

PA10-057

HB5402

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**CONNECTICUT  
GENERAL ASSEMBLY  
HOUSE**

**PROCEEDINGS  
2010**

**VOL.53  
PART 5  
1169 – 1557**

rgd/gbr  
HOUSE OF REPRESENTATIVES

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April 22, 2010

Please proceed, madam.

REP. NAFIS (27th):

It gives me great pleasure today to welcome to the Chamber my niece, Ellie, who is a real UConn fan, as you can see by her hat and her ball. She is ready for the arrival. And this is her first time here at the capital with this. We're very happy she's here.

My Sister, Laura, and her friend Donnell. And I just would hope the Chamber will give them their normal big warm welcome. So thank you.

DEPUTY SPEAKER McCLUSKEY:

Welcome to our Chamber, all.

Also under the heading of any points of announcement or introductions, there was a Blackberry found by the Democratic amendment desk earlier. And so if someone raised claim to it, will they please see Ken Cicenti up here on the dais. Thank you.

Will the Clerk please return to the call of the calendar and would he please call Calendar 205.

THE CLERK:

On pang 8, Calendar 205, House Bill Number 5402, AN ACT CONCERNING EXPENSES FOR HEALTH BENEFIT PLANS UNDER THE TEACHERS' RETIREMENT FUND, favorable report of the Committee on Appropriations.

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DEPUTY SPEAKER McCLUSKEY:

The honorable gentleman from the 4th District,  
Representative Roldan, you have the floor, sir.

REP. ROLDAN (4th):

Thank you, Mr. Speaker.

Mr. Speaker I move acceptance of the joint  
committee's favorable reports and passage of the bill.

DEPUTY SPEAKER McCLUSKEY:

The question before the Chamber is acceptance of  
the joint committee's favorable report and passage of  
the bill. Will you remark, sir.

REP. ROLDAN (4th):

Yes, sir. Thank you, Mr. Speaker.

Mr. Speaker, this bill simply allows the  
teachers' retirement board to pay for health care  
consultant costs up to \$150,000 from the retired  
teachers health insurance premium fund instead of from  
the general fund.

The annual expenditure for health care  
consultants over the past four years has averaged  
around \$86,000. In fiscal year '10, Mr. Speaker, the  
funding was eliminated from the budget. This change  
is necessary to ensure that the necessary work is done  
on behalf of the 16,000 teachers' retirement health

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plan members.

Mr. Speaker, the Clerk is in possession of an amendment, LCO 3696. I ask that it be called and I be allowed to summarize.

DEPUTY SPEAKER McCLUSKEY:

Will the Clerk please call LCO 3696 to be designated House Amendment Schedule "A."

THE CLERK:

LCO Number 3696, House "A" offered by Representative Willis and Senator Roraback.

DEPUTY SPEAKER McCLUSKEY:

The gentleman has asked leave of the Chamber to summarize his amendment. Is there any objection? Is there any objection? Is not, sir, please summarize your amendment.

REP. ROLDAN (4th):

Thank you, Mr. Speaker.

Mr. Speaker, this amendment requires the teachers retirement board to pay a member benefits based on the estimate provided if the member retires based on an estimate that is in error by 10 percent or more. The amendment gives the board the authority to correct this error. I move adoption.

DEPUTY SPEAKER McCLUSKEY: The question before the

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Chamber is adoption of House Amendment Schedule "A."  
Will you remark? Will you remark on House "A?" If  
not, I'll try your minds. All those in favor of House  
"A," please signify by saying, aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER McCLUSKEY:

All those opposed, nay.

House "A" is adapted.

Will you remark further on the bill as amended?  
Will you remark further on the bill as amended? If  
not, will staff and guests please come to the well of  
the House. Will the Chambers please take your seats.  
The machine will be open.

THE CLERK:

The House of Representatives is voting by roll  
call. Members to the chamber. The House is voting by  
roll call. Members to the chamber, please.

