



March 24, 2017

Appropriations Committee

Regarding SB 347 – An Act Concerning Retirement and Health Care Benefits for Certain State Employees

Members of the Appropriations Committee;

My name is Michael Bailey and I am the Executive Director of the UConn Chapter of the American Association of University Professors (UConn-AAUP). UConn-AAUP is the collective bargaining agent for the over 2200 faculty at the University and its regional campuses. I am providing written testimony today in **opposition** to SB 347 – An Act Concerning Retirement and Health Care Benefits for Certain State Employees, and all bills currently before the Committee, which seek to remove or limit collective bargaining rights to the faculty at the University.

The Bill that is before the Committee today is poorly written and does not seem to consider three important aspects:

1. The cost to the state if it enacted. A defined contribution plan requires both parties to contribute a certain percentage of the employee's salary to the plan. The state would immediately have to deposit their portion of the contribution to a plan for all the non-vested state employees and officials who are exempt from the classified service and currently not participating in the Alternate Retirement Plan (ARP). This could be a significant expense that would have to be added to the budget.
2. The Bill does not indicate how the State would account for the years of employee participation in the current defined benefit plan. Would those years prior to vesting be added into the defined contribution plan, for which additional state dollars would need to be added immediately?
3. If enacted, the Bill would severely impact the unfunded liability of all states retirement plans by taking a population out of contributing to the SERS plans.

UConn-AAUP is also in opposition to any Bill before the Committee that changes the current pension or retiree health care rules or contributions under the current SEBAC Agreement. Those include, but are not limited to, SB 87, 90, 91, 92, 147, 5013, 5016, and 5221. Pensions and health care are subjects of bargaining in the state of Connecticut and changes must be negotiated between the parties.

Thank you for the opportunity to provide written testimony on these issues before the Committee.

Michael Bailey  
Executive Director

