

PA12-107

HB5443

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**JOINT
STANDING
COMMITTEE
HEARINGS**

**APPROPRIATIONS
PART 10
2897 - 3219**

2012

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ag/jr/gdm/gbr APPROPRIATIONS COMMITTEE March 19, 2012
10:00 A.M.

CHAIRMEN: Senator Harp
Representative Walker

MEMBERS PRESENT:

SENATORS: Kane

REPRESENTATIVES: Abercrombie, Betts,
Candelaria, Carpino,
Dillon, Genga, Gonzalez,
Haddad, Hwang,
Holder-Winfield,
Hurlburt, Kiner,
Kirkley-Bey, Lavielle,
Miller, Miner, Orange,
Reynolds, Ritter, Ryan,
Sampson, Sawyer, Sayers,
Schofield, Simanski,
Thompson, Villano, Wood

REP. WALKER: Good afternoon, everybody -- or good morning -- oh, God -- this is going to be a bad week. I don't even know what time it is. Good morning, everybody. I want to call this public hearing to order. And I would like to call first -- all right -- I'm going to start with Darlene Perez from the Connecticut Teachers' Retirement System.

Please, everybody, when you come to the microphone, be -- make sure that you give us your name so that they can have it for record. Thank you.

Good morning.

DARLENE PEREZ: Good morning. How are you?
Good morning, Senator Harp and Representative Walker and other committee members. I'm Darlene Perez. And I am the administrator of the Connecticut Teachers' Retirement System,

HB 5443

I am here this morning in support of House Bill 5443, which is AN ACT CONCERNING BENEFITS FOR SURVIVING SPOUSES UNDER THE TEACHERS' RETIREMENT SYSTEM. We actually currently have two spouses of deceased members that would immediately benefit from this bill that are, from -- from my perspective, are -- are -- there's basically a flaw in the system in that we have two members who were teachers for a long time. They were actually career teachers who died prior to retirement, but after meeting eligibility for retirement on their own right.

And under the current statutes I'm bound and limited to offering their spouses what is referred to as a "survivorship benefit." And a spouse's survivor basic benefit maxes out at \$600 a year -- a month. So here I am limited in this offering at a maximum benefit of 600 a month, whereas -- and this is all due to a member failing to maintain and update beneficiary designation within the Teachers' Retirement System.

Had these members maintained a proper beneficiary designation, I would have been able to extend to the surviving spouses the retirement benefit that the member had earned on their own full-time career in the State of Connecticut. So, again, I view this as a technicality that I am limited in what I can offer because a member was busy taking care of their children and busy working at and fulfilling their duties as a -- as a teacher rather than taking care of their own personal affairs.

What this bill will do is pretty much bring us in alignment with provisions that are spelled out by ERISA, which is a set of federal code

that pretty much requires a pension plan to continue or to provide either all or a portion of a persons' earned benefit to a spouse in the event that the member dies first. So I see this as a technical correction that will bring the Teachers' Retirement Board in alignment with the laws governing ERISA covered plans.

So, basically, I urge you to consider and vote in favor of House Bill 5443 so that we can remedy the inherent flaws in the system governing the -- the surviving benefits rights.

Do I have any questions? I'd be happy to answer at this time.

REP. WALKER: Thank you. And thank you for your testimony.

Before I ask any members, when did -- the thing that's very striking to me is the fact that we're now hearing about this. So how long has this been in -- in effect and why haven't we heard about this -- this hook in the package before?

DARLENE PEREZ: I believe it's because -- being that it's a pension system governing teachers, and teachers, in general, are not considered -- or teaching, I should say, is not considered a high-risk occupation, we're really not seeing our program of what we call "survivor benefits" is not a large program, basically, because teachers, thankfully, usually get to live out their career and enter into retirement. So we're not seeing many of these cases where the lack of a meaningful beneficiary designation prior to retirement matters because, of the small group of

teachers who do die prior to retirement, thankfully, the -- the majority of them had an updated beneficiary.

What -- what we're seeing too is that for post-retirement purposes this does not come into play because, at the time of retirement, there is a requirement that your beneficiary be updated.

REP. WALKER: Uh-huh.

DARLENE PEREZ: And so it's only a pre-retirement issue. There is only a few teachers who die monthly prior to retirement. And of that group, there is fewer of those who have met eligibility for retirement. But it's -- it's very clearly a big problem because we have two cases that occurred within a couple years of each other.

REP. WALKER: Uh-huh.

DARLENE PEREZ: So for years and years it was not a problem and then we had two within -- time wise, a close time frame of each other.

REP. WALKER: Do you see a trend that teachers are teaching longer now than they were in the past?

DARLENE PEREZ: Yes, we do. We have noticed an increase in the amount of time teachers are teaching. This ties into another issue you've heard about before, which is cost of insurance for a teacher who retires prior to becoming eligible for Medicare Part A and B, which is at 865. So we're seeing the average age of retirement slowly increasing so that those teachers can close the gap between retirement and participating in Medicare when their cost for insurance will go down.

REP. WALKER: I -- I -- and plus the -- the opportunity for other employment is being decreased dramatically in -- in a lot of areas, and I'm seeing that more and more, especially in -- in the area around New Haven.

Questions from the committee?

Yes, Representative.

REP. SCHOFIELD: I just want to make sure I'm understanding. So, in both of these cases, what happened was that the teacher died while still an active teacher and they had remarried or had married and never put their spouse on the paperwork at school?

DARLENE PEREZ: Neither had -- as far as I know, neither had remarried. In -- in one case the member had a designation on file of his father who had been deceased for six years, is -- is my recollection of the facts.

In the other case the member never had named a beneficiary, in which case, we cannot extend the spouse the full spouse benefits. When the estate is the beneficiary, we cannot provide the spouse with the -- the retirement benefit that we could if the law were changed in accordance with this proposal. (Inaudible) benefit entitlement that the teacher earned and did work an entire career to earn.

REP. SCHOFIELD: Yeah, that I understand and I agree with. I just wanted to make sure it wasn't that they named someone else and that the --

DARLENE PEREZ: No.

REP. SCHOFIELD: -- because I --

DARLENE PEREZ: They have not named someone else.

REP. SCHOFIELD: -- wouldn't want to overrule what the decedent had wanted.

DARLENE PEREZ: Right. They did not. It appears to be an error on both -- in both cases.

REP. SCHOFIELD: And what was the obligation of the administrator or administration of the school or of the plan, if there was any at all, to make sure that there was something written into that blank on the form?

DARLENE PEREZ: There is -- we do ask the employers to provide beneficiary forms to new -- to new hires, but in neither case were these new hires. And with the limited staff that we have -- we have now 23 staff, of which 20 are full time -- we are not staffed to do outreach programs to the teachers to educate them on any of the provisions of the system.

REP. SCHOFIELD: Right. Okay. All right. Thank you very much.

REP. WALKER: Thank you, Representative.

Representative Ritter.

REP. RITTER: Thank you, Madam Chair. Good morning.

DARLENE PEREZ: Hi.

REP. RITTER: And this is something of a follow-up question to Representative Schofield's, because she partially asked the question I had which had to do with the obligations of the administrator to follow up, as -- as you indicated, on people that don't so designate.

But throughout the process or the employment life of the -- of beneficiary -- or of the teacher, are there opportunities or ways in the system to do this, a reminder? I know annually I get reminders here for all the -- about updating all of this stuff, and I guess my concern is that perhaps that had not been happening.

DARLENE PEREZ: We do send out an annual member statement and it does provide who the designated beneficiary on record is. But we have found that even though we're sending out these annual statements that there -- there still are people who are paying more attention to their job, that are busy with competing tasks at work, and pay less attention to their own personal needs, and especially when it comes to beneficiary designation because with my over 30 years on -- on the job there, I have found that asking people to change or -- or name a beneficiary is a little bit like asking them to plan for their death. And that is something that, in general, we find people a little bit reluctant to do. They keep thinking well, that's not me, I'm not going to die, that's not going to happen to me, so it's easily set aside and put on the back burner.

REP. RITTER: As a follow up to that, I guess I'll add a little -- start a little bit from my perspective. I've been working a long time too, and I have a family, and I pay a lot of attention to that at the point of employment. I'll be honest with you. When I get those statements, I want to make sure that that's the case.

And so perhaps the educational effort that could be more effectively taking place between the plan administrators and teachers as -- as to the importance of doing this, and I guess I

might have some concern because I might take some exception to that actually and so hope that that's an area also for -- perhaps you all to think about reinforcing that this is important. And it's important, actually, at the moment of employment just as much as it is as you -- well, it becomes more important as you move through your employment life and particularly have -- oh -- children and -- and family that were unanticipated at the time of original employment, as apparently happened here. And -- and so the repercussions become more serious. So I guess what I'm asking is, or trying to bring to your attention the importance really of doing that with your teachers.