DEPUTY SPEAKER McCLUSKEY:

Have all the members voted? Have all the members  
voted? Will the members please check the board to  
determine if your vote has been properly cast. If all  
the members have voted, the machine will be locked.  
Will the Clerk please take and announce the tally.

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THE CLERK:

House Bill 5402 as amended by House "A."

Total Number voting 143

Necessary for adoption 72

Those voting Yea 143

Those voting Nay 0

Those absent and not voting 8

DEPUTY SPEAKER McCLUSKEY:

The bill as amended is passed.

Will the Clerk please call Calendar 108.

THE CLERK:

On page 20, Calendar 108, Substitute for House Bill Number 5372, AN ACT CONCERNING VISITABLE HOUSING, favorable report of the Committee on Planning and Development.

DEPUTY SPEAKER McCLUSKEY:

The honorable Chairman of the Housing Committee, Representative Green, you have the floor, sir.

REP. GREEN (1st):

Thank you, Mr. Speaker.

Mr. Speaker, I move acceptance of the joint committee's favorable report and passage of the bill.

DEPUTY SPEAKER McCLUSKEY:

The question before the Chamber is acceptance of

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**CONNECTICUT  
GENERAL ASSEMBLY  
SENATE**

**PROCEEDINGS  
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SENATE

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The bill as amended passes.

Mr. Clerk.

SENATOR LOONEY:

Mr. President.

THE CHAIR:

Senator Looney.

SENATOR LOONEY:

Yes thank you, Mr. President.

I apologize but before marking the next item had another item to restore to the Consent Calendar that had been marked Consent, removed marked go and would like to place it back on Consent and that is calendar page 13, Calendar 475, House Bill 5402.

THE CHAIR:

And you'd like to put that on the Consent Calendar,  
sir?

SENATOR LOONEY:

Yes, Mr. President, I would move to place that item  
on the Consent Calendar.

THE CHAIR:

There is a motion on the floor to place the item on  
Consent.

Seeing no objection, it is on Consent, sir.

SENATOR LOONEY:

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THE CLERK:

Roll call -- roll call vote has been ordered in the Senate on the Consent Calendar. Will all senators please return to the chamber? Roll call vote has been ordered in the Senate on the Consent Calendar. Will all senators please return to the chamber? And pay particular close attention to the call of those items placed on the Consent Calendar.

Starting with Senate Agenda Number 3, Substitute for Senate Bill 456; calendar page 2, Calendar 143, Substitute for Senate Bill 393; calendar page 12, Calendar 462, Substitute for Senate Bill 5404; calendar page 13, Calendar 475, House Bill 5402; calendar page 14, Calendar 479, Substitute for House Bill 5028; Calendar 480, Substitute for House Bill 5372; calendar page 23, Calendar Number 541, House Bill 5241; calendar page 25, Calendar 35, Senate Bill 12; calendar page 27, Calendar 106, Substitute for Senate Bill 318; Calendar 122, Substitute for Senate Bill 319; calendar page 29, Calendar 169, Substitute for Senate Bill 108; Calendar 170, Substitute for Senate Bill 109; calendar page 30, Calendar 195, Substitute for Senate Bill 414; calendar page 31, Calendar 206, Substitute for Senate Bill 382;

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calendar page 32, Calendar 218, Substitute for Senate Bill 302; Calendar 223, Substitute for Senate Bill 380; Calendar 230, Senate Bill 283; calendar page 33, Calendar 235, Substitute for Senate Bill 216; calendar page 34, Calendar 258, Substitute for Senate Bill 274; calendar page 35, Calendar 316, Substitute for Senate Bill 278; calendar page 36, Calendar 318, Substitute for Senate Bill 418 and calendar page 40, Calendar 546, Senate Resolution Number 17.

Mr. President, I believe that completes the items placed on the Consent Calendar.

THE CHAIR:

The machine is open on the Consent Calendar.

