RE: Testimony in Opposition to Bill 7150

Dear Education Committee members,

I oppose the Governor’s new Teacher Pension Sharing proposal requiring local school districts/municipalities to participate in the annual pension contributions for current teachers.

Under this proposal, municipalities are unfairly burdened with costs resulting from decades of decisions at the state level to underfund pensions. Under the Governor’s proposal, communities defined as “distressed” will contribute 5% to plan’s normal current teacher contribution, “non-distressed” 25% and an additional 1% for every 1% teacher salaries exceed the state median pensionable salary. Because Wilton is considered a non-distressed municipality and Wilton’s average teacher salary exceeds the mean by 25%, Wilton will be responsible for 50% of the pension plan’s normal current teacher contribution.

The issue with this pension pushdown is twofold. First, pensions have been negotiated at the state level without school district/municipal representation during negotiations. (Wages and benefits are negotiated separately and at the local level.) Municipalities are now being required to contribute when they had NO input regarding teacher pensions. Secondly, towns such as Wilton have, from time to time, been forced into binding arbitration during contract negotiations. During this type of arbitration, oftentimes wages agreed to are higher than a district wants to pay, thus leading to teacher salaries exceeding the statewide median. In other words, municipalities attempting to exercise fiscal responsibility have been thwarted from doing so at the state level, and now are being further penalized.

In conclusion, Bill 7150 places an excessive burden on many municipalities, especially in light of the fact that they did not have a seat at the table as this fiscal crisis was created. I urge you to oppose this bill.

Heather L. Wilcauskas