

---

## **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(4) changing the timing of a retiree member election to the Teachers' Retirement Board (TRB) and (5) removing an outdated reference to the TRS.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Removes outdated language from the statutes that allowed the executive director of the Commission for Education Technology.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