THE CLERK:

The Senate is voting by roll call on the Consent Calendar. Will all senators please return to the chamber? The Senate is voting by roll on the Consent Calendar. Will all senators please return to the chamber?

THE CHAIR:

Senators please check the board to make certain that your vote is properly recorded. If all Senators have voted and all Senators votes are properly recorded, the machine will be locked

and the Clerk may take a tally.

THE CLERK:

Motion is on passage of Consent Calendar  
Number 1.

Total Number Voting	35
Those Voting Yea	35
Those Voting Nay	0
Those Absent, Not Voting	1

THE CHAIR:

Consent Calendar 1 is adopted.

Senator Looney.

SENATOR LOONEY:

Yes thank you, Mr. President.

Mr. President, I would yield the floor to any  
members for announcements or points of personal  
privilege.

THE CHAIR:

Are there announcements or points of personal  
privilege? Are there announcements or points of personal  
privilege?

Seeing none, Senator Looney.

SENATOR LOONEY:

Thank you, Mr. President.

For purposes of -- or first of all would move for immediate transmittal to the House of Representatives of any items acted upon today requiring additional action in that chamber.

THE CHAIR:

Is there objection?

Seeing none, so ordered.

SENATOR LOONEY:

Yes thank you, Mr. President.

Mr. President, for purposes of -- of a Journal notation.

THE CHAIR:

Please proceed, sir.

SENATOR LOONEY:

Yes thank you, Mr. President.

Senator Slossberg was absent today and missed votes due to a period of mourning in her family.

THE CHAIR:

The Journal will note.

SENATOR LOONEY:

Mr. President, if we might stand at ease for just a moment.

THE CHAIR:

Would the Senate please stand at ease?

**JOINT  
STANDING  
COMMITTEE  
HEARINGS**

**APPROPRIATIONS  
PART 13  
4759 – 4992**

**2010**

1  
wf/gdm APPROPRIATIONS COMMITTEE

March 17, 2010  
10:00 A.M.

CHAIRMEN: Senator Harp  
Representative Geragosian

MEMBERS PRESENT:

SENATORS: Frantz, Gomes, Harris,  
Maynard

REPRESENTATIVES: Bartlett, Heinrich, Roldan,  
Miner, Camillo, Dillon,  
Esty, Fleischmann, Genga,  
Hetherington, Hwang,  
Kirkley-Bey, Lewis, Miller,  
O'Neill, Orange, Rebimbas,  
Reynolds, Ritter, Roy,  
Ryan, Stripp, Thompson,  
Villano, Walker, Willis,  
Holder-Winfield, Wood

SENATOR HARP: -- Appropriations Committee hearing  
on a number of bills, and we have -- state  
agency has some legislators who wish to speak  
this morning. We're going to start with  
Darlene Perez. So if you're ready, you can  
come forward and make your presentations.

DARLENE PEREZ: Good morning, Senator Harp,  
Representative Geragosian, and members of the  
Appropriations Committee. My name is Darlene  
Perez and I am the administrator of the  
Connecticut Teachers' Retirement Board.

I thank you for the opportunity to be here  
today to speak on behalf of the board in  
support of House Bill 5400, 5401 and 5402.  
House Bill 5400 relates to the reemployment of  
retired teachers in the public schools of  
Connecticut.

While there are existing statutory salary  
limits in place that limit the earnings of a  
retired teacher who is substituting in the

given to you to vote on, and we're -- we're here to support the version that we submitted.

The important thing about the retired teachers who are going back to work and substituting is that many of them do so to help pay for their health insurance. They are not state employees, so they don't get the same opportunities as state employees do for the state employee health insurance benefit.

In most cases, the retired teacher has to pay the full cost for his or her health insurance. And with the increase in health premiums, we're seeing the average health premium for one individual run about 500 to 600 dollars a month.

So these substitute teachers, these retired teachers, oftentimes go back to teaching, which is their career profession, in order to make these few dollars to help pay for their health insurance costs.

I hear the buzzer. Is that me? Am I supposed to wrap it up?