DARLENE PEREZ: Thank you.

REP. SCHOFIELD: I'll leave it there. Thank you.

REP. WALKER: Thank you. And I -- I guess I want to, sort of, chime in on that because I'm one of those people who probably doesn't read the -- the material. And I'm going to be honest because we are, sort of, overwhelmed in -- in the multiple tasks that we -- we have in our job.

A lot of people feel that in education, you know, we have a very fixed hours but our hours are not that fixed because we are constantly reading, correcting or communicating. And so it's very hard. And I understand that because I had to add my -- my husband, my current husband, to my plan and I forgot for seven years, so. And the reason why I found out was because he read the plan and said I'm not -- I'm not your beneficiary. I was, like, oops, my bad.

So -- so I -- I understand that in -- in a lot

of ways and -- and I want to go to the next -- do we -- because I know I get no communication by e-mail from -- from the department on -- on my benefits, who my beneficiaries are or, you know, my time.

Have we started doing that with -- with our -- our clients now so that it makes it easier for you to communicate to us? Because when we did with paper mail, it -- it takes a lot more time for your department. But to create, sort of, a (inaudible) that has announcements that go out to the -- the body that you are trying to communicate with, those types of things.

I know everybody doesn't have an e-mail, I understand that. But it probably could capture two-thirds of the -- of the people that are in there because there are a lot more teachers that I know that have e-mails than people that are their age in other industries. So I just wondered, do we try any of those things?

DARLENE PEREZ: We do. We do have the capability of sending information out to the Board of Eds and asking them to forward information to the active teachers.

I want to mention, I have a niece who is absolutely the very person we want to have in our schools as a teacher. She loves teaching. She has a passion for teaching. She's very gifted in music. She brings music into all of her subject areas when possible. She happens to benefit by me being the administrator of the Teachers' Retirement System. I personally have asked her to change her beneficiary five times. Do you think she has; no. Does that make her a bad person or a bad teacher; no. It makes her caught up in her work and her passion.

REP. WALKER: I -- I understand that. And also, sometimes we shy away from things that we don't quite understand. I mean, you know, when you -- like you said, we -- we all live -- we all expect to live too long --

DARLENE PEREZ: Yeah.

REP. WALKER: -- and we all expect all of this to work out somehow or another, because that wasn't what you were focused on, so I definitely understand that.

DARLENE PEREZ: I -- I would like to add, if I can, just real quickly, that the Teachers' Retirement System has a group of people who don't pay into social security.

REP. WALKER: Oh, yes.

DARLENE PEREZ: And because of that, we have a program called a "survivorship program". And there -- there could be this general idea that you don't have to be so worried about who you have as your beneficiary, because teacher's retirement has the survivor program that will take care of your family members.

Well, let's say, you have children and did not name them. That's okay, we will take care of those children whether they're designated or not. What happens in the case of the spouses, you've got a menu of benefits that -- that you can select from when -- when you're eligible for retirement and your spouse is designated, you have a different set of menu options available to you when you have a spouse, you die prior to retirement and the spouse is not designated. So this simply has to do with benefit offerings for spouses when they are or are not designated. And it -- it's a

disservice to the family to think that your -- your benefit is further restricted when your benefit itself has opened up and you actually now have earned a benefit.

So it's a fine distinction. Again, there is -- it's a complex system with complex rules. And we're really talking about -- for the teachers who continued on working, even though they had an option of retiring, they continued on working, and by now they're really immersed in their -- in their job itself. So I didn't want to give anyone the impression that we never can pay a benefit to children. Our -- really our survivorship program is geared and designed for young families. It's, sort of, leaving out the person who has taught a whole career out in the cold in the event they're not paying that kind of minute detail to their own -- their own set of complex system provisions.

I'd almost have to develop -- I do have a matrix back in the office. I didn't bring it because I didn't want to overly complicate it. But if you have other questions, again, I'd be happy to entertain (inaudible).

REP. WALKER: Representative Betts.

REP. BETTS: Thank you, Madam Chair. And thank you for your testimony.

Do these two individuals -- did they have a will when they passed away?

DARLENE PEREZ: That, I don't know. We couldn't pay the money to their estate even if they had a will, because we're bound by these survivor benefits that max out at 600 a month. So it wouldn't be anything we would learn about because it's not germane to the provisions of

the system.

REP. BETTS: I understand that. But one of the reasons why I mention it -- I don't know how old they were -- but, you know, usually, you know, especially when you have kids, you think of a will, at some point, because you want to make sure that they're taken care of and your spouse is taken care of.

It can be a subject that's really uncomfortable for a lot of people but, nonetheless, at some point, we face it, you know. We have to -- well, we don't have too but we should do some kind of planning. And I find this to be a little bit of a slippery slope.

I tend to agree with Representative Schofield and Ritter, I'd much rather do an educational process and get people to become more aware of it and be proactive. To put it in statute makes me somewhat uncomfortable, and -- and I think could raise some -- some real legal complications further on down the road, unintended consequences. But I think it's very -- it's very problematic. But I -- I sympathize with the situation.

I'm not sure I -- I'm a proponent for doing it in statute as opposed to doing it through the educational advocacy way. But thank you for bringing it to our attention.

DARLENE PEREZ: You're welcome.

REP. WALKER: Thank you. And any other -- oh -- Representative Sayer -- Sawyer.

REP. SAWYER: Good morning. Can you describe simply the difference, because this is way out of my field. I -- I'm honest about that. Can

you describe simply the difference between the way that Teacher Retirement System does it and the State Employee System does it?

DARLENE PEREZ: I'm not familiar with how the state employees handle pre-retirement, but I am aware that there are members paying to social security so they don't have this independent survivor program with complex statutes governing it.

I do know that for retirement purposes, if the benefit that the member selects -- if the option -- the form of option, it does not extend continuous benefit to their surviving spouse, that there is a sign-off requirement. And that's what we're looking for here, is for a waiver to be put into place so that if the benefit is not appropriately designed for the spouse, that there can be a waiver provision so that -- for example, if it's a second or third marriage and there may be grown children, those -- whatever money is in the account there would be a provision to pay the money to the grown children. So that part's been taken care of.

REP. SAWYER: Thank --

DARLENE PEREZ: I -- I do want to add that in -- in one case, in one of these two cases, the member died with nearly \$400,000 in her account, to put this into scale for you. And we are bound, by law, to only extend a payment of \$600 a month, holding hostage nearly \$400,000 that will not earn interest while we're paying out these benefits at \$600 a month. And, again, maybe this is unintended consequences, but perhaps if I mentioned that, it'll show how egregious it is.

REP. SAWYER: Thank you. I think that clarifies a

couple of things. Thank you.

REP. WALKER: Thank you.

Representative Candelaria.

REP. CANDELARIA: Thank you, Madam Chair. Just a quick question. How many situations have you faced in the past where the spouse was not able to receive the benefits?

DARLENE PEREZ: These two are the ones I can recall, and I've been there for over 30 years. I do not recall this happening prior.

REP. CANDELARIA: So in 30 years, only -- only two cases.

DARLENE PEREZ: That's all I can recall.

REP. CANDELARIA: Okay. All right. Thank you.

REP. WALKER: Thank you.

Any other questions, comments from the committee?

Representative Thompson.

REP. THOMPSON: I just want to follow up on your mentioning that this is not unusual for somebody to bring up survivorship. I was contacted by a member of the family and I urged them to file for this legislation.

And I had a memory of my own fresh -- my wife passed about ten years ago. And it was about, oh, a year ago, I guess, I got a reminder from one of the programs I was carrying that I should check my survivorship, and sure enough my wife was the survivor. And I'm sure that, you know, most cases that's taken care of in estate planning or something, but it's a --

just an oversight. And that's the way I describe what happened to Mr. Connelly and so I urged her to -- I urged the relative who contacted me to, you know, follow up on the idea of submitting legislation, and it certainly has my support.

And I sympathize very greatly with -- with the family. So it's tough that they have to go through this, but hopefully we'll straighten it out today. Thank you.

DARLENE PEREZ: Thank you.

REP. WALKER: Thank you. And thank you for your testimony.

Any other comments, questions?

Thank you very much. Have a good morning.

DARLENE PEREZ: Thank you.

REP. WALKER: Next we have Jonathan Harris, Deputy Treasurer.

Good morning, sir.

DEPUTY TREASURER JONATHAN HARRIS: Good morning. Thank you, Madam Chair. I apologize for being out of the room. I -- as a former member of this committee, I should have remembered the focus and efficiency that -- that you have here.

REP. WALKER: I was, like, I just saw him crossing the street about 20 minutes ago.

JONATHAN HARRIS: Yeah. We were here. We were here. Well, thank --

REP. WALKER: Good to see you. Good to see you.

and company. Okay. Everybody come down and sit in the front.

