

THE ECONOMIC BENEFIT OF DEFINED BENEFIT PENSIONS IN CONNECTICUT

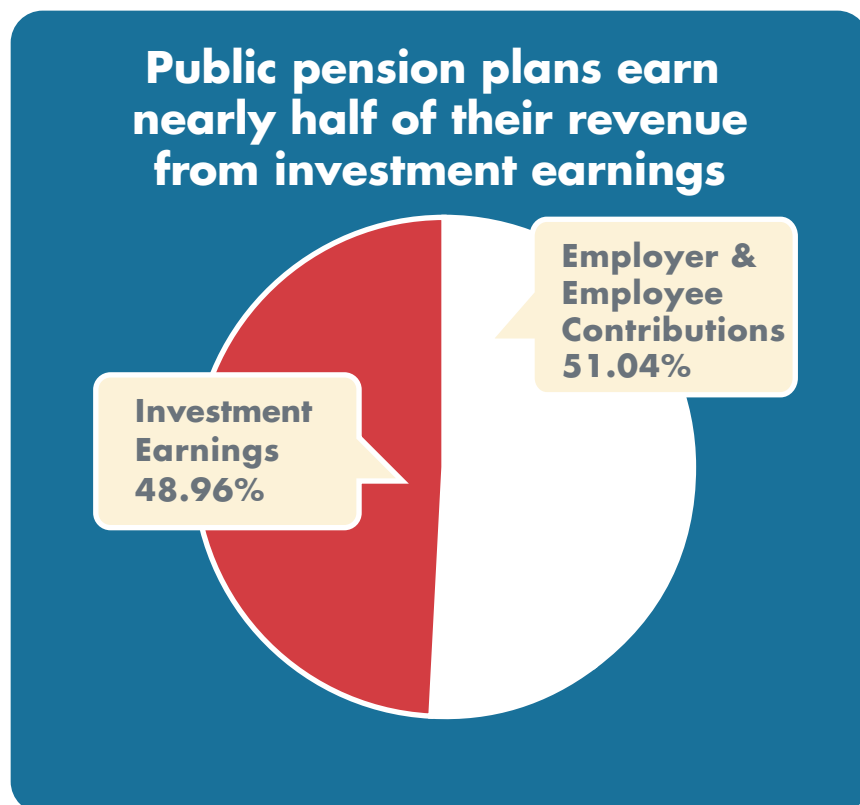
Defined benefit pensions are the most reliable path to a secure retirement for working families. They are also powerful economic engines for local communities. The spending of pension benefits by retirees supports local businesses through purchases of food, medicine, gas, and other staple items.

In 2016, the spending of pension benefits in Connecticut:

- Generated **\$7.1 billion** in economic activity
- Supported **43,559** jobs that paid nearly **\$2.7 billion** in income

Each dollar paid out in pension benefits creates **\$1.42** in total economic output in Connecticut.

Public pensions are a great investment for taxpayers. Each dollar invested by Connecticut taxpayers in public pensions supports **\$3.54** in economic activity.



Public pension plans also create tax revenue for local, state, and federal governments. According to the National Institute on Retirement Security, in 2018, the spending of pension benefits in Connecticut generated **\$1.6 billion** in federal, state, and local tax revenue. This money goes back into local communities to support public priorities like schools, road maintenance, and public safety.