SENATOR HARP: If you could wrap it up quickly. I know you just have a couple of other things you want to say -- just -- why don't you just, sort of, zip through those?

DARLENE PEREZ: I'd like to quickly just also support House Bill 5401, which is a set of technical changes based on recommendations by the state auditors.

And the most important one to me today is 5402, which relates to the funding of a healthcare consultant. The funding has historically been coming out of general fund appropriations. The September Budget

Mitigation Plan eliminated the funding. Our proposal is to take the money out of the health fund.

I've given you a summary of the duties that are required and that have always existed. And the TRB did support the bill and fully supports the bill, and I'll take questions if you have any.

SENATOR HARP: Thank you very much.

Are there questions?

If not, thank you very much and have a great day.

DARLENE PEREZ: Thank you.

SENATOR HARP: Our next speaker is Representative William Tong.

REP. TONG: Morning, Senator Harp, Representative Geragosian, ranking members, and members of the Appropriations Committee. With the Chair's indulgence, I have asked Caryl Komornik, from Stamford, a teacher in the Stamford school system, to join me this morning and to testify with me, if that's okay.

SENATOR HARP: Yes. Please continue, you have three minutes.

REP. TONG: Okay.

SENATOR HARP: Okay.

REP. TONG: Very quickly, we're here this morning to ask you to consider asking the Manpower Development -- to add the Manpower Development Training Act to the list of approved programs

HB 5034

Health Committee with her. And I know that she was -- she was an absolutely lovely, lovely human being --

CARYL KOMORNIK: -- (inaudible) -- I taught with her as well, so I had the privilege of knowing her personally.

SENATOR HARP: Okay. That's great. You know I think that the point that you make that the state already accepts FETA service, and that MDTA actually became FETA, is something we might need to think about.

REP. TONG: Senator Harp, if I might add, there a host of programs that are eligible for credit that are very much like the MDTA, Caryl. This includes other --

CARYL KOMORNIK: -- Peace Corp -- Peace Corp, VISTA, Military Teaching Service, those are just a few to add.

SENATOR HARP: Thank you very much.

Are there further questions or comments?

If not, thank you very much.

CARYL KOMORNIK: Thank you very much.

REP. TONG: Thank you.

SENATOR HARP: We're going to move on to the public portion of our hearing, and our first speaker is Robyn Kaplan.

ROBYN KAPLAN-CHO: Good morning, Senator Harp, Representative Geragosian and members of the committee.

My name is Robyn Kaplan-Cho and I am on staff

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HB5402  
HB5403  
HB5034  
HB5203

with the Connecticut Education Association, CEA, as the retirement specialist helping teachers navigate and understand the teachers retirement system.

Our -- you have our written testimony which is a little bit lengthy, but these bills are a little technical, so I wanted to give you benefit of that information. Just, real quickly, I don't need to reiterate what Darlene Perez said about Bill 5400, dealing with postretirement employment.

As you heard, the bill, as drafted currently, has some errors in it and I understand that is going to be corrected. The retirement board language we support and hope that you will pass in -- in the manner that they've drafted it.

Their Bill 5401 has some technical changes. We also support those changes. I want to specifically mention Raised Bill 5402. As Darlene mentioned, that is a bill that would allow the cost of the Retired Teachers Health Insurance Fund consultant to be paid out of the Retired Teachers Health Insurance Fund.

That's a critical bill from our perspective and the perspective of active retired teachers and the retirement board. The retirement board literally cannot conduct its business of administering such a complicated health insurance program for retirees without the expertise of a consultant. And, as it stands now, there is no funding for that. So it's created a lot of turmoil and stress for sure, not just for the agency, but for the teachers and future retired teachers who expect to receive those benefits. So we strongly urge you to support that bill.

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wf/gdm APPROPRIATIONS COMMITTEE

March 17, 2010  
10:00 A.M.

REP. MINER: Thank you.

SENATOR HARP: Are there further questions?

If not. Thank you very much.

