Pension Advocacy Plan Summary 2022-23

Listed below are activities and planning, and it more than likely doesn’t include everything, that have gone into the 2022-23 Pension Advocacy Plan in which Education Minnesota has dedicated substantial resources.

- **Pension Task Force** - Education Minnesota members created priorities and needs in Spring of 2022
- **Pension Advocacy Plan** implemented starting Summer 2022 with three phases
- Meetings with TRA staff began in September 2022 to discuss the 2023 legislature and continue
- Worked to elect pro-public education legislators and governor
- Ongoing discussions with TRA board members
- Ongoing coordination with Pension FB group administrators
- Over 6000 members subscribed and many more shared Pension Updates since September, 2022
- Coordinated and strategic actions shared weekly with members
- **Website** centralization of pension resources
- Communication – email (all member, local presidents, Capitol Connection), social media, print, direct to staff, in person and one to one with members
- Pension Advocacy presentations – Over 1000 members have participated in over 36 offerings at the local, Intermediate organization and state level
- Asynchronous version of presentation made available to all members on MEA Online
- Governing board members were presented with information in December
- Ongoing sharing with presidents offering resources and support from staff to organize members
- Information and resources shared with members so they can organize their local
- **Resources** on action, escalation and organizing have been shared and are available
- Members creating localized resources and plans have been supported by staff
- Members recruited to testify at the LCPR
- Pressured to accelerate TRA board process and pushed for a more ambitious TRA legislative agenda
- Meeting with Governor’s office – weekly
- Met with over 100 legislators, most of whom work specifically on Education, Labor and Pensions issues
- Continued advocacy and pressure including ongoing meetings with key legislators
- Ongoing work with public pension coalition of labor organizations including actives and retirees
- Thousands of messages sent via action alert by members (many others sent on own by members)
- Shared pensions as a priority in two press conferences (1 and 2) and through social media
- Introduced bills with PTF priorities: SF 1938 and HF2222 as well as bills SF3177 and HF3181
- Worked with legislators and TRA to get bill HF3100 introduced
- Coordinated with Pension FB group on written letter campaign – Snow Day
- Lobby day support for locals
- TRA board candidate screening and Q & A available for all members
- Pension Town Hall to access legislators
- Pension Rally at the capitol – 500-700 members
- Q & A member sessions via Zoom
- Successfully introduced bill HF3294/SF3314 to lower the Tier 2 NRA to 64
- Pension Day of Action 4/27 and discussion with MMB and MDE commissioners
- Pension March for Our Future - May 16th – 300-400 members
- Proposed funding in tax bill for benefit improvement
Bill status in the 2023 session

Senate File 1938 and HF 2222 – heard but did not move forward
- NRA of 62 or 35 years of service with full, unreduced benefit
- COVID service credit – Double service credit for service during 2000, 2021 and 2022
- Adjustable COLA, 1-3%, tied to Consumer Price Index
- Restore Augmentation on deferred benefits

Rule of 90 Bill – did not get heard
- Restore rule of 90 for TRA and SPTRFA

HF 3294 and SF 3314 – heard at special LCPR on May 4th
- Lower the NRA of TRA Tier 2 from 66 to 64

TRA’s bill HF 3100 – heard but did not move forward as introduced
- One time COLA of 2.5% (compounded)
- Unreduced benefit threshold at 60 and 30

LCPR Bill – Passed as HF 3100 (delete-all amendment)
- One time 2.5% COLA, non-compounded, for current retirees of all plans
- $145 Million to TRA for general liabilities and $31 Million for retirees
- $153 Million to PERA for general liabilities and $21.7 Million for retirees (reduce vesting from 5 to 3 years)
- $12.8 Million to SPTRFA for 62/30 benefit (1% employee contribution increase) and $2.8 Million for retirees

Tax Bill HF 1938 - Passed
- Lowers the NRA for both TRA and SPTRFA from 66 to 65 for Tier 2 members
- The funding and benefits are both delayed and will go into effect July 1, 2025.
- The employer contribution for TRA and SPTRFA will increase by .75% on July 1, 2025.
- The bill provides $97.4 million over the 2026-27 biennium to provide direct funding to school districts, the Minnesota State Colleges and Universities, Perpich Center for Arts Education and Minnesota State Academies to pay for the employer increase. The Minnesota Department of Education was not included in this funding.
- This funding is ongoing and provided through the Pension Adjustment Revenue formula.
- The bill provides the only ongoing funding allocated this session for any of the four pension systems.

Continuing the work in 2023-24

At the 2023 Ed MN Representative Convention Action Item C passed:
- Education Minnesota will continue to advocate with the governor, the legislature and the TRA Board for increases in the employer and state contributions to cover the cost of reducing the normal retirement age and making an early retirement rule (2023 TRA 60 and 30 proposal/bill, Rule of 90, or 35 years of service OR age 62) available to all plan participants until TRA has an equitable pension for all its members.

Education Minnesota Pension Advisory Group has been created to assist in the development of goals, strategy and organizing planning around educator pension advocacy.

Issues to address:
- Lack of ability to reach unreduced benefit with a service component (35 years, 60/30 combo or other)
- Penalties (accumulated and/or base)
- Post-retirement increase delay (to be implemented for retirees after July 1, 2024)
- Need for additional funding from state of Minnesota
- Overall funding status and health of all educator pension plans
- Post-retirement increases (desire for an adjustable rate with range that matches inflation)
- Others