Re: Proposed HB-715 Teachers’ Pension Costs

Thank you for the opportunity to submit testimony in opposition to HB-715, Teachers’ Pension Costs, which shift a portion of the teachers’ pension cost to towns and ultimately our property taxpayers.

For the Town of Bolton, the Board of Education already compromises approximately 70% of our budget. As proposed, this bill shifts 25% of our teachers’ pension costs to Bolton over a three year period. The 25% equals $123,732 for our small town. That equates to just under 1/3 mil increase in taxes. Combined with ongoing cuts in municipal aid, this is untenable.

In addition, we have no reason to believe that the 25% share will not grow to a higher percentage over time. The actual dollar cost will already grow year after year as teachers’ salaries increase. Given the state’s financial challenges, we are concerned that additional percentage increases beyond our current 25% proposed level will occur.

Binding arbitration limits our local ability to negotiate lower teacher wages. The benefits and contribution rates are set by statute. As a result, we have no authority to control teachers’ pension costs even in the future. This constitutes an ongoing growing obligation that will require a yearly tax increase for out taxpayers.

Towns did not create the current situation and out taxpayers should not be penalized for an issue that we cannot control. Please reject efforts to shift teachers’ pension costs onto our towns.

Please feel free to contact me with any questions or if you wish to discuss further.

Respectfully submitted,

Joyce M. Stille
Administrative Officer