ROBYN KAPLAN-CHO: Thank you.

SENATOR HARP: Paul Jon Roden.

Sorry, Jon-Paul.

JON-PAUL RODAN: Good morning, Senator Harp, Representative Geragosian, ranking members of the -- and members of the Appropriations Committee.

My name is Jon-Paul Roden. I am president of the CEA Retired, the Connecticut education association's affiliate for retired members. And I am here to comment on Raised Bill 5400 and 5402.

You've already heard from Darlene with regard to the -- with regard to Raised Bill 5400, and not being -- that would allow a retired teacher to work for more than one school year as long as they did not exceed the earnings, by removing the sentence defining the term temporary.

It just seems to me to make good sense to be able to hire a retired teacher who has the background, the college education, the years of experience of working in classrooms, as opposed to a nonexperienced substitute, when no qualified candidates are available prior to filling the position.

You also heard from Darlene as she talked about the increased healthcare cost that some retirees are now facing, and their actual need

for some kind of re-employment. So this just seems to make sense for me.

As pre -- as noted previously, Raised Bill 5400 was written, it would limit a retiree's ability to be re-employed beyond one year. I believe that CEA has already proposed language that will address this concern, as Robyn said. Also, with regard to Bill 5402, this is an extremely important bill that will address the need of members of the state retirement board and impact all of Connecticut's retired teachers.

I don't know about you, but there's hardly a month goes by that I don't receive a mailing from one healthcare company or another, regarding all kinds of reasons why their plan is better than anything else. And I don't know quite how to deal with them all myself. So that when the State teacher retirement board is making decisions on a -- a much larger financial scale, I can only guess how they deal with the variety and complexities of the plans without having some expert opinion of -- that would allow them to -- to clearly understand exactly the pros and cons of that.

So I am here to support allowing the STRB that has had a healthcare consultant in the past, who advised them on all aspects of the administration of the plan they offer. They don't have anyone on staff, just as you pointed out earlier. The General Assembly doesn't have actuarial experts. This would simply allow them to have that expert so that they can make a very informed decision on that.

I thank you very much for your time and consideration.

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**TESTIMONY OF JON-PAUL RODEN,  
PRESIDENT, CEA-RETIRED,  
THE CONNECTICUT EDUCATION ASSOCIATION (CEA)  
IN SUPPORT OF**

**H.B. 5400 - AAC REEMPLOYMENT OF RETIRED TEACHERS**

**H.B. 5402 - AAC EXPENSES FOR HEALTH BENEFIT PLANS  
UNDER THE TEACHERS' RETIREMENT FUND**

**BEFORE THE APPROPRIATIONS COMMITTEE  
MARCH 17, 2010**

Good morning Senator Harp, Representative Geragosian, and members of the Appropriations Committee. My name is Jon-Paul Roden. I am the President of CEA-Retired, the Connecticut Education Association's affiliate for retired members.

I am here to comment on Raised Bill 5400 as well as Raised Bill 5402 which have been requested by the State Teachers' Retirement Board (STRB).

Raised Bill 5400 concerns the reemployment of retired teachers when school districts find that they are unable to fill positions with qualified non-retired candidates. This is a proposed modification of the law that would allow a retired teacher to work for more than one school year as long as they do not exceed the earnings limitation but removing a sentence defining the term "temporary."

It just makes good sense for school districts to be able to hire a retired teacher who has the background of college course work and years of classroom experience as opposed to a non-experienced substitute when no qualified candidates are available prior to the filling of the provision.

As noted previously, Raised Bill 5400 as written would limit a retiree's ability to be reemployed beyond one school year. It would seem more practical to amend the proposed legislation to remove the one year limit on the number of years that a reemployed retiree can work, as long as the annual earnings limit is not exceeded. I believe that CEA has already or will propose language that would address this concern.

