

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19

H.266

Introduced by Representatives Elder of Starksboro, Mulvaney-Stanak of Burlington, Beck of St. Johnsbury, Burrows of West Windsor, Buss of Woodstock, Cina of Burlington, Cordes of Lincoln, Dodge of Essex, Headrick of Burlington, Hooper of Burlington, Howard of Rutland City, Krasnow of South Burlington, LaBounty of Lyndon, Lalley of Shelburne, McFaun of Barre Town, McGill of Bridport, Morris of Springfield, Nicoll of Ludlow, Patt of Worcester, Pearl of Danville, Priestley of Bradford, Satcowitz of Randolph, Sibia of Dover, Sims of Craftsbury, Small of Winooski, Surprenant of Barnard, Templeman of Brownington, and Waters Evans of Charlotte

Referred to Committee on

Date:

Subject: Retirement; education; Vermont State Teachers' Retirement System; cost-of-living adjustment

Statement of purpose of bill as introduced: This bill proposes to amend the formula for the postretirement adjustment to the retirement allowance for beneficiaries of the State Teachers' Retirement System of Vermont.



1           ~~(B) For Group C members who are eligible for retirement and leave~~  
2           ~~active service on or after July 1, 2022, the maximum amount of any increase or~~  
3           ~~decrease utilized to determine the net percentage increase shall be four percent.~~

4           (2) Consumer Price Index; decreases. In the event of a decrease of the  
5           Consumer Price Index as of June 30 for the preceding year, there shall be no  
6           adjustment to the retirement allowance of a beneficiary for the subsequent year  
7           beginning on January 1; provided, however, that:

8                   (A) such decrease shall be applied as an offset against the first  
9                   subsequent year's increase of the Consumer Price Index up to the full amount  
10                  of such increase; and

11                  (B) to the extent that such decrease is greater than such subsequent  
12                  year's increase, such decrease shall be offset in the same manner against two  
13                  or more years of such increases, for up to but not exceeding five subsequent  
14                  years of such increases, until fully offset.

15           ~~(3)(2)~~ Consumer Price Index; increases. ~~Subject to the maximum and~~  
16           ~~minimum amounts set forth in subdivision (1) of this subsection, in~~ In the  
17           event of an increase in the Consumer Price Index, and provided there remains  
18           an increase following the application of any offset as in subdivision ~~(2)~~ (1) of  
19           this subsection, that amount shall be identified as the net percentage increase  
20           and used to determine the members' postretirement adjustment as set forth in  
21           subsection (d) of this section.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20

\* \* \*

(d) Amount of postretirement adjustment. The postretirement adjustment for each member who meets the eligibility criteria set forth in subsection (c) shall be as follows:

(1) the full amount of the net percentage increase of the Consumer Price Index calculated pursuant to subsection (b) of this section for all Group A members; and

(2) ~~one-half~~ 50 percent of the net percentage increase of the Consumer Price Index calculated pursuant to subsection (b) of this section for ~~all~~ Group C members, provided that:

(A) For Group C members who are eligible for normal retirement or unreduced early retirement, or who are vested deferred, on or before June 30, 2022, the maximum amount of the adjustment shall be five percent.

(B) For Group C members who are eligible for normal retirement or unreduced early retirement on or after July 1, 2022, the maximum amount of the adjustment shall be four percent.

\* \* \*

Sec. 2. FISCAL YEAR 2024; ACTUARIALLY DETERMINED  
EMPLOYER CONTRIBUTION; STATE TEACHERS'  
RETIREMENT SYSTEM; APPROPRIATION

1           In fiscal year 2024, in addition to any amounts appropriated in the Fiscal  
2           Year 2024 Appropriations Act, the amount of \$3,700,000.00 in general funds  
3           is appropriated to the Vermont Teachers' Retirement Fund, established in 16  
4           V.S.A. § 1944, to support the actuarially determined employer contribution.

5           Sec. 3. EFFECTIVE DATES

6           This act shall take effect on passage, except that, notwithstanding 1 V.S.A.  
7           § 214, Sec. 1, 16 V.S.A. § 1949 (postretirement adjustments to retirement  
8           allowances), shall take effect retroactively on January 1, 2023.