2022 Treasurer Candidate Questionnaire

NAME: Erick Russell  
PARTY: Democrat  
PAST AND/OR CURRENT ELECTED OFFICES HELD: N/A  
OCCUPATION: Public Finance Attorney

A. COLLECTIVE BARGAINING

1. Collective Bargaining

Background: The right to be a union member is a fundamental employment protection under state and federal laws. America’s labor unions have led the fight for working families, winning protections such as the 8-hour workday and the 40-hour work week, overtime rights, and access to health care and retirement security. Today, the fight continues to retain these vital rights and to ensure safe and healthy workplaces. Following the 2018 Supreme Court decision in the case of Janus v. AFSCME, Connecticut must be a leader in protecting union rights. For teachers, collective bargaining allows their voices, ideas, and advocacy for students to be heard without fear of reprisal.

CEA Position: CEA opposes any legislative proposals to weaken or eliminate collective bargaining rights for teachers and all other public employees. I will oppose any legislation weakening collective bargaining for teachers, including proposals to limit bargaining on salary, benefits, or conditions of employment currently permitted under law.

[X] Agree with CEA’s Position [ ] Oppose CEA’s Position

B. EDUCATION FUNDING & EQUITY

2. Education Cost Sharing (ECS) Grants

Background: A Connecticut Supreme Court decision, Horton v. Meskill, requires the state to equalize funding for school districts based on each district’s ability to pay. Adequate education funding for all districts is essential to a well-prepared and growing workforce in Connecticut. For Connecticut to honor its obligations to children and enhance its economic competitiveness, it must meet its financial commitment to fund schools equitably and appropriately. This commitment is even more important because of the COVID-19 crisis, which magnified inequities in resources across school districts. The deficiencies that exist in funding resources to address student trauma and promote social-emotional learning are exacerbated due to the pandemic. Inequities in access to technology and remote learning tools continue to persist, negatively impacting children in every district in the state. These needs intensify during economic downturns requiring schools to expand services for students.
CEA Position: ECS funding must be given the highest priority, even in difficult budget years. Cuts in educational funding harm children, negatively impact teaching and learning, and can increase local property taxes. I will not support any reductions in the state’s commitment to ECS funding and will work to enhance funding of school districts wherever possible.

[X] Agree with CEA’s Position [ ] Oppose CEA’s Position

3. Smart Fiscal Policy

Background: CEA believes that the state’s current system of taxation, especially the state’s over-reliance on local property taxes to fund our local schools, lacks fairness, increases income inequality, and fails to provide adequate resources for critical services. Year after year, the state faces projected budget deficits and municipalities face uncertainty as to the level of support they will receive for public education in the form of ECS and other educational grants. Connecticut’s tax system must be reformed to meet the current and future needs of the state, and to create a dedicated, sustainable revenue stream to fund public education.

CEA Position: CEA supports a more reliable, non-regressive tax system that includes a statewide revenue stream specifically dedicated to fund public schools. I support tax reform that will enhance critical services for our state and dedicate revenues for ECS and other educational programs.

[X] Agree with CEA’s Position [ ] Oppose CEA’s Position

4. Privatization of Public Schools

Background: CEA believes that public dollars should support public schools. No public money should be diverted to privately operated schools through public tax credits for individuals or businesses, or through vouchers, direct payments, “money-follows-the-child” schemes, or any other means. Public money should also not be used to fund charter management organizations (CMOs), which are privately owned operators of chains of charter schools. The state’s growing expenditures in support of the expansion of CMO-run schools is troubling and sets up a costly parallel system of schooling that diverts funding from traditional schools. In addition, CMO-run schools present serious issues of transparency and a lack of properly certified educators. Proposals to further divert funding by way of schemes like “education savings accounts” (ESAs) or vouchers that redirect tax dollars to fund elite or religious private schools would do further harm. Some proposals do this through a personal income tax-credit; others by directly funding debit cards to be used as a voucher. Proposals that divert funding from neighborhood public schools ultimately short-change students in schools that are already starved for adequate resources.

CEA Position: CEA opposes legislation that diverts funding and resources from traditional public schools and opposes the continued expansion of CMO operated schools at the expense of public education. I will oppose any funding that diverts funding away from traditional public schools or expands charter schools at the expense of public school students.
5. Opponents to Public Education

**Background:** In recent years, extremely well-funded organizations seeking to undermine various aspects of public education have proliferated. There are groups like ConnCAN, 50CAN, Families for Excellent Schools, Achievement First, Democrats for Education Reform, and others that promote an overreliance on standardized testing and the expansion of privately operated schools (including CMO–run charter schools) at the expense of local public schools. Some like the Yankee Institute threaten to undermine the teaching profession by seeking to do away with fair retirement plans, collective bargaining, and public employee unions altogether. Others like the American Legislative Exchange Council (aka ALEC), the State Policy Network, Americans for Prosperity, and the Walton Family Foundation want to do all the above. Together, the direction advocated by these organizations dilute resources available for public schools, weaken teacher advocacy for students’ needs, and narrow the opportunities available to all children to learn.

