Labor and Public Employees Committee JOINT FAVORABLE REPORT

Bill No.: HB-6953 AN ACT REQUIRING MUNICIPALITIES TO PROVIDE A PENSION TO POLICE OFFICERS AND FIREFIGHTERS THROUGH PARTICIPATION IN THE MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OR ANOTHER
Title: COMPARABLE PENSION SYSTEM.
Vote Date: 3/20/2025
Vote Action: Joint Favorable Substitute
PH Date: 2/20/2025
File No.:

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SPONSORS OF BILL:

Labor & Public Employees Committee

REASONS FOR BILL:

The reason for this bill is to require municipalities to provide retirement benefits for police and fire department employees comparable to or greater than the CT Municipal Employees Retirement System (CMERS). This would encourage recruitment and retention of police officers and firefighters and seek to support them.

The substitute language: delays the required transition for municipalities to a defined benefit plan until June 30, 2027, and adds a requirement for the Comptroller to study the considerations needed for a municipality to effectively meet this requirement.

RESPONSE FROM ADMINISTRATION/AGENCY:

None provided.

NATURE AND SOURCES OF SUPPORT:

State Representative Al Paolillo, 97th District: Has previously submitted proposed bills to make sure that pensions for police and firefighters are secured, and believes that all police and firefighters deserve a fair and equitable pension no matter what town or capacity they serve in. Notes that by providing these pensions through the resources of the Municipal Employees Retirement System, Certain efficiencies can be achieved.

Ed Hawthorne, President, Connecticut AFL-CIO: The AFL-CIO supports this bill, as the nature of the work that firefighters and police officers do demands acknowledgement of the risks and sacrifices that are made in the line of duty. A secure pension acknowledges such risks, as it is the tangible expression of gratitude and respect for their service. Municipalities across the state are facing challenges in attracting and retaining qualified individuals. This bill makes careers in public safety more attractive to potential recruits and helps retain experienced professionals. It is essential to invest in public safety infrastructure.

Peter Brown, President, Uniformed Professional Fire Fighters Association: Supports the bill, as mandating defined benefit (DB) retirement plans is a matter of fairness, recruitment and retention, and a matter of sound fiscal policy. DB plans offer a predictable, guaranteed stream of income in retirement. They are more reliable than defined contribution (DC) plans, which are subject to the volatility of the stock market. There is currently a recruitment and retention crisis amongst public safety professionals in Connecticut. Based on a survey of new membership across the state, most firefighters list access to a pension and healthcare benefits in retirement as a top reason for accepting a position with the fire department. Municipalities can also avoid restarting DB plans due to Comptroller Scanlon's modifications with to the Municipal Employee Retirement System (MERS), which is estimated to save municipalities 780 million dollars over the next 30 years. DB plans will provide security, increase job retention, and save municipalities money.

Florencio Cotto, President, Police Officers Association of Connecticut (POACT): Supports the bill, as the life-threatening situations that police officers face require access to a reliable and defined pension system. Connecticut is currently in a recruitment and retention crisis with police officers, and many police officers are leaving for municipalities that offer better benefits. In turn, this creates a dangerous public safety gap, forcing understaffed departments to do more with less. Suggests that if a municipality chooses an option other than the Municipal Employees' Retirement System (MERS), it must be comparable in terms of benefits and protections to prevent the erosion of retirement security.

Brian Anderson, Legislative Director, Council 4 AFSCME: Police and fire jobs are physically taxing, and many reach a point where their bodies wear out. It can jeopardize public safety if an individual is injured, or their body is exhausted. Connecticut recognized this when a law passed stating that a police officer needs special permission every year to stay on the job after they reach 65 years old. Actuarial studies show that police officers die at an average of 59 years of age, which is largely stress-induced. The state should study this early mortality, as early officer death is a policy failure. Granting officers a pension is commonsense, and Massachusetts, Illinois, Pennsylvania, Nevada, Minnesota, and Oklahoma already do so.

Hank Kim, Executive Director & Counsel, The National Conference on Public Employee Retirement Systems (NCPERS): NCPERS supports this bill. Connecticut – like in many parts of the country - is facing a crisis in recruiting and retaining public safety officers. 15 of nearly 70 localities have shifted to a DC or hybrid plan for new employees, which is a cause of the crisis. The MERS plan is a valuable alternative.

John Covello, Police Constable, Town of Woodbury: Supports the bill, as the pension system in Woodbury that follows the "Rule of 75" places an undue burden on officers in their later years. The Town of Woodbury intentionally hires officers that will not reach their "Rule of

75" so they must work until they are well into their sixties, which can be a public safety risk. If an officer is forced to retire before meeting this rule due to physical or mental health risks, it would be financially unfeasible. This bill would provide officers with physical, financial, and mental security.

Brian Sharnick, and Anthony Zona, Stratford Police Union Local 407: Supports this bill, as the consequences from switching from DB to DC plans in the early 2000s has led to alarming consequences, such as the recruitment and retention crisis. The City of Bridgeport saw its police force shrink from 406 officers in 2011 to 289 in 2023; New Haven and Hartford's police force have experience reductions of twenty percent and fourteen percent from 2011 to 2023; and Stratford had a sixteen percent decline from 2011 to 2023. This bill not only addresses fairness, but also improves public safety.