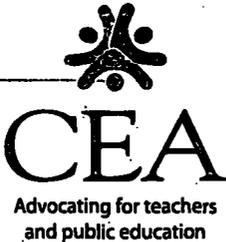
As a retiree, I believe Raised Bill 5402 is an extremely important bill that would address a need for members of the State Teachers Retirement Board and impact all of Connecticut's retired teachers.

We all receive countless mailings from health care providers promoting their products. Each is designed to "sell" that company's product and most recipients are overwhelmed with the number and complexities of these offerings. I can only guess at how the members of the Teachers' Retirement Board deal with the variety and complexities of plans without being "experts" in the health care field themselves as they review all aspects of the administration of the TRB plan including such things as writing and analyzing RFP's, calculating the annual premiums, insuring that their plan fulfills its requirements all while making sure that they have considered all cost-saving initiatives.

In the past, the STRB has had a health care consultant who advised them on all aspects of the administration of the plan that they offer. Since the TRB does not have anyone on its staff that has the resources or expertise to provide this service and since the September state budget mitigation plan eliminated the funding for a health plan consultant, it is essential that a position be restored in order to provide the guidance necessary for the Board members to do their job. The bill allows the health care consultant costs, up to \$150,000 annually, to be paid directly from the retired teacher's health insurance fund as opposed to general state funds. I understand that OPM supports this proposal and as a pension and health care fund recipient, I would ask that you do so also.

Thank you for your time and consideration.

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**TESTIMONY OF ROBYN KAPLAN-CHO,  
 RETIREMENT SPECIALIST,  
 THE CONNECTICUT EDUCATION ASSOCIATION (CEA)  
 IN SUPPORT OF**

**H.B. 5400 - AAC REEMPLOYMENT OF RETIRED  
 TEACHERS**

**H.B. 5401 - AAC TECHNICAL CHANGES TO THE  
 TEACHERS' RETIREMENT SYSTEM  
 STATUTES**

**H.B. 5402 - AAC EXPENSES FOR HEALTH BENEFIT  
 PLANS UNDER THE TEACHERS'  
 RETIREMENT FUND**

**-CEA's ADDITIONAL SUGGESTED AMENDMENTS**

**BEFORE THE APPROPRIATIONS COMMITTEE**

**MARCH 17, 2010**

HB 5034 HB 5203

Good morning Senator Harp, Representative Geragosian, and members of the Appropriations Committee. My name is Robyn Kaplan-Cho and, as CEA's Retirement Specialist, I am responsible for educating teachers about the pension benefits provided to them under the Connecticut State Teachers' Retirement System.

I am here to comment on Raised Bill 5400 as well as Raised Bills 5401 and 5402, the latter two of which have been requested by the State Teachers' Retirement Board (STRB). I also will provide you with proposed amendments on three additional issues of importance to CEA members.

Raised Bill 5400 relates to a retired teacher returning to work as a Connecticut public school teacher. The Teachers' Retirement Board has proposed modifying the current law (by deleting the sentence containing the definition of the term "temporary") to allow a retired teacher to work for more than one school year as long as they do not exceed the earnings limitation. This conforms to the STRB's current practice. However, as written, RB 5400 would limit a retiree's ability to be reemployed beyond one school year. Neither the STRB nor CEA supports this particular change. Rather, we would ask that RB 5400 be amended to remove the one year

limit on the number of years that a reemployed retiree can work, as long as the earnings limit is not exceeded. The substitute language should read:

*Section 1. Section 10-183v of the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):*

- (a) Except as provided in subsection (b) of this section, a [former] teacher receiving retirement benefits from the system may not be employed in a teaching position receiving compensation paid out of public money appropriated for school purposes except that such [former] teacher may be employed [temporarily] in such a position and receive no more than forty-five per cent of the maximum salary level for the assigned position. Any [former] teacher who receives in excess of such amount shall reimburse the board for the amount of such excess. [Temporary employment means employment for less than a school year.] Notice of such employment shall be sent [semi-annually on January thirty-first and June thirtieth] to the board by the employer[ing officials] and [by] the retired teacher at the time of hire and at the end of each assignment.*

Subsection (b) of this bill also closely resembles the STRB's proposal but improperly deletes the requirement that a retiree must receive prior approval from the STRB before working in a subject shortage area for a second year. The language in this bill implies that there should be approval but deletes the current language that explicitly requires prior approval. CEA's position is that this prior approval language should be retained.

