



The Office Of State Treasurer  
Denise L. Nappier

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# Statement

FOR IMMEDIATE RELEASE September 15, 2017

## **Statement from State Treasurer Denise L. Nappier on Proposed Budget Language Regarding the Teachers' Retirement System**

HARTFORD, CT – State Treasurer Denise L. Nappier issued the following statement today concerning proposed budget language before the Connecticut General Assembly (HB 7501, LCO 10069, Section 42):

Early this morning, I became aware of proposed budget language that would require the Teachers' Retirement Board next year to adopt actuarial methods aimed at extending into the future the State's actuarially required contributions. As the issuer and steward of pension obligation bonds in 2008 to boost the resources of the Teachers' Retirement Fund that contain a legislatively authorized covenant on this very issue, I feel compelled to raise a flag of caution and encourage the General Assembly to avoid adoption of such a provision without the benefit of public hearings and formal legal analysis. This provision could just as readily be considered during the next legislative session before any new calculations are done. Although there is uncertainty regarding whether or how the bill would actually affect the State's contributions calculated under the bond covenant, it behooves us to tread carefully when possible restrictions on our ability to carry out contractual obligations could result in a costly breach of the rule of law. Let's not act in haste without knowing the full ramifications.

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