Jody Barr, Executive Director, AFSCME Council 4: Council 4 supports this bill, as it is necessary for public safety. Jody served in the Connecticut Army National Guard, which used pensions to allow older warriors to retire with dignity. This bill follows that premise. Wealthier municipalities like Greenwich and Cheshire have taken away pensions, resulting in a greater recruitment and retention crisis.

Frankie Forbes, Police Officer, Stamford Police Department: Supports the bill, as it will increase the level of applicants for police officer jobs.

David O'Meara, President, Stamford Police Association: Supports the bill, as it will improve retention and recruitment conditions. Since 2014, Stamford has experienced a seventy percent decrease in applicants, and this bill is a positive step to increasing its number of applicants.

Chris Leidemer, East Haddam Fire Department: Supports the bill, as it is a great addition to attract new personnel to the industry.

Ronald Mercado, Mark Pappas, AJ Salce, Adam Szeps, Bridgeport Police Department: Supports the bill, as it honors the sacrifices that public safety officers make in the line of duty.

Jeffrey Purcell, Firefighter EMT, Torrington Fire Department: Supports this bill, because if firefighters stay in Torrington under the current retirement plan, they will need to work until age 67, which is unattainable for many individuals given the conditions that firefighters work in.

Shelley Forker, Joshua Stokes, Gary Sansone, Juan Hernandez, Jordan Levine, Firefighters, Stratford Police Department: Support the bill, as it is a crucial step toward ensuring public safety, workforce stability, effectiveness, and long-term stability. The Stratford Police Department's lack of a defined benefit plan has created recruitment and retention problems for the municipality, leaving their workforce in constant flux. Their 401 (k)-type retirement plan is not competitive with other municipalities, that offer pensions.

Rachel Solveira, President, Connecticut Animal Care & Control Officers Alliance (CACCOA): The CACCOA supports this bill, as pensions are of paramount importance for Animal Control Officers. It is crucial that Animal Care Officers are included in this initiative, as they provide crucial services pertaining to both pets and the community as a whole. **Eliza Baum, Assistant Animal Control Officer, Stratford Animal Control:** Supports the bill and would like to see all police/animal control officers and firefighters have a pension, as their work is vital to the community.

The following individuals work with the Town of Westport Fire Department, and shared testimony in support of the bill, on the grounds that the Westport Fire Department's pension plan causes dangerous repercussions. These individuals include:

John Burke, Peter Crosley, Patrick Dailey, Scott DelVecchio, Collin Dickinson, Kevin Dumas, Liz Ferguson, Jeffrey Gootman, Todd Hall, Brett Kirby, Christopher Kostopoulos, Jason Kronenberger, Eric LaRiviere, Robert Lenois, Brendan McHugh, Justin Moser, Pete Nichio, Paul Spennato, Wile Matthew, Dominic Savarese, Robert Wargo

NATURE AND SOURCES OF OPPOSITION:

Betsy Gara, Executive Director, Connecticut Council of Small Towns (COST): Opposes this bill, as the costs that are associated with participating in CMERS is straining the budgets of municipalities, forcing increases in property taxes and/or cuts in municipal programs. Once municipalities enroll in CMERS, it is increasingly difficult to withdraw from the program, only if the employees under the program are withdrawn and the town funds the full cost of pension liabilities. Public Act 23-182 changed how cost-of-living increases are calculated and saves participating municipalities \$23.3 million in the coming fiscal year, which helps, but more needs to be done to rein in costs associated with CMERS. COST urges lawmakers to explore opportunities to assist municipalities in controlling pension costs under the CMERS program.

Zachary McKeown, Advocacy Manager, Connecticut Conference of Municipalities

(CCM): The CCM opposes this bill, as it would be a significant unfunded mandate. Retirement benefits for employees need to remain within the local collective bargaining process, and each municipality should implement a benefits program that best fits the needs of their towns. There needs to be fundamental changes to MERS, as it is unsustainable.

Samuel Gold, Executive Director, Lower Connecticut River Valley Council of

Governments (RiverCOG): RiverCOG opposes this bill, as they believe that police officer and firefighter benefits should be negotiated as part of their contract with the municipality, not mandated by statute. Municipalities are responsible for their employees' benefits, and it should be the municipalities that get to negotiate such benefits in the terms of their contracts.

Jonathan Luiz, Glastonbury Town Manager, Town of Glastonbury: Opposes this bill, as the state should not mandate that municipalities participate in the CMERS program. It undermines the collective bargaining system and would place a heavier burden on the taxpayer. Many municipalities in the state such as Glastonbury can recruit well with their own retirement programs. Glastonbury is on target to be fully funded in about nine years, compared to the CMERS program which will be fully funded in twenty-five years. **Edmond Mone, First Selectman, Town of Thomaston:** Opposes this bill, as DB plans are unsustainable. Thomaston eliminated its DB plan 10 years ago and transitioned to a DC plan, and it has been more favorable for the town. If Thomaston is mandated to switch to a DB plan, there will be budgetary concerns for the town.

Frank Ricci, Labor Fellow, Yankee Institute: Opposes the bill, as it aims to pass unfunded mandates on the taxpayers without regard for property taxes. It ignores the collective bargaining process.

Reported by: Abigail Lockwood

Date: 4/1/2025