Now remember, please, if anybody else speaks besides you ma'am, please make sure that they state their name, et al. Wait a minute, they aren't all in there, small family.

Good morning.

LEANNE CONNOLLY: Good morning, my name is Leanne Connolly and these are my friends and family and this is my brother, Jim. Thank you Senator Harp and Representative Walker, distinguished members of the Appropriations Committee for letting me speak today about Bill 55 -- 5443, the Waiver of Benefit for the surviving spouse proposal. My name is Leanne Connolly, and I am the widow of Joe Connolly and mother of two wonderful children Patrick, 17 and Eric, 19. On November 12, 2011 we lost my husband and their dad, without warning. He went in the hospital and died that night.

Let me tell you about Joe. He was my best friend, and he was a loving husband, father, brother, uncle, friend, colleague and teacher, we have all been blessed to have known and loved.

In this session, it is time to honor a 22-year veteran teacher from the South Windsor. Joe taught sixth grade at Timothy Edwards Middle School where he loved teaching a fine group of sixth graders every year.

We lost a caring man who loved us all very much. He was also loved by many. There was an overflow of more than 800 people at his calling hours and about 450 at his funeral. The support has been amazing, but not unexpected, for we knew that Joe had touched

and changed, and saved many lives as we were told at his wake.

After Joe died, I found out that he had not changed his beneficiary from his father to myself. Imagine my shock when the Teacher's Retirement Board told me that I would not receive his full pension because his father was the beneficiary. But his father had died six years ago, how could this be possible? Then I was told that one and only solution was to change the legislation. What does that mean? What is the law and what is my next step? For me, as an average citizen, this seemed insurmountable. I had no clue how to proceed. If it wasn't for Joe's and my family, I would not be here today.

Overwhelming doesn't even touch upon the feeling that I had to -- in pursuing this change in legislation. This was obviously an oversight on Joe's part. He would have wanted our family to be taken care of. This mess was clearly not his intention, that we would be expected to live on less than one-third of his full pension that he paid into for 22 years. Without his full pension, I will lose my home and my children's college education will be in jeopardy.

Anything you could possibly do to expedite this legislation to relieve the anxiety and stress of our family, would be greatly appreciated. It is my understanding from the Governor's aide, that once this legislation reaches the Governor's desk he will sign it. In deference to your time I have not asked all of these people to testify because they are all going to say the same thing. Joe was a great person and this situation is totally unbelievable. It is our hope that this mistake be remedied as soon as possible. I

have a petition and over 120 letters, addressed to the cochairs, that I submit to you for our consideration -- for your consideration in this matter.

During many classes Joe would have his students repeat: I am kind. I am smart. And I am important. Made famous by the movie: The Help. That statement summarizes what kind of person Joe was as a teacher, a citizen, a friend, a brother, a father, and loving husband.

Please let us live our lives as Joe would have wanted. I want to share with you some offerings from Joe's students, made in memory of him:

I remember how much work he put into the last few weeks, perfecting everything in Annie, Jr. and how he always used to say that Friendly's was going to be not -- not -- not going -- is -- was going to not be there after our cast party and Friendly's. Thank you Mr. Connolly for making me proud of myself for singing and dancing. And that's from Maddy R.

I have one more for you: Mr. Connolly was a man whose favorite song was My Bonnie Lies Over the Ocean. He loved kids, appreciated theatre and had a big heart. He was a director, teacher and father. Mr. Connolly will be missed dearly.

Thank you for letting me speak.

REP. WALKER: Thank you and I'm sorry for the loss of your husband. He sounded like a great guy.

Thank you.

LEANNE CONNOLLY: He was, amazing.

REP. WALKER: Questions or comments from the --

Yes, Representative Schofield

REP. SCHOFIELD: Thank you, Madam Chair. And I, too, am sorry for your loss.

I just, as I understand it, want to reflect that it -- it makes sense to me that if the existing pension law for people who are in their postretirement years and, and this is how I understand that ERISA works, that the spousal benefit is the default option. If you do nothing, by default the spouse gets the benefit.

LEANNE CONNOLLY: Not in the Teacher's Retirement Fund.

REP. SCHOFIELD: And that's the problem with this and so --

LEANNE CONNOLLY: Right.

REP. SCHOFIELD -- if I'm understanding the proposed bill what we'd be doing is conforming the teacher's retirement system to the prevailing way that Social Security and other pensions work.

So it took me a while to, sort of, figure out that that's what the previous testimony was explaining but that's how I understand, having looked at the bill, that it just creates that as a default option. If somebody doesn't want their spouse to get that benefit for whatever mean, horrible reason they may have, they can waive that.

LEANNE CONNOLLY: They sign a waiver.

REP. SCHOFIELD: But it takes an affirmative action on the part of the teacher, in this case, to waive the spousal benefit. If they fail to do that it would, by default, provide a spousal benefit so it would just eliminate the possibility that we'd have this little clerical error resulting in this kind of a tragedy.

LEANNE CONNOLLY: Yes.

REP SCHOFIELD: So you certainly have my support.

LEANNE CONNOLLY: Thank you.

REP. WALKER: Thank you.

Any other?

Yes, Senator Kane.

SENATOR KANE: Thank you Madam Chair.

I'm glad Representative Schofield spoke before me because now I get a little bit of a better understanding of this, but if you could just give me a little history here.

LEANNE CONNOLLY: Uh-huh.

SENATOR KANE: In your testimony you said that Joe had his dad as the beneficiary. Why did he choose his did?

LEANNE CONNOLLY: Because we weren't married.

SENATOR KANE: Okay. So, and that was however many years ago.

LEANNE CONNOLLY: Right.

SENATOR KANE: And then you get married and do you

not then look at all of your -- all of your stuff and say hey we need to do this, we need to do this, we need to do that.

LEANNE CONNOLLY: Well, Joe looked at some of his stuff because he changed his life insurance policy and his annuity was under my name. So it was an oversight, and I think that he thought because he changed his life insurance with the school that it in turn changed the teacher's retirement.

SENATOR KANE: Got you.

LEANNE CONNOLLY: That's only speculation, I can't

SENATOR KANE: Right.

LEANNE CONNOLLY: -- I can't --

SENATOR KANE: So then,

LEANNE CONNOLLY -- know.

SENATOR KANE: Then he passes, when you go to collect the benefit they say no.

LEANNE CONNOLLY: Your father in law is the

SENATOR KANE: Beneficiary.

LEANNE CONNOLLY -- beneficiary, and since he has passed --

SENATOR KANE: But --

LEANNE CONNOLLY: -- what happened?

SENATOR KANE: I guess my question is to Representative Schofield said if you didn't select anyone it would be default to you, but he did select someone. I guess that's where

my confusion still comes from. It wasn't as if he didn't pick anyone and it didn't default.

LEANNE CONNOLLY: Right.

SENATOR KANE: It was he picked -- because that -- that's different than this. It -- what he -- what she's saying is we need to fix the default but he chose someone.

LEANNE CONNOLLY: But because there was --

SENATOR KANE: Now, did you have to go to probate or anything?

LEANNE CONNOLLY: Uh-huh.

SENATOR KANE: No, I know he passed away.

LEANNE CONNOLLY: But since he's passed away --

SENATOR KANE: I'm -- I'm sorry. I'm still trying to get my -- wrap my arms around it.

LEANNE CONNOLLY: Since he passed away, the father passed away, then it's as if there's nobody there.

SENATOR KANE: Okay. That's what I want to -- good, thank you.

LEANNE CONNOLLY: Yeah.

SENATOR KANE: So he no longer becomes beneficiary because he -- he passed.

LEANNE CONNOLLY: That's my understanding.

SENATOR KANE: Got it. That's -- thank you for that Clarification. Okay. Now I get it.

Thank you.

LEANNE CONNOLLY: Uh-huh.

REP. WALKER: Thank you.

And I just want to, sort of, repeat. I guess Senator Kane didn't hear the fact that it took me several years before I realized that I hadn't put my husband on my -- my health -- retirement form. Sometimes we just forget.

Representative Wood.

REP. WOOD: Yeah, just a brief comment. Thank you. And I, too, am very sorry for your loss.

LEANNE CONNOLLY: Thank you.

REP. WOOD: But am heartened by you all coming forward and this is how we make laws is from things that are needed, a technical fix sometimes, and this is a technical fix and I think we all stand in support of -- of what you need --

LEANNE CONNOLLY: Thank you very much.

REP WOOD -- for us to help you with. And thank you again for coming forward.

Thank you Madam, Chair.

REP. WALKER: Thank you.

Any other questions?

Representative Sayers.

REP SAWYER: Sawyer.

REP WALKER: Sawyer.

REP. SAWYER: Thank you, ma'am. There is Representative Sayers and we --

REP WALKER: I looked at her first so --

REP. SAWYER -- we -- we are on the same committees and we've had a lot of fun with this over the years. And her initials are the same as mine, so it gets even more fun.

