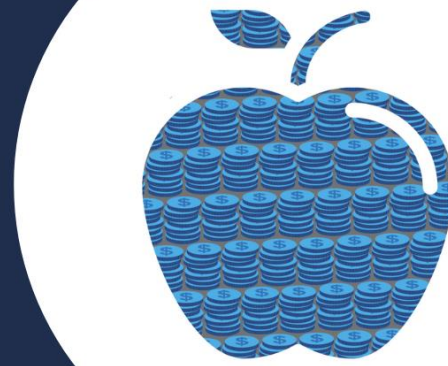


PER PUPIL EQUITY for Teacher Pensions



Connecticut state dollars cover all local districts' teacher pension obligations. This is a state subsidy of teacher compensation packages, even though districts set their own salaries. On a per pupil basis, the subsidy is awarded at:

More than 2x the rate for white students as for students of color.

2x the rate for more affluent students as for students from low-income families.

A higher rate for high-performing districts than for districts with lower performance.

Connecticut's annual teacher pension contributions:

- Reinforce pay discrepancies, consistently putting the districts with the greatest need at a **disadvantage in terms of compensating their teaching workforce**.
- Amount to a **quarter of all K-12 state education spending**, annually.

Calculating Teacher Pension Benefits in Connecticut

Each Connecticut school district controls the local variables impacting a teacher's retirement benefits. They determine their salaries, competitiveness in recruitment, and retention of more tenured staff.

$$\text{[Years of Service]} \times 2\% \times \text{[Final Average Salary]} = \text{A Teacher's Annual Benefit}$$

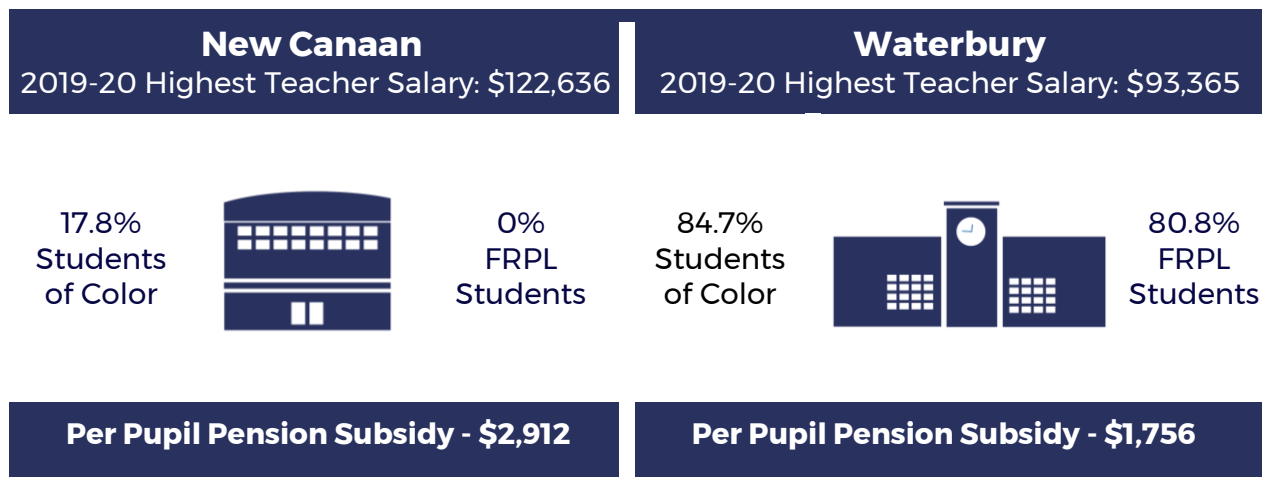
Nevertheless, the State of Connecticut covers all teacher retirement benefits, without any municipal contribution toward these annual costs. The maximum a beneficiary can receive is up to 75% of their final salaries, and this amount is determined by the district - not the state.



CT is one of only three states that covers 100% of teacher pension contributions.

The Problems with Teacher Pension Financing in CT

Looking at each district's pension debts on a per pupil basis shows that the state's pension contributions are unequally and inequitably distributed.



Changing How Teacher Pensions Are Financed

We must secure the retirement benefits of Connecticut's exceptional teachers. But it is illogical, unfair, and unsustainable for the state to bear the entire burden of teacher pension costs when they are based on local decisions. Connecticut needs a legislative task force to:

- Analyze the implications for resource equity of having the state fully fund the normal cost of teacher pensions;
- Consider the extent that municipalities should contribute toward the normal cost;
- Determine whether certain municipalities should be exempted from contributing; and
- Recommend how the General Assembly should allocate generated resources to increase equity and sustainability.



About Education Reform Now CT

The state chapter of a national organization and affiliate of DFER CT, Education Reform Now CT is a 501(c)(3) that operates as a think tank and policy advocate, promoting great educational opportunities and achievement for all by increasing equity, protecting civil rights, and strengthening the social safety net. For more information, contact:

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