In short, CEA requests that this Committee adopt the proposed language originally submitted by the STRB on the issue of reemployment of retirees, rather than the language contained in this particular bill.

Raised Bill 5401 simply makes technical changes to the teachers' retirement statutes in order to eliminate obsolete language. CEA supports these changes.

Raised Bill 5402 is an extremely significant bill and CEA strongly supports its passage. The STRB administers a very complicated Medicare supplement plan to thousands of retired teachers and spouses through Stirling Benefits. Over the years, the STRB has relied heavily on the expertise of a health care consultant to advise them on all aspects of the administration of this plan including such things as writing and analyzing RFP's, calculating the annual premiums, providing guidance on compliance and recommending cost-saving initiatives. This advice and counsel is paramount since the STRB has never had the in-house resources or expertise to provide this service. However, the September state budget mitigation plan eliminated the funding for a health plan consultant. This elimination was devastating for not only the STRB as the administering agency but also for all of the retirees and future retirees who participate in the plan and expect it to be run efficiently and effectively. Despite repeated pleas from the STRB for the funding to be restored, it was not. Consequently, in order to ensure the continued prudent operation of the health insurance program, the STRB has requested this bill. It allows the health care consultant's costs, up to \$150,000 annually, to be paid directly from the retired

teacher's health insurance fund as opposed to general state funds. OPM supports this proposal and CEA urges this Committee to do the same.

CEA supports three other retirement proposals and requests that Proposed House Bill 5034 be amended to include them.

First, we request that C.G.S. Section 10-183e(b) allow for the purchase of service rendered in the Manpower Development Training Act (MDTA) program. Current law provides a list of certain types of other credited service that can be purchased such as Peace Corp and VISTA service. Like both Peace Corp and VISTA, MDTA was public service work, providing specialized job training to underprivileged high school dropouts.

In terms of cost impact, it is fair to presume that, like VISTA, there are not a significant number of teachers who served in the MDTA program so the cost should be minimal. Moreover, in 1973, the MDTA programs were consolidated into the Comprehensive Employment and Training Act (CETA). It is noteworthy that CETA work is purchasable in the Teachers' Retirement System, so MDTA service should be as well.

Second, CEA requests that the law be amended to allow teachers to pay in retirement contributions while working part-time for one year, in order to bring that part-time year up to a full-time year for purposes of the full-time equivalency (FTE). This is a proposal based in equity since teachers on a full year's leave of absence are allowed to do this under current law, but a teacher who is actually working, albeit part-time, is not.

Third, we request a change to the requirement that the purchase of out-of-state years is based only on the number of full-time Connecticut years worked (2:1 ratio). Instead, we are seeking to allow part-time years to count proportionately when purchasing out-of-state years. For example, a teacher who works 8 full-time years in Connecticut and 12 half-time years in Connecticut is only allowed to purchase 4 (half of 8) years from another state. Our proposal would allow for the full-time equivalent of the part-time years to be utilized so that his/her 12 half-time years would be equivalent to 6 full-time years, thus allowing him/her to buy 3 more out-of-state years. The intent of this law was to ensure that those teachers who come to teach in Connecticut do not end up having more out-of-state years than they have Connecticut years. However, the law as it is written does not recognize any part-time years of teaching in Connecticut even in a case where a teacher may have over twenty or thirty years of part-time Connecticut service. This was not the intent of the law and we believe that our proposal remains consistent with the original intent but also encourages out-of-state teachers to enter the profession in Connecticut.

Attached you will find draft language for all three of these proposals, for your review.