I did see in the bill, in looking at it very closely because you and I had talked prior, that the bill does say from passage with applic- -- and is applicable with respect to members who died on or after January 1, 2008. So you are captured under this particular law. Is that correct?

LEANNE CONNOLLY: Uh-huh, yes.

REP SAWYER: From your understanding?

LEANNE CONNOLLY: Yes.

REP. SAWYER: Thank you and I appreciate -- appreciate that.

LEANNE CONNOLLY: Thank you.

REP. WALKER: Thank you, Representative Sawyer.

Any other questions or comments from the committee?

Thank you all for your coming out and supporting.

Oh, Representative Thompson.

REP. THOMPSON: Good morning, Mrs. Connolly.

LEANNE CONNOLLY: Good morning.

REP. THOMPSON: The only thing I can add to it is that one of the organizations that was in very active support of the change here was the Connecticut Education Association, which I believe your husband was a member of.

LEANNE CONNOLLY: Yes.

REP. THOMPSON: And they were -- they pitched in and made their presence known and speaking for their thousands of members I think that was important for them to do so, I'm sure you know that but --

LEANNE CONNOLLY: Yes.

REP. THOMPSON: Thank you.

LEANNE CONNOLLY: Thank you.

REP. WALKER: Thank you, thank you for coming out,
Thank you.

LEANNE CONNOLLY: Thank you.

REP. WALKER: Next we have Steve Updegrove. I know I messed that one up. I was close, okay.
Good morning.

STEVE UPDEGROVE: Good morning, Representative Walker, Senator Harp and other members of the Appropriations Committee. My name is Steve Updegrove. I'm a pediatrician practicing in New Haven, and I'm here today representing the Connecticut chapter of the Academy of Pediatrics in support of AN ACT CREATING A CHILD IMMUNIZATION TASK FORCE.

SB 284

Over the past six months, the academy was

REP. WALKER: Thank you. Thank you for your testimony sir. Thank you.

STEVE UPDEGROVE: Thank you.

REP. WALKER: Next we have Robyin Kaplan-Cho, from CEA. Good morning.

ROBYN KAPLAN-CHO: Good morning Representative Walker, Senator Harp, and members of the Appropriations Committee. My name is Robyn Kaplan-Cho and I am the Retirement Specialist for the Connecticut Education Association, CEA, and I'm here to represent the over 41,000 active teachers and over 4,000 retired teachers who we proudly call members of the CEA.

HB5443

My main purpose, at this point in the hearing, is to first put officially on the record CEA's strong support of this bill. You've heard a lot of the details around it, and Representative Schofield, you've done a really good job of trying to summarize what is pretty technical, survivorship statutory information. I -- I just want to point out, hopefully to be helpful there's -- it's even more slightly convoluted than we've already discussed. I want to add one more very relevant angle to this which might clarify, and, in fact, it may help elucidate the fact that it almost could be perceived as sort of a "Gotcha" law, the way it's currently written.

As you've pointed out, the intent of this proposal is consistent with the intent of the original statute, which is to ensure that spouses take precedents for survivorship benefits for active teachers. But the -- the weakness in the current statute is that even

in a case where an active teacher either fails to name any beneficiary, and that's one of the situations you're going to hear about next, or names -- fails to update and, in fact, has named someone other than their spouse inadvertently, which is the case with Mrs. Connolly. Even in those cases, the current law actually still pays the surviving spouse benefit but at a significantly lower amount.

So our current law absolutely recognizes that spouses should get benefits consistent with the ERISA provisions that we've heard about, but for some strange reason, doesn't just pay out the earned pension benefit, that the active teacher has earned. So I -- I think this even more proof that this is some sort of oversight.

I certainly don't think it was intended as a "Gotcha", but it's, it's being implemented as a "Gotcha" in the sense that we have both Mrs. Connolly and Mr. Sugros who's going to testify next. They're both getting benefits even though neither of them was the named beneficiary, but in -- and, as you'll hear, in the case of Leanne -- in the case of Mr. Sugros, who's the surviving spouse of a teacher who died, she had over 38 years of service, he's getting \$600 a month instead of what the earned pension was: \$3,900 a month. Mrs. Connolly is getting around \$580 a month, even though his -- her deceased husband's earned pension was over \$1900 a month.

So, I -- I hope that adds sort of the final facet to what is sort of complicated technical rules. But again, I want reiterate that that was the original intent as I read the statute.

And finally it certainly, as this proposal has been written, we've insured that there is -- while there's a default to the spouse, just a clearer default than we currently have, and I'll wrap it up. It does provide an active teacher the right to waive the spousal benefit if, for some reason, and that's their personal decision, they wish to not give that surviving spouse the full earned pension, and we can speculate a lot of strange circumstances where that, I guess, could happen, but we would not completely active write the active teacher's wishes out of the -- out of the proposal.

So, I'd be happy to answer if there's any remaining questions that I can help with, I'd be happy to answer those but we really respectfully ask for your support on this really, really important bill.

REP. WALKER: Thank you, and thank you for your testimony.

Senator Kane.

SENATOR KANE: Thank you, Madam Chair. I agree, Mrs. Connolly's story is -- is certainly heart wrenching and something that, you know, I feel for her. But, I think in your testimony, you said inadvertently or I don't know, mistakenly, whatever, but the law really doesn't adhere to that, you know, it's black and white. A picks B, you know, that kind of thing. So what if -- I -- I think you're also saying that this would make the spouse the preferred beneficiary. Now, what if there is someone listed? What if --

ROBYN KAPLAN-CHO: Well I guess,

SENATOR KANE: -- Mr. Connolly's dad was still alive --

ROBYN KAPLAN-CHO: Right.

SENATOR KANE: -- what happens then? Does it go to probate?

ROBYN KAPLAN-CHO: No, actually that, maybe -- that's what I was trying to clarify. Even if he -- his father was -- it gets very complicated, I'm not going to get into all of the -- but let's make it -- to simplify it. Even if an active teacher names someone other than their spouse, whether it's inadvertent or not, the surviving spouse still gets monthly benefits. That supersedes the designation that that teacher made.

So my point was the law clearly anticipates that spouses have first rights to benefits. The problem is, as written, for some reason, it gives very insignificant monthly benefits in lieu of what the earned pension was. So I appreciate what your question is, but that does not change what result would have been if his father was still alive.

SENATOR KANE: Okay. Good.

ROBYN KAPLAN-CHO: Or if, you know, Mrs. Sugros had named her sister, instead of her husband. In both cases, they would be coming away, the spouses would still get benefits but minimal, monthly benefits and that's the piece we're trying to fix.

SENATOR KANE: And why is it minimal monthly benefits, because they were named?

ROBYN KAPLAN-CHO: The law just sets out if you didn't -- basically in a nutshell, if you did not name your spouse as the soul primary beneficiary, they still get benefits but

minimal monthly benefits. I honestly don't know why, it seems --

SENATOR KANE: Got you.

ROBYN KAPLAN-CHO: -- to defy logic --

SENATOR KANE: Got you.

ROBYN KAPLAN-CHO: -- but that's what we're trying to fix.

SENATOR KANE: Okay. Good. Thank you for that clarification.

ROBYN KAPLAN-CHO: Yes, you're welcome.

REP. WALKER: Thank you.

Any other questions or comments?

Thank you and --

ROBYN KAPLAN-CHO: Thank you.

REP. WALKER: -- thank you very much. Have a good afternoon.

Next we have Jonathan T. Sugros.

JOHN T. SUGROS: Thank you. It's John.

REP. WALKER: I'm sorry?

JOHN T. SUGROS: Thank you. It's John.

REP. WALKER: Oh? Oh John, I'm sorry, John, John T. Sugros. Okay, good after -- or good morning, sir.

JOHN T. SUGROS: Good morning Ms. Representative Walker, Senator Harp, senators and

representatives. I'm John Sugros from Willington, Connecticut and a surviving spouse, I'm sorry.

I'm John Sugros from Willington, Connecticut and a surviving spouse --

A VOICE: (Inaudible) near a mic.

REP. WALKER: I'm sorry.

JOHN T. SUGROS: I'm John Sugros from Willington, Connecticut and surviving spouse here today requesting your support for Bill 5443.

My late wife Joanne was a teacher in the Tolland school system for 38 years. She chaired the department of Mathematics, taught all levels of Latin, coached woman's field hockey and tennis, receiving recognition as Coach of the year in the latter, from this very Legislature.

We married for 34 years and had no children. In April 2008, Joanne was diagnosed with inoperable brain cancer. The only alternative for treatment was combined radiation and chemotherapy.

After two months of five days a week radiation treatment and chemotherapy at Yale New Haven Hospital, some 45 miles distance from our home, Joanne became progressively debilitated with regard to her cognitive and motor functions.