**CEA Position:** CEA believes that the organizations noted above pose a threat to public employee unions and the core mission of our public schools to provide fair and equitable opportunities for all children to maximize their learning.

[X] Agree with CEA’s Position [ ] Oppose CEA’s Position

C. TEACHER’S RETIREMENT & HEALTH CARE

6. Retired Teachers’ Health Insurance Fund

**Background:** In 1989, the General Assembly established a Retired Teachers’ Health Insurance Fund to partially subsidize health insurance for retired teachers and their spouses. Current law requires that active teachers contribute 1.25% of their salaries to this fund and the state and those retirees on Medicare contribute 33% of the cost of the STRB’s health program to the health fund. For retirees and spouses under age 65, the retiree is paying virtually the full cost of the insurance. Over the past decade, the state has reduced its share from 33% to as low as 12%. This has resulted in millions of dollars of lost revenue to the health fund. Consequently, plans available to retirees were recently significantly altered, and the long-term solvency of the Retired Teachers’ Health Insurance fund remains at risk.

**CEA Position:** CEA believes that the State should meet its statutory responsibility and annually contribute its 33% share of funding to the Retired Teachers’ Health Insurance Fund to ensure its long-term solvency.

[X] Agree with CEA’s Position [ ] Oppose CEA’s Position

7. Investment Fund Manager Disclosure

**Background:** As the sole fiduciary of the Connecticut Retirement Plans and Trust Funds (CRPTF), the State Treasurer is responsible for managing the assets for teachers, state and municipal
employees, retirees and survivors who are pension plan participants and beneficiaries. The Teachers’ Retirement Fund (TRF) represent the largest portion of the state pension funds with a current value of over $22 billion.

As potential investment managers solicit business from the Office of the Treasurer and thus profit from working with public pension funds like the CRPTF, it is vital that these money managers do not act behind the scenes to undercut CEA members’ long-term interests. This could be done by serving on the board of organizations leading the political attack on public school teachers’ defined benefit pension plans or on public education and public sector unions generally. Rather, these investment managers must be held accountable for managing money responsibly and in ways that promote long-term growth and the interests of CEA members.

CEA Position: CEA supports requiring potential investment fund managers to disclose any relationships they have (including donations and/or pro bono work) with groups that seek to attack and dismantle public sector unions, defined benefit pension plans, collective bargaining, and public education.

[X] Agree with CEA’s Position  [ ] Oppose CEA’s Position

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8. Teachers’ Retirement Board (TRB) Independence

Background: Since its establishment in 1917, the Connecticut Teachers’ Retirement Board (TRB) has been an independent state agency. Today, over 100 years later, the TRB services over 51,000 active members and over 38,000 retired members and is responsible for not only paying out monthly retirement benefits but also administering a very complex retired teachers’ health insurance fund. Although consistently understaffed for decades, the dedicated and trained TRB staff has been successful in ensuring that pension and health benefits are processed in a timely manner. There have been attempts to merge the TRB into another agency such as the Comptroller’s Office which manages the State Employees’ Retirement System, an entirely separate and distinct retirement system. But it is clear that it is in the best interest of active and retired teachers for the TRB to act independently and continue to focus exclusively on the pension and health benefits for teachers.

CEA Position: CEA opposes any efforts to eliminate the independence of the Teachers’ Retirement Board (TRB) including any effort to merge that agency with another state agency.

[X] Agree with CEA’s Position  [ ] Oppose CEA’s Position

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9. Teachers’ Retirement System (TRS) Investment Rate

Background: Investment earnings provide a significant portion of the revenue for public pension funds. As a result, the accuracy of the return assumption can have a major impact on a plan’s actuarial funding level. Although it may be tempting to set the assumption rate very low to ensure that the actual return exceeds this amount, an investment return assumption that is set too low will overstate liabilities and costs, causing current taxpayers to be overcharged and
future taxpayers to be undercharged. The TRB, comprised of active and required teachers as well as public members, has always been vested with the authority to set the investment rate of return for the Teachers’ Retirement Fund (TRF) and bases its decisions on research and recommendations from its actuary. It is critical that the TRB retains this authority rather than transferring it to another entity or agency that may feel pressure to set it unreasonably high or low since an assumption that is significantly inaccurate in either direction will cause a misallocation of resources and unfair distribution of costs among generations of taxpayers.

