed" and "reemployed" mean  
527 to hire, retain or otherwise procure the services of a retired teacher or  
528 member by an employer.

529 Sec. 7. Section 10-183y of the general statutes is repealed and the  
530 following is substituted in lieu thereof (*Effective July 1, 2021*):

531 Any member may appeal to the Teachers' Retirement Board for  
 532 reconsideration of a decision of the board affecting such member. Such  
 533 member shall submit with such appeal a written statement identifying  
 534 the section of the general statutes that provides for the benefit to which  
 535 such member claims he or she was entitled and denied and received a  
 536 written denial for such request. Such appeal shall be made within ninety  
 537 days of the date of issuance of written notice of such decision. The board  
 538 shall meet to review such member's records and, if requested in writing,  
 539 allow such member to appear at such meeting. The board shall render a  
 540 written decision within sixty days of receipt of such request for  
 541 reconsideration.

542 Sec. 8. Section 10-183aa of the general statutes is repealed and the  
 543 following is substituted in lieu thereof (*Effective July 1, 2021*):

544 (a) (1) An active member is eligible for a disability allowance if he or  
 545 she has [(1)] (A) become disabled as a result of any sickness or injury  
 546 incurred in the performance of his or her duty as a teacher, without  
 547 regard to the member's accumulated years of service at the time the  
 548 disability is incurred; or [(2)] (B) accumulated at least five years of  
 549 service in the public schools and becomes disabled, without regard to  
 550 whether the disability was incurred in the performance of his or her  
 551 duty as a teacher.

552 (2) Any active member seeking a disability allowance shall submit to  
 553 the board a formal application for disability allowance, which shall  
 554 include the following: (A) The member's application; (B) the member's  
 555 birth certificate or, in lieu thereof, a notarized statement supported by  
 556 other evidence satisfactory to the board; (C) records of service, if such  
 557 records are required by the board to determine a salary rate or years of  
 558 creditable service; (D) a physician's statement of health for the member,  
 559 including, but not limited to, medical reports and office notes from such  
 560 physician; (E) in the case of a member who is married, a marriage  
 561 certificate; (F) an employer's statement regarding work performance,  
 562 attendance records and any other information regarding the member's  
 563 disability; (G) the member's statement outlining the effect his or her

564 impairment has on the ability to perform the duties of his or her  
565 occupation; and (H) any other documentation required by the board.  
566 For any formal application for disability allowance filed on or after July  
567 1, 1986, upon a finding by the board that extenuating circumstances  
568 relating to the health of an active member caused a delay in the filing of  
569 such member's complete formal application for disability allowance, the  
570 board may deem such application to have been filed up to three months  
571 earlier than the actual date of such filing.

572 (b) The disability allowance is computed as follows: Two per cent  
573 times credited service to the date of disability multiplied by average  
574 annual salary, provided such allowance shall not be less than fifteen per  
575 cent or more than fifty per cent of the member's average annual salary.  
576 In no case shall such disability allowance, less cost of living adjustments,  
577 plus any initial award of Social Security benefits and workers'  
578 compensation, exceed seventy-five per cent of the member's average  
579 annual salary.

580 (c) The board shall designate a medical committee to be composed of  
581 no more than five physicians. If required, other physicians may be  
582 employed to report on special cases. Such medical committee shall  
583 review each application for a disability allowance and shall make  
584 findings and recommendations in writing to the board. The medical  
585 committee shall perform additional examinations or case reviews as  
586 deemed necessary by the board. Members of such committee shall  
587 receive compensation for their services at a rate to be determined by the  
588 board.

589 (d) The disability allowance being paid to a member shall cease when  
590 and if the disability ends. The board may determine that a member's  
591 disability has ended if it finds, upon the recommendation of its medical  
592 committee, that the member has failed to pursue an appropriate  
593 program of treatment. In either event, such member shall receive  
594 credited service for the years he received such disability allowance  
595 subject to a maximum total credit of thirty years, or actual years of  
596 credited service to the date the disability commenced, whichever is

597 greater. Such member, if eligible, may then (1) retire on a normal, early  
598 or proratable retirement benefit or (2) retain a vested right to a deferred  
599 normal, early or proratable retirement benefit. Upon attainment of the  
600 member's normal retirement date, as determined by his age and  
601 credited service, including the credited service granted by this  
602 subsection, the member's disability allowance shall convert to a normal  
603 or other service retirement, which shall be payable either in the normal  
604 form or under an optional payment form under section 10-183j. The  
605 board may require periodic medical examinations.

