



**Testimony of Stephen McKeever**

**First Vice President, AFT Connecticut, AFL-CIO**

Appropriations Committee

February 21, 2013

***HB 6350 AN ACT CONCERNING THE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2015,  
AND OTHER PROVISIONS RELATING TO REVENUE***

Good evening Senator Harp, Representative Walker and members of the Appropriations Committee. My name is Steve McKeever and I am the First Vice President of AFT Connecticut, a diverse state federation of unions representing more than 10,000 of Connecticut's active teachers and thousands of retired teachers. Thank you for the opportunity to submit testimony on the Governor's budget proposal for the State Department of Education and the Teachers' Retirement Board.

**State Department of Education:**

On the whole, AFT Connecticut supports the Governor's proposal to fund the state's share of public education expenses. By increasing ECS dollars and the changing manner in which they are distributed, Governor Malloy has stood behind the changes in policy and spirit made with the education reform law passed last session. We support these courageous decisions.

We are concerned however about the elimination of the state's reimbursement to local and regional boards of education for student transportation costs. Though we agree that a regional approach to education could be beneficial, in the absence of a statewide or even regional school calendar, it is difficult to see how this would work. In addition, we are concerned about the amount of time that school children would spend on a bus in transit, especially young elementary students.

**Teachers' Retirement Board:**

AFT Connecticut wholeheartedly opposes Governor Malloy's proposal to eliminate the state's share of teacher retiree health costs and the municipal retiree health subsidy while requiring the TRB Health Fund to cover those contributions. You may recall that last session the Governor proposed decreasing the state's obligation and passing those costs on to retirees. With your help, retirees were held harmless, but the state's reduction was paid for with a swap of Medicare Part D reimbursement funds, which resulted in a net cut to the TRB Health Fund. If this practice continues, as it is proposed for the next biennium, the state will not honor its commitment to retired teachers for at least three years in a row and send the previously stable, TRB health fund rapidly down the path of insolvency.

I do not envy the Governor or this General Assembly in their responsibility to negotiate a balanced budget, but this proposal amounts to a breach of the contract entered into by active

and retired teachers and the State of Connecticut decades ago. Active and retired teachers have not shirked their duties. They have paid into the fund and paid their premium shares. Changing the rules of the game is not only unfair; it's cruel. Balancing the budget on the backs of retired teachers is just plain wrong.

The impact of the Governor's proposal goes far beyond its financial impact. Connecticut's school teachers are not eligible for Social Security benefits, they rely on the TRB for their retirement benefits. By playing games with the pension, it makes me question the message this proposal will send to new and prospective educators who plan for their retirement. The AFT and CEA, the two teacher unions in the state are working with the Governor and the Commissioner of Education to enhance the teaching profession and develop ways to recruit and retain bright young teachers. Connecticut school districts will have more trouble recruiting and retaining teachers when they can offer no reliable retirement security for their prospective and current faculty members.

There is no question that Governor Malloy has made tough budget decisions since his term began. He has lead, in many ways, in positive directions. He often touts his commitment to funding the state's required contributions to the state employee pension fund and the state employee retired healthcare fund. As representatives of state employees, we certainly applaud these efforts. We only ask that the Governor keep the same commitments to other statewide retirement system – The Teachers' Retirement Board and the TRB Health Fund.

Thank you.