



Senate

General Assembly

File No. 869

January Session, 2025

Senate Bill No. 1525

Senate, May 12, 2025

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 general statutes
2 is repealed and the following is substituted in lieu thereof (*Effective from*
3 *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, 2025, 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, 2025.

13 Sec. 2. Subdivision (21) of section 10-183b of the general statutes is
14 repealed and the following is substituted in lieu thereof (*Effective from*
15 *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, 2025, 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, 2025, 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 *2025*):

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, as amended by this act, shall
49 become effective until a member eligible for retirement under section
50 10-183f files with the board a complete formal application for retirement
51 and terminates service with such member's employer. Such benefit shall
52 accrue from the first day of the month following the calendar month in
53 which such application is filed and payment of such benefit in equal
54 monthly installments shall commence on the last day of the month in
55 which such benefit begins to accrue. The initial payment of such benefit
56 may be 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 *2025*):

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 general statutes is
81 repealed and the following is substituted in lieu thereof (*Effective July 1,*
82 *2025*):

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. Section 10-183t of the general statutes is repealed and the
134 following is substituted in lieu thereof (*Effective July 1, 2025*):

135 (a) The board shall offer one or more health benefit plans to: Any
136 member receiving retirement benefits or a disability allowance from the
137 system; the spouse or surviving spouse of such member, and a disabled
138 dependent of such member if there is no spouse or surviving spouse,
139 provided such member, spouse, surviving spouse, or disabled
140 dependent is participating in Medicare Part A hospital insurance and
141 Medicare Part B medical insurance. The board may offer one or more
142 basic plans, the cost of which to any such member, spouse, surviving
143 spouse or disabled dependent shall be one-third of the basic plan's
144 premium equivalent, and one or more optional plans, provided such
145 member, spouse, surviving spouse or disabled dependent shall pay one-
146 third of the basic plan's premium equivalent plus the difference in cost
147 between any such basic plans and any such optional plans. The board
148 shall designate those plans which are basic and those plans which are

149 optional for the purpose of determining such cost and the amount to be
150 charged or withheld from benefit payments for such plans. The
151 surviving spouse of a member, or a disabled dependent of a member if
152 there is no surviving spouse, shall not be ineligible for participation in
153 any such plan solely because such surviving spouse or disabled
154 dependent is not receiving benefits from the system. With respect to any
155 person participating in any such plan, the state shall appropriate to the
156 board one-third of the cost of such basic plan or plans, or one-third of
157 the cost of the rate in effect during the fiscal year ending June 30, 1998,
158 whichever is greater.

159 (b) (1) Any member who (A) is receiving retirement benefits or a
160 disability allowance from the system, the spouse or surviving spouse of
161 such member, or a disabled dependent of such member if there is no
162 spouse or surviving spouse, and who is not participating in Medicare
163 Part A hospital insurance and Medicare Part B medical insurance, and
164 (B) meets the state's eligibility criteria for health insurance or is eligible
165 to participate in the group health insurance plan offered by such
166 member's last employing board of education, may fully participate in
167 any or all group health insurance plans maintained for active teachers
168 by such member's last employing board of education, or by the state in
169 the case of a member who was employed by the state, upon payment to
170 such board of education or to the state, as applicable, by such member,
171 spouse, surviving spouse or disabled dependent, of the premium
172 charged for the member's form of coverage. Such premium shall be no
173 greater than that charged for the same form of coverage for active
174 teachers.

175 (2) The member's spouse, surviving spouse or disabled dependent
176 shall not be ineligible for participation in any such plan solely because
177 such spouse, surviving spouse or disabled dependent is not receiving
178 benefits from the system. No person shall be ineligible for participation
179 in such plans for failure to enroll in such plans at the time the member's
180 retirement benefit or disability allowance became effective.

181 (3) (A) Nothing in this subsection shall be construed to impair or alter

182 the provisions of any collective bargaining agreement relating to the
183 payment by a board of education of group health insurance premiums
184 on behalf of any member receiving benefits from the system. No
185 collective bargaining agreement shall provide for a subsidy for any
186 purpose other than to reduce costs for the benefit of a member, spouse,
187 surviving spouse or disabled member.

188 (B) Prior to the cancellation of coverage for any member, spouse,
189 surviving spouse or disabled dependent for failure to pay the required
190 premiums or cost due, the board of education or the state, if applicable,
191 shall notify the Teachers' Retirement Board of its intention to cancel such
192 coverage at least thirty days prior to the date of cancellation. Absent any
193 contractual provisions to the contrary, the payments made pursuant to
194 subsection (c) of this section shall be first applied to any cost borne by
195 the member, spouse, surviving spouse or disabled dependent
196 participating in any such plan.

197 (4) As used in this subsection, "last employing board of education"
198 means the board of education by which such member was employed
199 when such member filed his or her initial application for retirement, and
200 "health insurance plans" means hospital, medical, major medical, dental,
201 prescription drug or auditory benefit plans that are available to active
202 teachers.

203 (c) (1) On and after July 1, 2022, the board shall pay a subsidy of two
204 hundred twenty dollars, to the board of education or to the state, if
205 applicable, on behalf of any member who is receiving retirement
206 benefits or a disability allowance from the system, the spouse of such
207 member, the surviving spouse of such member, or a disabled dependent
208 of such member if there is no spouse or surviving spouse, who is
209 participating in a health insurance plan maintained by a board of
210 education or by the state, if applicable. Such payment shall not exceed
211 the actual cost of such insurance.