She lost the ability to walk, to coordinate her arm and hand movements, the ability to converse and most regrettably, the ability to swallow. As a consequence, a gastric tube was surgically implanted for nutrition and hydration, to address that issue.

In addition, Joanne became diabetic due to the corticosteroids administered to surpass pressure-induced pain from that tumor and very susceptible to infections due to her compromised immune system resulting from those very treatments.

By July 2008, Joanne was confined to a bed, unable to walk or communicate or to attend to her needs. From that time, I was Joanne's primary care-giver in our home, with the assistance of the regional Connecticut Hospice organization.

I will not disturb you with the details of that existence for Joanne, or me, as I feel certain that the visual images are very likely well known to you. Suffice to say it was an emotionally distressing, difficult time for both of us.

While Joanne was undergoing treatment, and while she retained her cognitive functions, we discussed the very real reality of her disease and our thought about our lives together on numerous occasions.

Joanne sought to provide me some small measure of comfort by saying that she was strong willed and determined to make a full recovery, but even if the worst should come to pass and I was alone, that I would be the recipient of her retirement, so that I might go on and be unencumbered by our debt. Regrettably, Joanne was mistaken. She died January 4, 2009.

I no longer have my lifemate of 34 years, and I have been quickly depleting my 401 balance, paying down our mutually-incurred debt, and medical expenses not covered by Joanne's insurance.

It's been a difficult three years for me,
Frankly I often ponder the future.

Now I understand and appreciate the reality
that there's a budgetary impact associated
with the proposed Bill 5443.

I ask you, however, please keep in mind that
Joanne worked 38 years as a loyal, dedicated,
recognized teacher, and had she survived to
retire and enjoy her remaining time with me,
she would have been entitled to the funds
currently in her retirement account.

As Joanne's surviving spouse and her sole
beneficiary, I'm here before you today to ask
for your support of Bill 5443.

Please do the right thing.

Thank you for your attention.

REP. WALKER: Thank you, sir. And thank you for
your testimony. And I am so sorry for -- for
the loss of your -- of your partner.

Any questions or comments from the committee?

Representative Kirkley-Bey.

REP. KIRKLEY-BEY: Do you get like a percentage of
her amount of money she would have gotten
monthly?

JOHN T. SUGROS: I would. I elected not to do so
hoping that we could get legislation to fix
this, so I'm not receiving anything.

REP. KIRKLEY-BEY: You're not getting any of her
ben -- oh, okay.

JOHN T. SUGROS: No ma'am.

REP. KIRKLEY-BEY: Thank you

JOHN T. SUGROS: Yes ma'am.

REP. WALKER: Thank you.

Any other questions or comments?

Thank you, sir. And thank you for your testimony.

That concludes the people who have signed up for the public hearing.

Are there any other people out here who would like to testify? Is there anybody else that would like to testify?

Okay. With that, I call the public hearing for the Appropriations Committee closed.

Thank you.

JUSTICE FOR JOE

To: The Appropriations Committee of the General Assembly
The Honorable Senator Toni Harp and Representative Tony Walker, Co-Chairs
March 19th, 2012

My name is Tom Connolly and I am Joe Connolly's older brother. I ask for your support for raised bill number H.B. 5443, An Act concerning Benefits for Surviving Spouses Under the Teachers' Retirement System.

Joe was only 55 years old when he suddenly died on Nov. 12, 2011. I got a call from Joe's wife, Leanne. She said, "You better get over here right away." I refused to think the worst. No one expected Joe to die. I was in the room when the last attempts were made to save Joe. The pain of losing my brother is not describable. If you ever lost anyone that you loved you have felt that pain.

When Leanne was told she had to go to the State Legislature to change a law to get Joe's full pension it was shocking. First the death of her husband, my brother Joe; then being told that she has to go and have a bill passed to get the full pension that my brother paid into for 22 years.

Joe's "crime" was an honest oversight of not changing the beneficiary from my father, who died six years ago to his wife, Leanne. The punishment for Joe's "crime" is for his family to lose more than $\frac{3}{4}$ of Joe's pension that he earned while teaching in middle school for 22 years. His family will lose their home and Joe's hopes for the future of his wife and children will be lost. Does that sound remotely fair to anyone? No one I have spoken to thinks so.

I know there are a lot of injustices in Connecticut. And there are many of which neither you nor I can do anything about. But this is one injustice that is correctable. While I and others appreciate the sympathy that many legislators have expressed we also need your empathy. Put yourself in Leanne's place. This could have been you sister-in-law, your spouse, your daughter or other loved one.

Please find it in your heart to expedite H.B. 5443 and get it to the Governors office as quickly as possible so my sister-in-law and her two children can move on with their lives. This is what you would want for anyone that you loved. Every time we have to do something to try to get this law changed we relive Joe's death.

Thank you for your attention to this issue. If you have any questions please contact me.

Sincerely,

Tom Connolly
16 Greenhurst Road
West Hartford, CT 06107
860-313-0439



Patrice Peterson
President

Paige Farnham
Secretary/Treasurer

Robert D Rinker
Executive Director

March 19, 2012

General Assembly
Appropriations Committee
Room 2700, Legislative Office Building
Hartford, CT 06106

RE: H.B. 5443 – An Act Concerning Benefits for Surviving Spouses Under the Teachers' Retirement System

Senator Harp, Representative Walker, and members of the Appropriations Committee:

My name is Daniel Medress, and I am the Political Education Director for CSEA/SEIU, Local 2001. I offer this testimony in support of H.B. 5443, **An Act Concerning Benefits for Surviving Spouses Under the Teachers' Retirement System**.

Among the over 12,000 retired public employees represented by CSEA are participants in the Teachers' Retirement System. The tragic situation of not updating one's declared pension beneficiary that this bill seeks to correct has been seen before. H.B. 5443 offers a reasonable solution to a heartbreaking problem.

The surviving beneficiaries of dedicated teachers who paid into their pension should not suffer the penalty this bill addresses when they are already coming to terms with the loss of a loved one. It is unfortunate that for lack of a form, husbands, wives, and children are denied the full benefits to which they are entitled. I urge you to support H.B. 5443. There is no reason that any family should be punished for factors beyond their control.

Please honor the service teachers provide to the children of our state and pass H.B. 5443.

Thank you for your time and attention to this critical matter.

Daniel I. Medress
Political Education Director, CSEA/SEIU, Local 2001

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STATE OF CONNECTICUT
TEACHERS' RETIREMENT BOARD
765 ASYLUM AVENUE HARTFORD, CT 06105-2822
Toll free 1-800-504-1102 x 8402 (860) 241-8402 Fax (860) 241-9295
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www.ct.gov/trb

APPROPRIATIONS HEARING
March 19, 2012

Good morning Senator Harp and Representative Walker. I am Darlene Perez, Administrator of the Connecticut Teachers' Retirement System.

I am here this morning in support of House Bill No. 5443, An Act Concerning Benefits for Surviving Spouses Under the Teachers' Retirement System.

There are currently two surviving spouses of deceased members of the system who have restricted access to benefit entitlements based on what I perceive as a flaw in the system. I am authorized to provide a basic benefit to each of these two surviving spouses in an amount of \$600 per month or less, even though both of their spouses spent an entire career teaching in the State of Connecticut and had met eligibility for retirement at the time of their death. I am limited to offering the basic survivorship benefit because both teachers neglected to maintain a current beneficiary designation on file with the system. Had those members updated their beneficiary designations I would be authorized to offer these surviving spouses the retirement benefit (at a reduced rate) the member had rightfully earned.

The Teachers' Retirement System is a Governmental pension system which means we are exempt from federal ERISA laws. These are laws which place certain requirements on pension systems, including providing a surviving spouse all or a portion of the pension benefit earned by a member in the event the member predeceases his or her spouse. This bill will bring us in alignment to the ERISA provision governing spousal benefit entitlements.

I urge you to vote in favor of HB 5443 and will answer questions you may have at this time.

JUSTICE FOR JOE



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Thank you Senator Harp and Representative Walker and distinguished members of the Appropriations Committee for letting me speak today about Bill 5443, the Waiver of Benefit for the surviving spouse proposal. My name is Leanne Connolly, I am the widow of Joe Connolly and mother of two wonderful children Patrick, 17 and Erin, 19. On November 12, 2011 we lost my husband and their Dad, without warning. He went in the hospital and died that night.

Let me tell you about Joe. He was my best friend, the most loving husband, father, brother, uncle, friend, colleague and teacher we have all been blessed to have known and loved.

In this session, it is time to honor a 22 year veteran teacher from the South Windsor Public Schools. Joe taught 6th grade at Timothy Edwards Middle School where he loved teaching a fine group of 6th graders every year.

We lost a caring man who loved us all very much. He was also loved by many. There was an overflow of more than 800 people at his calling hours and about 450 at his funeral. The support has been amazing, but not unexpected, for we knew that Joe had touched and changed and saved many lives as we were told at his wake.

