The Appropriations Committee approved an agreement Jan. 24 between the Malloy administration and SEBAC unions that will stabilize funding to the State Employee Retirement System. After more than seven decades of inadequate or non-existent employer contributions, the state could face steep increases in its pension fund contribution from $1.56 billion per year to more than $6.5 billion in 2032 without this change. Much like converting an adjustable rate mortgage to a fixed rate one, this deal reduces the expected rate of investment return and extends the amortization period to satisfy the unfunded liability.

The new agreement was endorsed by S&P Global Ratings, Moody’s Investors Service, The Pew Charitable Trusts and the Connecticut Business & Industry Association. It was presented in two resolutions, SR 7 and HR 8, both of which passed with votes of 10-2 and 30-10, respectively. House and Senate leadership are expected to hold chamber votes on the resolutions February 1.

AFL-CIO Pension agreement clears first hurdle:

Hundreds students and faculty from the four CSUs, community colleges and UConn made their way to the Capitol Jan. 26 to speak out for public higher education at our Day of Action. Members heard from expert panelists, students and community members. The day was accentuated by a rally on the North Steps complete with drums and other instruments. Capping off the Day of Action was a screening of Starving the Beast, a new documentary that examines the systematic defunding of public higher education. The film’s director, Steve Mims, introduced the film and held a Q&A.

During part of the day, members spoke with legislators and their aides. They asked for signed pledges of support for public higher education and that legislators fulfill their constitutional obligation to provide “excellence in higher education.”

Community groups and other unions also took part, including AFT-Connecticut, UCPEA and the Connecticut Students for a Dream.

Important dates:
- Feb. 1: House and Senate leadership vote on SEBAC pension resolutions
- Feb. 8: Governor’s Budget Address
- Feb. 9: Office of Policy and Management briefing on the Governor’s Proposed Budget
- Feb. 15: Committee Bill and Raised Bill Deadlines
- April 27: Joint Favorable Deadline

Have a question? Get the answer! Call (860) 832-3793 or email us at newberge@ccsu.edu