



Senate Bill No. 1525

Public Act No. 25-120

***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:

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 Subdivision (15) of section 10-183b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(15) "Employer" means an elected school committee, a board of education, the State Board of Education, the Office of Early Childhood, the Technical Education and Career System, the Board of Regents for Higher Education or any of the constituent units, the governing body of the Children's Center and its successors, The University of Connecticut Board of Trustees, the E. O. Smith School, or any other activity, institution or school employing members, except "employer" shall not include the State Education Resource Center for members hired on or after July 1, 2025.

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 Subdivision (21) of section 10-183b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(21) "Public school" means any day school conducted within or

Senate Bill No. 1525

without this state under the orders and superintendence of a duly elected school committee, a board of education, the State Board of Education, the Office of Early Childhood, the Board of Regents for Higher Education, or any of its constituent units, The University of Connecticut Board of Trustees, the board of governors or any of its constituent units, the Technical Education and Career System, the E. O. Smith School, the Children's Center and its successors, the State Education Resource Center [established pursuant to section 10-4q of the 2014 supplement to the general statutes, revision of 1958, revised to January 1, 2013, the State Education Resource Center established pursuant to section 10-357a] for members hired before July 1, 2025, joint activities of boards of education authorized by subsection (b) of section 10-158a and (A) any institution supported by the state at which teachers are employed or any incorporated secondary school not under the orders and superintendence of a duly elected school committee or board of education but located in a town not maintaining a high school and providing free tuition to pupils of the town in which it is located, and which has been approved by the State Board of Education under the provisions of part II of chapter 164, or (B) on and after July 1, 2023, any school operated by an interdistrict magnet school operator described in section 10-264s, provided such institution, secondary school or school is classified as a public school by the retirement board.

Sec. 3. Subsection (g) of section 10-183g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(g) A member's complete formal application for retirement, if sent by mail, shall be deemed to have been filed with the board on the date such application is postmarked. Such application for retirement shall be irrevocable on the date the member retires. No benefit computed under subsections (a) to (d), inclusive, of this section and under subsections (a) to (g), inclusive, of section 10-183aa, as amended by this act, shall

Senate Bill No. 1525

become effective until a member eligible for retirement under section 10-183f files with the board a complete formal application for retirement and terminates service with such member's employer. Such benefit shall accrue from the first day of the month following the calendar month in which such application is filed and payment of such benefit in equal monthly installments shall commence on the last day of the month in which such benefit begins to accrue. The initial payment of such benefit may be made not later than three months following the effective date of retirement, provided such payment shall be retroactive to such effective date. Upon a finding that extenuating circumstances relating to the health of a member caused a delay in the filing of the member's complete formal application, and such application is filed on or after July 1, 1986, the board may deem such application to have been filed up to three months earlier than the actual date of the filing. Upon a finding that extenuating circumstances related to the health of a member caused a delay in the filing of an election pursuant to subsection (g) of section 10-183aa, and such election is filed on or after July 1, 1986, the board may deem such election to have been filed as of the date such member's benefits would otherwise have been converted to a normal retirement benefit under this section.

Sec. 4. Subsection (c) of section 10-183h of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

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

Senate Bill No. 1525

Sec. 5. Subsection (a) of section 10-183*l* of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) (1) On and after July 1, 1991, the management of the system shall continue to be vested in the Teachers' Retirement Board, whose members shall include the Treasurer, the Secretary of the Office of Policy and Management and the Commissioner of Education, or their designees, who shall be voting members of the board, ex officio. (2) On or before June 15, 1985, and quadrennially thereafter, the members of the system shall elect from their number, in a manner prescribed by said board, two persons to serve as members of said board for terms of four years beginning July first following such election. Both of such persons shall be active teachers who shall be nominated by the members of the system who are not retired and elected by all the members of the system. On or before July 1, 1991, and quadrennially thereafter, the members of the system shall elect from their number, in a manner prescribed by said board, three persons to serve as members of said board for terms of four years beginning July first following such election. Two of such persons shall be retired teachers who shall be nominated by the retired members of the system and elected by all the members of the system and one shall be an active teacher who shall be nominated by the members of the system who are not retired and elected by all the members of the system. (3) On or before July 1, 2011, and quadrennially thereafter, the members of the system shall elect from their number, in a manner prescribed by said board, one person to serve as a member of said board for a term of four years beginning July first following such election. Such person shall be an active teacher who shall be nominated by the members of the system who are not retired, elected by all the members of the system and a member of an exclusive representative of a teachers' bargaining unit that is not represented by the members of the board elected under subdivision (2) of this subsection. (4) On or before October 1, 2023, and in July quadrennially thereafter, the retired members of the system shall

Senate Bill No. 1525

elect from their number, in a manner prescribed by said board, two persons to serve as members of said board for a term of four years beginning October first following such election. Both of such persons shall be (A) retired teachers who are receiving a pension benefit from the system, and (B) nominated and elected by the members of the system who are retired. (5) If a vacancy occurs in the positions filled by the members of the system who are not retired, said board shall elect a member of the system who is not retired to fill the unexpired portion of the term. If a vacancy occurs in the positions filled by the retired members of the system, said board shall elect a retired member of the system to fill the unexpired portion of the term. The Governor shall appoint five public members to said board in accordance with the provisions of section 4-9a, one of whom shall be the mayor, first selectman or chief elected official of a municipality. On and after October 31, 2017, the Governor shall fill the next vacant position on the board that is appointed by the Governor with a person who is the mayor, first selectman or chief elected official of a municipality. The members of the board shall serve without compensation, but shall be reimbursed for any expenditures or loss of salary or wages which they incur through service on the board. A majority of the membership of the board shall constitute a quorum for the transaction of any business.