Finally, Substitute House Bill 5203 has been referred to this Committee from the Labor and Public Employees Committee. CEA supports Section 1(f) of this proposal because it addresses

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TESTIMONY BY ADMINISTRATOR DARLENE PEREZ  
CONNECTICUT TEACHERS' RETIREMENT BOARD  
APPROPRIATIONS COMMITTEE PUBLIC HEARING  
MARCH 17, 2010

H.B. 5400 AAC REEMPLOYMENT OF RETIRED TEACHERS  
H.B. 5401 AAC TECHNICAL CHANGES TO THE TEACHERS' RETIREMENT  
SYSTEM STATUTES  
H.B. 5402 AAC EXPENSES FOR HEALTH BENEFIT PLANS UNDER THE  
TEACHERS' RETIREMENT FUND

Good morning Senator Harp, Representative Geragosian, and members of the Appropriations Committee. My name is Darlene Perez and I am the Administrator of the Connecticut Teachers' Retirement Board (TRB). Thank you for the opportunity given to me to present the Board's support in favor of H.B.s 5400, 5401 and 5402.

H.B. 5400 relates to the reemployment of retired teachers in the public schools of Connecticut. While there are existing salary limits in place that limit the earnings of a retired school teacher who is substituting in the public schools of CT, there is also language that limits the substitute service a retired teacher provides on a "temporary basis" defined as less than a school year. This definition prohibits a school teacher from working in the same assignment from the first day of school through the last day of school. The TRB feels this language should be eliminated so that the same retired teacher who returns as a substitute can begin the school year and if necessary can complete the school year so that the school district doesn't have to hire two substitutes for the same assignment within the same school year. H.B. as written restricts post retirement substituting to one year. The TRB supports the following language which would allow the retiree to work in excess of one year under the salary limitations already in place as many of our retirees depend on substitute pay to offset their cost of insurance after retirement, which is usually paid for in full by the retiree with a small subsidy from the state but without any employer subsidy, and in addition will allow a substitute to work from September through June, if needed, with salary limitations that are already in place.

***Sec. 10-183v. Reemployment of teachers. (a) Except as provided in subsection (b) of this section, a [former] teacher receiving retirement benefits from the system may not be employed in a teaching position receiving compensation paid out of public money appropriated for school purposes except that such [former] teacher may be employed [temporarily] in such a position and receive no more than forty-five per cent of the maximum salary level for the assigned position. Any [former] teacher who receives in***

*excess of such amount shall reimburse the board for the amount of such excess. [Temporary employment means employment for less than a school year.] Notice of such employment shall be sent [semi-annually on January thirty-first and June thirtieth] to the board by the [employing officials] EMPLOYER and [by] the retired teacher AT THE TIME OF HIRE AND at the end of each assignment.*

H.B. 5401 has been submitted to make technical changes to delete obsolete language which was recommended by the State Auditors of Public Accounts in recent audit findings. The TRB supports these changes.

H.B. 5402 relates to the funding of a health care consultant for the TRB who has relied on General Fund appropriations for this critical and on-going need. The health care consultant provides services such as the following:

Identifies and resolves systemic issues with the health care vendors.  
 Calculates the premium equivalent for the health care plans (prescription, medical, dental and vision/hearing)  
 Prepares reports and cost analysis on health plan changes.  
 Maintains a health fund model used in forecasting financial needs for benefits.  
 Provides annual HIPAA training for staff.  
 Writes RFP's for the health care vendors services (medical, dental and prescriptions)  
 Prepares financial analysis on pricing offers received from vendors.

Provides guidance and recommendations on:

- appeals and prior authorization requests,
- plan enhancements,
- industry standards,
- cost containment initiatives,
- Federal and State legislation,
- claim/coverage complaints.
- HIPAA compliance

The September budget mitigation budget eliminated the funding for these services. Absent of general fund appropriations for these services the TRB considers this bill crucial to the continued financial and administrative success of it's multiple health care plans for current and future retired teachers of CT. The TRB submitted and fully supports this bill.