After Joe died, I found out that he had not changed his beneficiary from his father to myself. Imagine my shock when the Teacher's Retirement Board told me that I would not receive his full pension because his father was the beneficiary. But, his father died 6 years ago, how could this be possible? Then I was told the one and only solution was to change the legislation. What does that mean? What is the law and what is my next step. For me, as an average citizen this seemed insurmountable. I had no clue how to proceed. If it wasn't for Joe's and my family I would not be here today.

Overwhelming doesn't even touch upon the feeling that I had in pursuing this change in legislation. This was obviously an oversight on Joe's part, he would have wanted our family to be taken care of. This mess was clearly not his intention, that we would be expected to live on less than one third of his full pension that he paid into for twenty-two years. Without his full pension, I will lose my home and my children's college education will be in jeopardy.

Anything you could possibly do to expedite this legislation to relieve the anxiety and stress for our family, would be greatly appreciated. It is my understanding from the Governor's aide, that once this legislation reaches the Governor's desk he will sign it. In deference to your time I have not asked all of these people to testify because they are all going to say the same thing, Joe was a great person and this situation is totally unbelievable. It is our hope that this mistake be remedied as soon as possible. I have a petition and over 120 letters, addressed to the co-chairs, that I submit to you for your consideration in this matter.

During many classes Joe would have his students repeat "I am kind, I am smart, I am important" made famous by the movie "The Help". That statement summarizes what kind of person Joe was as a teacher, citizen, friend, brother, father, and husband.

Please let us live our lives as Joe would have wanted.

I want to share with you offerings from Joe's students, made in memory of him.

Thank you for your time.

Leanne Connolly

Leanne Connolly
860-871-1229

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**Connecticut Education
Association**

Governance

Philip Apruzzese, President
Sheila Cohen, Vice President
Cheryl Prevost, Secretary
Jeff Leake, Treasurer
Kathy Flaherty, NEA Director
Thomas Nicholas, NEA Director

Executive Office

Mary Loftus Levine
Executive Director

Policy & Professional Practice

Dr. Linette Branham, Director
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Hartford, CT 06106-8001
860-525-5641, 800-842-4316
Fax 860-725-6328
www.cea.org

Affiliated with the
National Education Association

**TESTIMONY OF ROBYN KAPLAN-CHO,
RETIREMENT SPECIALIST,
THE CONNECTICUT EDUCATION ASSOCIATION (CEA)
CONCERNING HB 5443
AAC BENEFITS FOR SURVIVING SPOUSES UNDER THE
TEACHERS' RETIREMENT SYSTEM**

BEFORE THE APPROPRIATIONS COMMITTEE

MARCH 19, 2012

Good morning Senator Harp, Representative Walker, and members of the Appropriations Committee. My name is Robyn Kaplan-Cho and I am the retirement specialist for the CEA, representing over 41,000 active teachers and over 4,000 retired teachers who are members of the State Teachers' Retirement System.

CEA supports HB 5443 because it will remedy a very unfortunate and presumably unintended consequence related to a survivorship provision in the teachers' retirement statutes. Under current law, if an active teacher dies, his/her spouse can collect his or her earned pension (with a slight actuarial reduction) for the remainder of the surviving spouse's lifetime provided the active teacher had named the spouse as the sole primary beneficiary.

In the past several years, there have been two extremely unfortunate situations that have left surviving spouses of veteran active teachers with minimal monthly benefits instead of their spouse's earned pension benefits simply because of an oversight on the part of the teacher. In both cases, the active teacher neglected to update the beneficiary designation and name the spouse as the sole primary beneficiary. In the first situation, no beneficiary was named so it defaulted to the estate (not the spouse specifically) and in the other, a now deceased parent of the teacher was named. Now, due to this oversight, the surviving spouses are receiving significantly less in benefits than they would be receiving if the beneficiary designations simply had been updated - the husband in the first case is receiving \$600 per month instead of his deceased wife's

earned pension of \$3900 per month and in the second case the surviving wife is receiving \$580 per month instead of her deceased husband's earned pension of over \$1900 per month. The financial impact on both families has been devastating.

HB 5443 will turn this problem around by making the default rule that a surviving spouse automatically will be paid the deceased teacher's earned pension benefit. This is consistent with the law's intent to protect surviving spouses but ensures that the earned pension is paid rather than a minimal monthly benefit. However, if a teacher for some reason does not wish for the spouse to receive this earned pension in the event that the teacher dies, he/she can waive that while actively teaching. But again, the default should be the payment of the pension since in virtually all cases that is the desired result.

Thank you for your time and consideration.

In Support of Bill #5443: Concerning Benefits For Surviving Spouses Under The Teachers' Retirement System

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March 19, 2012

**John T. Sugros
272 Village Hill Road
Willington, CT. 06279
H# (860) 684-4780
C# (860) 212-7017
johnsugros@att.net**

I am John Sugros from Willington, CT. and a surviving spouse, here today requesting your support for Bill #5443.

My late wife, Joanne Sugros, was a teacher in the Tolland School system for 38 years. She chaired the Mathematics Department, taught all levels of Latin and coached women's Field Hockey and Tennis, receiving recognition as "Coach of the Year" in the latter, from this Legislature.

We were married for 34 years and had no children.

In April 2008, Joanne was diagnosed with inoperable brain cancer. The only alternative for treatment was combined radiation and chemotherapy.

After two months of five-days-a-week, radiation treatment and chemotherapy at Yale-New Haven hospital – some 45 miles distant from our home – Joanne became progressively debilitated with regard to her cognitive and motor functions.

She lost the ability to walk, to coordinate her arm and hand movements, the ability to converse and most regrettably, the ability to swallow. As a consequence, a gastric tube was surgically implanted for nutrition and hydration, to address issue.

In addition, Joanne became diabetic due to the corticosteroid administered to suppress pressure-induced pain from the tumor and very susceptible to infections due to her comprised immune system resulting from these treatments.

By July 2008, Joanne was confined to a bed, unable to walk, or to communicate or to attend to her needs.

From that time, I was Joanne's primary care-giver in our home, with the assistance of the regional CT. Hospice organization.

I will not disturb you with the details of that existence for Joanne – or me – as I feel certain that the visual images are very likely well known to you. Suffice to say, it was an emotionally distressing, difficult time for both of us.

While Joanne was undergoing treatment – and while she retained her cognitive functions – we discussed the reality of her disease and our thoughts about our lives together on numerous occasions.

Joanne sought to provide me some small measure of comfort by saying that she was strong-willed and determined to make a full recovery, but even if the worst should come to pass and I was alone, that I would be the recipient of her retirement, so that I might go on and be unencumbered by our debt.

Regrettably, Joanne was mistaken. She died January 4, 2009.

I no longer have my life mate of 34 years. And I have been quickly depleting my 401k balance, paying down our mutually-incurred debt and medical expenses not covered by Joanne's insurance.

It has been a difficult three years for me. Frankly, I often ponder the future.

Now, I understand and appreciate the reality that there is a budgetary impact associated with the proposed Bill #5443.

I ask you, however, please keep in mind that Joanne worked 38 years as a loyal, dedicated, recognized teacher and had she survived to retire and enjoy her remaining time, she would have been entitled to the funds currently in her retirement account.

As Joanne's surviving spouse and sole beneficiary, I am here before you today, to ask for your support for Bill #5443.

Please do the right thing.

Thank you for your time and attention.

John T. Sugros

235 Orchard Hill Drive
South Windsor, CT 06074-3024
dariap@aol.com; 860-432-8403

To: Senator Toni Harp, Representative Toni Walker, Co-Chairs, Appropriation Committee, CGA
And Members of the Appropriations Committee

Re: Waive of benefit to the surviving spouse (Joseph Connolly issue)

HB 5443

Joseph Connolly was a teacher's teacher, a role model for all. He dedicated his life to his family, his profession, and his faith in God and human beings, all of whom and which bear and bore incredible results.

I taught for 38 years in South Windsor and had the pleasure and professional pride and privilege to know Joe. Joe, as you will hear during testimony on March 19th, touched the lives of thousands of youth not only as an exemplary English and technology teacher but as the middle school director of the annual student musical. It truly was an honor to be a colleague of Joe's within the South Windsor School System.

Joe's sudden passing a few months ago at a young age would be lasting heartache enough for any family. However, one omission on his behalf (during years of dedicated and effective teaching, his marriage, further education, and birth of two children) harmfully has reduced benefits to his wife and children, so much so that there is a very real possibility that Joe's family must leave their modest home. Without detailed mention, also in jeopardy is the college education of each child.