Sec. 6. Section 10-183t of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) The board shall offer one or more health benefit plans to: Any member receiving retirement benefits or a disability allowance from the system; the spouse or surviving spouse of such member, and a disabled dependent of such member if there is no spouse or surviving spouse, provided such member, spouse, surviving spouse, or disabled dependent is participating in Medicare Part A hospital insurance and Medicare Part B medical insurance. The board may offer one or more basic plans, the cost of which to any such member, spouse, surviving

Senate Bill No. 1525

spouse or disabled dependent shall be one-third of the basic plan's premium equivalent, and one or more optional plans, provided such member, spouse, surviving spouse or disabled dependent shall pay one-third of the basic plan's premium equivalent plus the difference in cost between any such basic plans and any such optional plans. The board shall designate those plans which are basic and those plans which are optional for the purpose of determining such cost and the amount to be charged or withheld from benefit payments for such plans. The surviving spouse of a member, or a disabled dependent of a member if there is no surviving spouse, shall not be ineligible for participation in any such plan solely because such surviving spouse or disabled dependent is not receiving benefits from the system. With respect to any person participating in any such plan, the state shall appropriate to the board one-third of the cost of such basic plan or plans, or one-third of the cost of the rate in effect during the fiscal year ending June 30, 1998, whichever is greater.

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

Senate Bill No. 1525

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

(3) (A) Nothing in this subsection shall be construed to impair or alter the provisions of any collective bargaining agreement relating to the payment by a board of education of group health insurance premiums on behalf of any member receiving benefits from the system. No collective bargaining agreement shall provide for a subsidy for any purpose other than to reduce costs for the benefit of a member, spouse, surviving spouse or disabled member.

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

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

(c) (1) On and after July 1, 2022, the board shall pay a subsidy of two hundred twenty dollars, to the board of education or to the state, if

Senate Bill No. 1525

applicable, on behalf of any member who is receiving retirement benefits or a disability allowance from the system, the spouse of such member, the surviving spouse of such member, or a disabled dependent of such member if there is no spouse or surviving spouse, who is participating in a health insurance plan maintained by a board of education or by the state, if applicable. Such payment shall not exceed the actual cost of such insurance.

(2) With respect to any person participating in any such plan pursuant to subsection (b) of this section, the state shall appropriate to the board one-third of the cost of the subsidy, except that, for the fiscal year ending June 30, 2013, the state shall appropriate twenty-five per cent of the cost of the subsidy. On and after July 1, 2018, for the fiscal year ending June 30, 2019, and for each fiscal year thereafter, fifty per cent of the total amount appropriated by the state in each such fiscal year for the state's share of the cost of such subsidies shall be paid to the board on or before July first of such fiscal year, and the remaining fifty per cent of such total amount shall be paid to the board on or before December first of such fiscal year.

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

(d) The Treasurer shall establish a separate retired teachers' health insurance premium account within the Teachers' Retirement Fund.

Senate Bill No. 1525

Commencing July 1, 1989, and annually thereafter all health benefit plan contributions withheld under this chapter in excess of five hundred thousand dollars shall, upon deposit in the Teachers' Retirement Fund, be credited to such account. Interest derived from the investment of funds in the account shall be credited to the account. Funds in the account shall be used for (1) payments to boards of education pursuant to subsection (c) of this section and for payment of premiums on behalf of members, spouses of members, surviving spouses of members or disabled dependents of members participating in one or more health insurance plans pursuant to subsection (a) of this section in an amount equal to the difference between the amount paid pursuant to subsection (a) of this section and the amount paid pursuant to subsection (c) of this section, and (2) payments for professional fees associated with the administration of the health benefit plans offered pursuant to this section. If, during any fiscal year, there are insufficient funds in the account for the purposes of all such payments, the General Assembly shall appropriate sufficient funds to the account for such purpose.

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

(2) Retroactive subsidy payments shall be limited to six months prior to the first day of the month in which the board receives an untimely report that includes newly eligible retired members or dependents. The

Senate Bill No. 1525

board shall pay the subsidy retroactively to the effective date of the disability, provided any eligible members or dependents are added to the report not later than the first quarter following the board's approval of the disability and the member's disability allowance is initiated within four months of board approval. The employer shall hold any member or dependent harmless for any costs associated with, arising from or out of the loss of the benefit of the subsidy as a result of the employer's untimely or inaccurate filing of the quarterly report.

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

(c) The board shall designate a medical committee to be composed of no more than five physicians. If required, other physicians may be employed to report on special cases. Such medical committee shall review each application that meets the requirements of subsection (a) of this section to be eligible for a disability allowance and shall make findings and recommendations in writing to the board. The medical committee shall perform additional examinations or case reviews as deemed necessary by the board. Members of such committee shall receive compensation for their services at a rate to be determined by the board.

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

(b) The Governor shall appoint a chairperson from among the members of the commission or their designees. Subject to the provisions of chapter 67, and within available appropriations, the commission may appoint an executive director and such other employees as may be necessary for the discharge of the duties of the commission. Notwithstanding any provision of the general statutes, the executive

Senate Bill No. 1525

director shall have the option to elect participation in the state employees retirement system, or the alternate retirement program established for eligible employees in higher education, [or the teachers' retirement system.]

Governor's Action:

Approved July 1, 2025