212 (2) With respect to any person participating in any such plan
213 pursuant to subsection (b) of this section, the state shall appropriate to
214 the board one-third of the cost of the subsidy, except that, for the fiscal

215 year ending June 30, 2013, the state shall appropriate twenty-five per
216 cent of the cost of the subsidy. On and after July 1, 2018, for the fiscal
217 year ending June 30, 2019, and for each fiscal year thereafter, fifty per
218 cent of the total amount appropriated by the state in each such fiscal
219 year for the state's share of the cost of such subsidies shall be paid to the
220 board on or before July first of such fiscal year, and the remaining fifty
221 per cent of such total amount shall be paid to the board on or before
222 December first of such fiscal year.

223 (3) No payment to a board of education pursuant to this subsection
224 may be used to reduce the amount of any premium payment on behalf
225 of any such member, spouse, surviving spouse, or disabled dependent,
226 made by such board pursuant to any agreement in effect on July 1, 1990.
227 On and after July 1, 2022, the board shall pay a subsidy of four hundred
228 forty dollars per month on behalf of the member, spouse or the
229 surviving spouse of such member who: (A) Has attained the normal
230 retirement age to participate in Medicare, (B) is not eligible for Medicare
231 Part A without cost, and (C) contributes at least four hundred forty
232 dollars per month towards his or her medical and prescription drug
233 plan provided by the board of education.

234 (d) The Treasurer shall establish a separate retired teachers' health
235 insurance premium account within the Teachers' Retirement Fund.
236 Commencing July 1, 1989, and annually thereafter all health benefit plan
237 contributions withheld under this chapter in excess of five hundred
238 thousand dollars shall, upon deposit in the Teachers' Retirement Fund,
239 be credited to such account. Interest derived from the investment of
240 funds in the account shall be credited to the account. Funds in the
241 account shall be used for (1) payments to boards of education pursuant
242 to subsection (c) of this section and for payment of premiums on behalf
243 of members, spouses of members, surviving spouses of members or
244 disabled dependents of members participating in one or more health
245 insurance plans pursuant to subsection (a) of this section in an amount
246 equal to the difference between the amount paid pursuant to subsection
247 (a) of this section and the amount paid pursuant to subsection (c) of this
248 section, and (2) payments for professional fees associated with the

249 administration of the health benefit plans offered pursuant to this
250 section. If, during any fiscal year, there are insufficient funds in the
251 account for the purposes of all such payments, the General Assembly
252 shall appropriate sufficient funds to the account for such purpose.

253 (e) (1) Not later than the first business day of [February, May, August
254 and November] March, April, September and December of each year,
255 each employer shall submit to the board, in a format required by the
256 board, any information the board determines to be necessary concerning
257 additions, deletions and premium changes for the health insurance
258 subsidy program described in subsection (c) of this section. Any report
259 received by the board after the due date shall be processed in the
260 following quarterly cycle. An employer's failure to timely submit a
261 quarterly report shall result in a delay of the subsidy for that quarter
262 and the board shall pay the subsidy as a retroactive subsidy, as provided
263 in subdivision (2) of this subsection.

264 (2) Retroactive subsidy payments shall be limited to six months prior
265 to the first day of the month in which the board receives an untimely
266 report that includes newly eligible retired members or dependents. The
267 board shall pay the subsidy retroactively to the effective date of the
268 disability, provided any eligible members or dependents are added to
269 the report not later than the first quarter following the board's approval
270 of the disability and the member's disability allowance is initiated
271 within four months of board approval. The employer shall hold any
272 member or dependent harmless for any costs associated with, arising
273 from or out of the loss of the benefit of the subsidy as a result of the
274 employer's untimely or inaccurate filing of the quarterly report.

275 Sec. 7. Subsection (c) of section 10-183aa of the general statutes is
276 repealed and the following is substituted in lieu thereof (*Effective July 1,*
277 *2025*):

278 (c) The board shall designate a medical committee to be composed of
279 no more than five physicians. If required, other physicians may be
280 employed to report on special cases. Such medical committee shall
281 review each eligible application for a disability allowance and shall

282 make findings and recommendations in writing to the board. The
 283 medical committee shall perform additional examinations or case
 284 reviews as deemed necessary by the board. Members of such committee
 285 shall receive compensation for their services at a rate to be determined
 286 by the board.

287 Sec. 8. Subsection (b) of section 4d-80 of the general statutes is
 288 repealed and the following is substituted in lieu thereof (*Effective July 1,*
 289 *2025*):

290 (b) The Governor shall appoint a chairperson from among the
 291 members of the commission or their designees. Subject to the provisions
 292 of chapter 67, and within available appropriations, the commission may
 293 appoint an executive director and such other employees as may be
 294 necessary for the discharge of the duties of the commission.
 295 Notwithstanding any provision of the general statutes, the executive
 296 director shall have the option to elect participation in the state
 297 employees retirement system, or the alternate retirement program
 298 established for eligible employees in higher education. [or the teachers'
 299 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, 2025</i>	10-183g(g)
Sec. 4	<i>July 1, 2025</i>	10-183h(c)
Sec. 5	<i>July 1, 2025</i>	10-183l(a)
Sec. 6	<i>July 1, 2025</i>	10-183t
Sec. 7	<i>July 1, 2025</i>	10-183aa(c)
Sec. 8	<i>July 1, 2025</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 26 \$	FY 27 \$
Teachers' Retirement Bd.	GF - Savings	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 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