I ask you that you reach into your hearts and support the needed legislation to allow Joe's family to receive the full pension that he earned during his dedicated 22 years of teaching. Today's society is filled with so many unsavory actions and ills. Joe Connolly tried to ameliorate such from the lives of each child he taught through teaching motivation. Any human being who would run two entire casts for a middle school musical to ensure that EVERYONE, and I mean EVERYONE, would have a part is beyond a dedicated teacher. This person was a saint and loved by everyone. Please honor Joe by affording his family the dignity of his pension.

Respectfully,

Daria M. Plummer

Daria M. Plummer

Dear Appropriation Committee Member,

I am writing to you to ask for your support of Bill 5443, the Waiver of Benefit for the Surviving Spouse proposal. My name is Jim Dwire, and I am the brother of Leanne Connolly. Leanne is the widow of Joe Connolly and mother of Erin, age 19, and Patrick, age 17. On November 12, 2011 they lost their Husband and Father without warning. He went into the hospital and died that night.

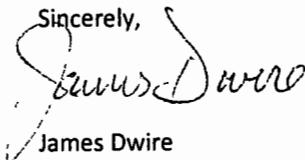
In addition to his family, Joe was loved by many, including his friends, his work associates, and the thousands of children he taught as a Teacher for 22 years in the Timothy Edwards School in South Windsor. Joe was active in the community, sharing his time and talents directing and producing local theatre. He worked very hard, and was compassionate to everyone. He would always tell his students "you are kind, you are smart, you are important", and would ask them to recite this to themselves every day. Many of the over 800 in attendance at Joe's wake reminded Leanne of this. He made a difference.

After Joe died, Leanne found out they had not changed Joe's beneficiary option on his full pension from his deceased father to Leanne. It was an honest oversight. The beneficiary on his pension should have been Leanne. Joe had earned a right for a full pension, and Leanne would have received the full joint pension as planned.

Due to the current law, Leanne will receive less than one third of the full pension she would have received. If this bill is not passed Leanne will lose her home, and her children's college education will be in jeopardy. I feel this is a severe punishment, all for an honest oversight.

Please do not allow an honest oversight affect my sister and her children's financial security. I ask again for your support of Bill 5443.

Sincerely,



James Dwire

3 Brookfield Drive

Ellington, CT 06029

860-871-8181

Jd0711@comcast.net

To: The Appropriations Committee of the General Assembly
The Honorable Senator Toni Harp and Representative Tony Walker, Co-Chairs
March 19th, 2012

My name is Carol Vinick. I'm writing to ask for your support for raised bill number H.B.5443, An Act Concerning Benefits for Surviving Spouses Under the Teachers' Retirement System.

I would like to tell you a little bit about my brother-in-law, Joe Connolly. Joe was always a family man. He was the sixth of seven children in a large, loving family. He was totally devoted to his family of origin, as he was to his wife and children.

Joe was a brilliant, talented man. He was a superb 6th grade teacher at Timothy Edwards Middle School in South Windsor for 22 years. But Joe didn't just teach English. He taught his kids that they had self worth, and to be kind to each other. Joe was also a talented musical theatre director. He directed the annual musical at Timothy Edwards School, as well as summer youth theatre for the Town of East Hartford, and theatre productions at his church. Joe was all about kids and letting them shine. In Joe's productions every child that wanted to participate was given the opportunity. He found a way for every student who wanted a speaking or singing part to have one, even if it was during an intermission show on the main stage, or a side show out in the lobby. Students were all included, including students with special needs.

Joe loved his kids and loved bringing out the best in them. Of course, Joe's greatest love was for his family, his wife Leanne, and their two children, Erin and Patrick. Joe married Leanne one year after he started teaching, and neglected to change the beneficiary on his pension from his Dad to his wife. Grandpa died six years ago. Joe died last November, at the age of 55. In the midst of her grief his wife, Leanne, found out that since Joe never changed the beneficiary to her, and since Grandpa died and can't make known his wishes, that she is entitled to a fraction of his benefit. Leanne cannot afford to make the payment on her home and pay for college tuition for her two children without Joe's full pension, that we all know Joe would want her to have.

Now I'm sure Joe isn't the first and won't be the last to make this mistake. After I learned of Joe's error and his family's situation, I checked with my pension fund to make sure everything was in order, and found that my husband was not named as a beneficiary!

Please support HB5443, An Act Concerning Benefits for Surviving Spouses Under the Teachers' Retirement System, so that Joe's family, and families like his, will receive the pension benefits their loved ones had intended for them.

Thank you for your consideration,

Carol J. Vinick
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H – 1130

**CONNECTICUT
GENERAL ASSEMBLY
HOUSE**

**PROCEEDINGS
2012**

**VOL.55
PART 8
2447 – 2761**

DEPUTY SPEAKER KIRKLEY-BEY:

Have all members voted? Have all members
voted?

Please check the board to see if your vote has
been properly cast.

Please check the board to see that your vote has
been properly cast. The machine will be locked, and
the Clerk will prepare the tally.

The Clerk announce the tally.

THE CLERK:

House Bill 5035.

Total number voting	148
Necessary for passage	75
Those voting Yea	113
Those voting Nay	35
Those absent and not voting	3

DEPUTY SPEAKER KIRKLEY-BEY:

The bill passes.

Will the Clerk please call Calendar Number 344.

THE CLERK:

On page 20, Calendar Number 344, House Bill
Number 5443, AN ACT CONCERNING BENEFITS FOR SURVIVING
SPOUSES UNDER THE TEACHER'S RETIREMENT SYSTEM,
favorable report by the Committee on Appropriations.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Miller, you have the floor, ma'am.

REP. MILLER (145th):

Thank you, Madam Speaker.

I move for acceptance of the joint committees' favorable report and passage of the bill.

DEPUTY SPEAKER KIRKLEY-BEY:

The motion before us is on acceptance of the joint committees' favorable report and passage of the bill.

Will you remark further, ma'am?

REP. MILLER (145th):

Thank you, Madam Speaker.

This bill allows the surviving spouse of a teacher, who failed to name the spouse as the sole designated beneficiary, the same benefit options available to those surviving spouse who were named sole -- I'm sorry -- designated beneficiary.

Under current law, if a teacher dies after meeting the age and service requirements for retirement benefit and their spouse is named the sole designated beneficiary, the spouse has the option of choosing the 100 percent coparticipant benefit or the refund of contributions. However, if the teacher that

did not name that surviving spouse as the sole designated beneficiary, the spouse is limited to the survivorship benefit, which ranges from 300 to 600 dollars per month. Madam Speaker, I urge passage of the bill.

DEPUTY SPEAKER KIRKLEY-BEY:

Will you remark? Will you remark further on the bill that is before us?

Representative Sawyer, you have the floor, ma'am.

REP. SAWYER (55th):

Madam Speaker, I would certainly relinquish the floor to the Ranking Member if their name is up on the board -- then I will -- I will speak then.

Thank you ma'am. I'd like to thank Representative Miller for bringing up this particular bill. We had a local family who had a very important issue happen. And with this family, they had been married for many, many years. But before they had been married, the husband had put on his surviving beneficiary his father. And in that case, which is a lovely thing to do, when he married, it was just one of those things that he didn't get around to changing. I'm sure he looked at his life insurance policies. I'm sure he looked at those types of things, the deed

the house -- all those types of things were in both of their names -- or she was the surviving spouse. Well, tragically, the husband died very unexpectedly in his mid fifties.

So here we have an issue of the surviving person being, not only his father, but his father has predeceased him. Now, in the case, if this person who was a teacher -- if this person was, say, a state employee, they would be protected under the law, and yes, the money would go to the surviving spouse. So, Madam Speaker, this lines up, what I think under the teachers' provisions in our statutes, lines up with what we do for our state employees and that is the fallback position is to go to the surviving spouse, and I believe that is as it should be.

Thank you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

You're welcome.

Representative Chapin, you have the floor, sir.

REP. CHAPIN (67th):

Thank you, Madam Speaker.

Madam Speaker, a couple of questions to the proponent, through you, please.

DEPUTY SPEAKER KIRKLEY-BEY:

Prepare yourself, Representative Miller.

Please frame your question, Representative Chapin.

REP. CHAPIN (67th):

I heard the prior speaker talk of one instance. Do we know if there are other people in the same position? Through you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Miller.

REP. MILLER (145th):

Through you, Madam Speaker, there are two spouses that the bill impacts.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Chapin.

REP. CHAPIN (67th):

Thank you, Madam Speaker.

So if this bill were to pass, these two specific circumstances would be corrected. With this language also open it up so there would be future exposure to the State? Through you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Miller.

REP. MILLER (145th):

Through you, Madam Speaker, yes.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Chapin.

REP. CHAPIN (67th):

Thank you, Madam Speaker. I thank the gentlelady for her answers.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Thompson, you have the floor, sir.

REP. THOMPSON (13th):

Thank you, Madam Speaker.