606 (e) No credit for a period of service of any kind prior to the months  
607 in which contribution therefor is made shall be given under this chapter  
608 or any special act in determining service in connection with an  
609 application for disability allowance other than for injury received in  
610 performance of duty as a teacher if such disability occurred within five  
611 years after contributions and required interest on account of such period  
612 were paid in full. The foregoing limitation shall not apply to (1) any  
613 reinstatement of prior Connecticut teaching service, or (2) credit  
614 obtained immediately after transfer from the state employees retirement  
615 system under this chapter for service previously credited in said system;  
616 but in the case of such transfer, no allowance on account of disability  
617 occurring within such five-year period, other than for injury received in  
618 performance of duty as a teacher, shall exceed the benefit which would  
619 have been payable by said system if transfer had not been made.

620 (f) During the first twenty-four months of payment of the disability  
621 allowance to a member, twenty per cent of all of such member's outside  
622 earned income or wages shall be offset against the disability allowance  
623 payable, unless the board determines that such earned income or wages  
624 are being paid as part of the rehabilitation of the member. At the  
625 expiration of such twenty-four-month period, if the total of the disability  
626 allowance and outside earned income exceeds one hundred per cent of  
627 average annual salary, the disability allowance will be reduced by the  
628 amount of such excess over one hundred per cent. The board shall adopt  
629 regulations, in accordance with the provisions of chapter 54, concerning

630 procedures for verification of the income of members in receipt of a  
631 disability allowance.

632 (g) All members of the teachers' retirement system who are receiving  
633 disability payments under subsection (e) of section 10-183g of the  
634 general statutes, revision of 1958, revised to 1979, may, using a form  
635 provided by the board, elect to have their disability payments  
636 recomputed with regard to the percentage basis and pursuant to the  
637 provisions of this section and section 10-183bb. Such election shall not  
638 be revocable.

639 Sec. 9. (NEW) (*Effective July 1, 2021*) (a) The Teachers' Retirement  
640 Board shall establish a rollover account for each active, inactive and  
641 disabled member who submits a formal application of retirement, as  
642 defined in section 10-183b of the general statutes, as amended by this  
643 act. Any such member may make rollover contributions of any pretax  
644 assets maintained in an eligible retirement plan to such rollover account  
645 at any time within two months prior to such member's retirement date,  
646 as designated in such application. The board shall not accept any such  
647 rollover contribution after a member's retirement date. For purposes of  
648 this section, "eligible retirement plan" means an eligible retirement plan  
649 as defined in Section 402(c)(8)(B) of the Internal Revenue Code of 1986,  
650 or any subsequent corresponding internal revenue code of the United  
651 States, as amended from time to time.

652 (b) Commencing with retirements effective September 1, 2021, or  
653 later, any amount in a retired member's rollover account shall be  
654 distributed to such member in the form of an actuarially equivalent  
655 annuity for life, using the annuity rates adopted by the board for the  
656 selected retirement date and under the terms and conditions of the  
657 payment plan option the member selected on his or her formal  
658 application of retirement, as defined in section 10-183b of the general  
659 statutes, as amended by this act. If such member dies prior to the date  
660 of his or her retirement, the accumulated rollover funds shall be  
661 distributed under the terms and conditions of the payment plan option  
662 the member elected on such application.

663 (c) The board shall adopt policies and procedures regarding the  
 664 prudent and efficient operation of rollover accounts established  
 665 pursuant to subsection (a) of this section, which shall include, but need  
 666 not be limited to, application and payment procedures for such  
 667 accounts.

668 (d) The funds in a member's rollover account shall be used only for  
 669 distributions in accordance with subsection (b) of this section. The funds  
 670 in such account may not be applied toward the purchase of additional  
 671 credited service pursuant to section 10-183e of the general statutes. No  
 672 interest shall be applied to any funds contained in a member's rollover  
 673 account.

674 (e) Rollover contributions made in accordance with this section shall  
 675 not be treated as contributions, as defined in section 10-183b of the  
 676 general statutes, as amended by this act, and the board shall not subject  
 677 such contributions to the limitations imposed under Section 415(c) of the  
 678 Internal Revenue Code of 1986, or any subsequent corresponding  
 679 internal revenue code of the United States, as amended from time to  
 680 time.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2021</i>	10-183b
Sec. 2	<i>July 1, 2021</i>	10-183f
Sec. 3	<i>July 1, 2021</i>	10-183i(a)
Sec. 4	<i>July 1, 2021</i>	10-183l
Sec. 5	<i>July 1, 2021</i>	10-183p
Sec. 6	<i>July 1, 2021</i>	10-183v
Sec. 7	<i>July 1, 2021</i>	10-183y
Sec. 8	<i>July 1, 2021</i>	10-183aa
Sec. 9	<i>July 1, 2021</i>	New section

**APP**      *Joint Favorable*