
OFA Bill Analysis

SB 1525

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.

EFFECTIVE DATE: July 1, 2025, except Sections 1 - 2 are effective from passage.

Membership

Sections 1, 2 & 8

Sections 1 and 2 amend the definition of "employer" and "public school" by including dates for sunset groups. This change clarifies the Children's Center and the State Education Resource Center do not meet the qualifications and are to sunset on 7/1/25.

Section 8 removes outdated language from the statutes that allowed the executive director of the Commission for Education Technology to participate in the TRS.

Applications

Sections 3 & 7

Section 3 clarifies the commencement of retirement benefits, and that applications are irrevocable as of the date the member retires. TRS members may withdraw their retirement applications up to the day before their retirement date.

Section 7 clarifies only eligible disability allowance applications will

be reviewed by the medical committee rather than all applications.

Benefits

Sections 4 & 6

Section 4 amends the TRS death benefit statutes to create default beneficiaries in the absence of a designee or surviving spouse for the return of accumulated contributions and credited interest. In this event, the next default designees are the surviving children, if none, then the funds are awarded to the member's estate.

Section 6 prohibits collective bargaining agreements from providing subsidies for purposes other than reducing costs. Currently, subsidies through the Teachers' Retirement Board (TRB) are used to offset retiree healthcare costs.

Election Cycle

Section 5

Realigns the timing of the TRB election 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 via an October 1, 2023 election.

COMMITTEE ACTION

Appropriations Committee

Joint Favorable

Yea 54 Nay 0