Madam Speaker, I believe Representative Sawyer adequately explained the circumstances of this. It was a simple matter of oversight as you mentioned. The teacher was not married when he joined the retirement system as a teacher. He designated his father, with whom he was living to be the beneficiary and the father passed away and no corrective action was taken after that time. I must confess that as a widower, I was brought up short when I learned that I had not changed the beneficiary. I assume that in most cases that would be taken care of when the estate is being looked at and something would be taken care of at that time, informally, I believe.

But in this case, we have to go through this process, as far as I know there is one other case

affected by this law and it is not -- it just seems to me to be the fair thing to do. The survivor is a widow with family, who has responsibilities and this will correct an oversight on the part of the husband. They were happily married. He was a successful teacher, and I am sure this is time to set the record straight. So I support it and, hopefully, everybody else will, and if there are any other cases out there at this time -- as far as I know, there was the one other case. In that case it was a widower who would've benefited. This time, it's the widow.

Thank you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you, Representative.

Representative Klarides, you have the floor, ma'am.

REP. KLARIDES (114th):

Thank you, Madam Speaker.

Madam Speaker, through you, a few questions to the proponent?

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Miller, prepare yourself.

Please frame your question.

REP. KLARIDES (114th):

Thank you, Madam Speaker.

My colleagues have seem to asked most of the relevant questions on this bill, and I know we've had a conversation in Approps, but just for little clarification. The fix that we are putting in today seems like it's common sense, and I know that a lot of times we, we make legislation and not anticipating some of the problems that will happen going forward but is there a reason we didn't put this in earlier on or is it purely an oversight? Through you.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Miller.

REP. MILLER (145th):

Through you, Madam Speaker, I'm assuming that it's oversight.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Klarides.

REP. KLARIDES (114th):

Thank you, Madam Speaker.

And through you, I know the Representative from Bolton had mentioned this being in line with -- with other laws that we have. Can you just explain to me how that works, otherwise, and parallels other laws we

have in the state, through you, separate from the teachers' retirement?

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Miller.

REP. MILLER (145th):

Through you, Madam Speaker, I'm not familiar with how that would work with other unions.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Klarides.

REP. KLARIDES (114th):

Thank you, Madam Speaker.

And one last question, do we know -- I really haven't taken a look at it. Fiscally, how this would affect us, with the fiscal note? Through you.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Miller.

REP. MILLER (145th):

Through you, Madam Speaker, it's minimal.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Klarides.

REP. KLARIDES (114th):

Thank you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you.

Representative Wood, you have the floor, ma'am.

REP. WOOD (141st):

Thank you, Madam Speaker.

I heard this bill in Appropriations, and I think makes a lot of sense. It just corrects something that many of us, despite our best intentions, forget some of these details and end up being big details, and I think -- I stand in strong support of this bill, and I hope you all will, too. It corrects something that needs to be fixed.

Thank you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you, Representative.

Representative Aman, you have the floor.

REP. AMAN (14th):

Thank you, Madam Speaker.

The teacher that we're speaking about was a very popular teacher within our school system. He did die very suddenly. Something that was not anticipated at all and when this first came to my attention, one of the questions I asked was what would normally happen for an individual if this circumstance wouldn't happen. And the answer I received was, well, if a teacher is leaving or joining a school system, there

is either a exit interview or a starting interview and these things are discussed. So in an exit interview, the plan would be reviewed and the proper box would be checked to have the circumstances. And upon retirement, the same circumstance happens that the personnel department goes over all of the things with the individual and says, Gee, do you realize that you got to re-check this box down at the bottom of the form. It's not what you have.

I do know that since this incident has happened our personnel department at our school system has received any number of calls from teachers saying, Can look at my forms and see what I check 20 years ago because I don't remember.

And I also know that it's had other effects. My daughter, this last summer, was married and when she changed her name, the personnel department brought her in and said, Not only do we have to do a name change, but do want to change your life insurance, do you want to change your medical benefits, et cetera, all of the things that a change life status would be.

In his particular case, for some reason, many, many years ago that interview wasn't held. Nobody noticed that the boxes were really out of date and

that led to a problem. So I urge my colleagues to correct, in a legislative manner, which should have been able to be done very easily in the personnel department's checking the correct box. So, again, I urge my colleagues to support this.

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you, Representative.

Will you remark? Will you remark further on the bill that is before us? Will you remark further on the bill that is before us?

If not, staff and guests please come to the well. Members take your seat. The machine will be open.

THE CLERK:

House of Representatives is voting by roll call,
members to the chamber. The House is taking a roll call vote, members of the chamber please.

DEPUTY SPEAKER KIRKLEY-BEY:

Have all members voted? Have all members voted?

Please check the board to see that your vote has been properly cast. The machine will be locked, and the Clerk will prepare the tally.

The Clerk will please announce the tally.

THE CLERK:

House Bill 5443.

Total number voting	150
Necessary for passage	76
Those voting Yea	150
Those voting Nay	0
Those absent and not voting	1

DEPUTY SPEAKER KIRKLEY-BEY:

The bill passes.

Are there any announcements or points of personal privilege?

Representative Perone, you have the floor, sir.

REP. PERONE (137th):

Thank you, Madam Speaker.

I appreciate it. It gives me great pleasure to introduce somebody from the beautiful Town of Norwalk, his name is Brian -- Ian Brian Smith. He's a sophomore from the School for Global Studies at Brian McMahon High School, and he's studying Chinese, and I think he's doing an outstanding job. He's also a member of the model UN, and I think he's going to do great things in the world of public policy. And I would ask for your applause, but I first would like to give this over to Representative Gail Lavielle so she can also say some -- say a few words. Thank you.

DEPUTY SPEAKER KIRKLEY-BEY:

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**CONNECTICUT
GENERAL ASSEMBLY
SENATE**

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402, House Bill 5299. Madam President, move to place the item on the consent calendar.

THE CHAIR:

So ordered, sir.

SENATOR LOONEY:

Thank you, Madam President.

Moving to calendar page 12, Calendar 425, House Bill 5476. Madam President, move to place the item on the consent calendar.

THE CHAIR:

So ordered, sir.

SENATOR LOONEY:

Thank you, Madam President.

Moving to calendar page 13, Calendar 426, House Bill 5443. Madam President, move to place this item on the consent calendar.

THE CHAIR:

So ordered, sir.

SENATOR LOONEY:

Thank you, Madam President.

Moving to calendar page 14, where we have two items. The first is Calendar 439, House Bill 5388.

THE CHAIR:

So ordered, sir.

SENATOR LOONEY:

Madam President, move to place this item on the consent calendar.

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On page 13, Calendar 426, House Bill 5443; on page 14, Calendar 438, House Bill 5347; Page 14, Calendar 439, House Bill 5388; page 15, Calendar 441, House Bill 5501.

Also on page 15, Calendar 442, House Bill 5536; page 16, Calendar 445, House Bill 5145; page 16, Calendar 446, House Bill 5395; on page 16, Calendar 448, House Bill 5414; page 17, Calendar 451, House Bill 5548; page 18, Calendar 456, House Bill 5285.

Also on page 18, Calendar 458, House Bill 5031; on page 20, Calendar 468, House Bill 5217; page 21, Calendar 471, House Bill 5164; page 22, Calendar 476, House Bill 5263.

On page 23, Calendar 485, House Bill 5237. On page 25, Calendar 497, House Bill 5512; page 26, Calendar 502, House Bill 5497; page 26, Calendar 503, House Bill 5409.

On page 28, Calendar 512, House Bill 5424. And on page 30, Calendar 522, House Bill 5289.

THE CHAIR:

That seems correct.

Mr. Clerk, would you please call for a roll call vote on the consent calendar. (Inaudible.)

THE CLERK:

Immediate roll call has been ordered in the Senate. Will senators please return to the Chamber. Immediate roll call has been ordered in the Senate.

THE CHAIR:

Senator Gomes, would you like to vote, please. Thank you.

If all members have voted, if all members have voted, the machine will be closed.

Mr. Clerk, would you please call a tally.

THE CLERK:

On today's consent calendar,

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Total Number Voting 35
Necessary for passage 18
Those Voting Yea 35
Those Voting Nay 0
Those Absent and Not Voting 1

THE CHAIR:

The consent calendar passes.

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

Senator Looney.

SENATOR LOONEY:

Thank you, Madam President.

Yes, Madam President, if there are no announcements or
points of personal privilege, we will, of course, be in
session tomorrow -- or actually it's later today but -- but
not on Thursday. But --

THE CHAIR:

Okay. Promise?

SENATOR LOONEY:

-- we will -- we will convene later this morning. We will
have a -- announce the Democratic caucus at eleven followed
by session at noon today.

Thank you, Madam President.

With that, would move the Senate stand adjourned, subject
to the call of the chair.

THE CHAIR:

So ordered, sir. Everybody drive safely.

On motion of Senator Looney of the 11th, the Senate, at
12:32 a.m. adjourned subject to the call of the chair.