**CEA Position:** CEA opposes any attempts to transfer the authority to set the TRS’s investment rate of return away from the TRB.

[X] Agree with CEA’s Position [ ] Oppose CEA’s Position

10. **Deposit of Surplus Funds into the Teachers’ Retirement Fund (TRF)**

**Background:** Due to recent budget surpluses and significant tax revenues over the volatility cap, the budget reserve fund has been fully funded. State statute provides that these funds are deemed to be appropriated, as selected by the Treasurer in the best interests of the state, to the Teachers’ Retirement Fund (TRF) or State Employees Retirement Fund (SERF). State law further provides that any surplus in excess of the amounts transferred to the budget reserve fund and TRS and SERF shall be deemed to be appropriated for redeeming outstanding indebtedness of the state as selected by the Treasurer in the best interests of the state, (ii) purchasing outstanding indebtedness on such terms and conditions as the Treasurer shall determine to be in the best interest of the state, (iii) defeating outstanding indebtedness of the state selected by the Treasurer in the best interests of the state, (iv) making additional payments towards TRF and SERF as selected by the Treasurer in the best interests of the state, or (v) any combination of these methods.

**CEA Position:** In 2022, the legislature forced the Treasurer to prioritize FY23 surplus for deposit in the State Employee Retirement Fund over the Teachers Retirement Fund. CEA disagrees with this action and supports allowing the Treasurer to equitably deposit the surplus funds into both the TRF and SERF.

[X] Agree with CEA’s Position [ ] Oppose CEA’s Position

**ADDITIONAL COMMENTS**

Please use the space below to provide any comments or explanations from your questionnaire responses.

I am running for Treasurer because I’m fighting for working people. At all levels of government, we have a simple choice: do we have representatives and leaders who protect the status quo
who fight for change? Ones who advocate for working people or those who allow income inequality to fester?

I am seeking the Connecticut Education Association’s endorsement because I am in a position to be successful in August and then November and I am hoping to have educators by my side. If this pandemic has shown us anything, it was yet another reminder that our educators are integral to the success of our families, our communities, and our state’s economy.

I was fortunate to receive a strong public education and then go on to college and law school here in Connecticut. I know I am who I am today because of those experiences, and most importantly because of the educators that provided me the skills, experience, and opportunity to succeed. There were many chances where I could have been counted out, but because of my parents' perseverance and the community in which they sought to build, and the mentorship that I received by my teachers from primary school through law school - I kept pushing forward. It's for that reason I got involved in politics, to pay it forward - that support I received whether it was in my neighborhood in New Haven when I was younger or in the classroom as I developed my awareness for the world.

The bottom line is: when it comes to our elected officials, it’s not just about their policies, it’s about who they are and who they wake up thinking about. It’s about their life experiences informing who they fight for. I grew up in New Haven where my parents ran a small convenience store. I used to stand at the milk carton getting change for people at the cashier. Today, I’m a lawyer who works on finance projects across Connecticut. I still live in the same community that I grew up in. It was watching my parents struggle and being the first in my family to graduate from college that informs how I approach the job as Treasurer. And that is – working people aren’t asking for much. They want fair wages and decent healthcare. They want job security and a state that continues to be a great place to live, work and raise a family.

And while we’re seeing income inequality rise to historic heights at the national level as working people struggle to get by with rising costs, here at home, I want to use every lever and tool available to the Treasurer to both protect and grow our pension funds in a way that secures the retirements of people who serve our state and work hard. I’ll also be working every day to enforce change and leverage our power as a large shareholder in large corporations across the globe. As Treasurer, I will also be prioritizing financial literacy education. We know there is a wealth gap in our state and one way in which we must combat that is by providing the tools necessary to build intergenerational wealth, particularly in communities of color and other marginalized communities. I hope to work with educators and educator unions to improve these offerings - not just for students, but also for educators and their families as well. We have made significant progress, but we can always do more - particularly when we work together.

Finally, as State Treasurer I will serve on many boards and in many capacities and will have a voice on a statewide basis as a constitutional officer - and I intend to use it. I will have an open door to CEA and other labor organizations that are on the front lines of representing hard working Connecticut residents, particularly our essential workers that build the fabric of our society: educators. Whether there are votes to be cast, statements to be made, events to
attend - I look forward to being your ally and doing my part to continue strengthening our public education system, the foundation of a strong state.