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## Update No. 54

If you've missed any past updates, they're [available on our website](#).

### Legislative Commission on Pensions and Retirement

The 2024 legislative session is just around the corner, and committees have started to post their first meeting schedules. The Legislative Commission on Pensions and Retirement (LCPR) is a main decision-making body of the state Legislature on pensions. [The LCPR's website](#) is a great resource to look back on past meetings, find materials and see what's coming next. Their first meeting of the 2024 session will be Monday, Feb. 12 at 8:30 a.m.



### Why will Tier 2 soon face a COLA delay?

Another inequity some future Tier 2 retirees will soon face is the cost-of-living adjustment (COLA) delay for early retirement. Passed in 2018 legislation, this was a benefit reduction and cost-saving measure to help counter the fund's deficiency.

Because of this statute, a Tier 2 member who retires after June 30, 2024 would not receive a COLA until they reach their normal retirement age of 66 (or 65 in 2025) unless they retired under the 62 and 30 provision, Rule of 90 or are disability or survivor benefit recipients.

COLAs are essential to care for a retiree's financial wellbeing, addressing inflation and ensuring that your benefit remains sustainable. To restore an equitable pension for Tier 2 educators, this arbitrary delay needs to be addressed.

### State comparisons

As we fight for improvements for Tier 2 pensions, it's important that we're specific about where the problem is in the Tier 2 benefit. In our [Jan. 19 update](#), we detailed that the inequity between Tier 1 and Tier 2 members largely affects members who seek to draw their benefit before age 62. This is also true when comparing the TRA Tier 2 plan to current teachers' plans in North Dakota, Wisconsin and Iowa.

## A “full benefit” means different amounts in different states

%age of High 5 Final Benefit		MN	ND	SD	WI	IA
	Elig:	Member after 6/30/89 & access after 7/1/25	Member after 6/30/08	Member after 6/30/17	Member Post 2006	
Age	Service Credit	2006+ Start Tier 2 NRA 65	Tier 2	Generational	2006 start with 1.6% multiplier	65% cap
55	33 yrs	26.3%	13.2%	23.8%	47.7%	63.0%
56	34 yrs	29.7%	46.2%	27.5%	51.8%	64.0%
57	35 yrs	33.3%	53.2%	31.5%	56.0%	65.0%
58	36 yrs	36.9%	60.5%	35.6%	57.6%	65.0%
59	37 yrs	40.8%	68.1%	40.0%	59.2%	65.0%
60	38 yrs	46.9%	76.0%	44.5%	60.8%	65.0%
61	39 yrs	53.4%	78.0%	49.1%	62.4%	65.0%
62	40 yrs	67.1%	80.0%	54.0%	64.0%	65.0%
63	41 yrs	72.0%	82.0%	59.0%	65.6%	65.0%
64	42 yrs	76.9%	84.0%	64.3%	67.2%	65.0%
65	43 yrs	81.7%	86.0%	69.7%	68.8%	65.0%
66	44 yrs	83.6%	88.0%	75.2%	70.0%	65.0%

*This chart reflects the percentage a member would multiply by their high-five salary to calculate their yearly benefit. These numbers reflect pensions for the most recent hire groups in each state.*

Comparisons to other states can often be debunked by opponents to pension improvement, unless we're specific about where the problem is. With a lack of service rule, our benefit payout is less of a percentage of our high-five salary than three out of Minnesota's four surrounding states for a member who seeks to retire and draw their benefit before age 62.

Learn more on comparisons with surrounding states by watching the pension presentation on [MEA Online](#).

### Get everyone you know to the Pension Rally!

To have the best chance at getting state funding to cover Tier 2 improvements, we need as many folks as possible to raise their voices at our Pension Rally on Feb. 29 in the state Capitol rotunda. If we show up by the thousands, we'll get the media and legislator attention we need to address Tier 2 inequities. Invite friends

and colleagues to our [Facebook event](#), and post [this flyer](#) where your colleagues will see it!

Education Minnesota is reimbursing the cost of two full-day subs per local, or four half-day subs per local. Members who are interested should coordinate with their local president. Education Minnesota is also reimbursing all members for the cost of mileage and parking. Reimbursement forms will be available at the event.

Some locals have even planned buses from their region for their members to attend! Check in with your local president to see if this is an option for you.

We ask that any members who plan to attend the rally and/or either of our optional prep sessions RSVP using [this form](#). We'll reach out to members who complete this form regarding updates on the rally, helpful hints for getting around the Capitol, shared materials and more!

### **Action items**

As we approach legislative session, we'll continue to post our growing list of resources at the end of each Pension Update. As you communicate about pension advocacy in your workplace, please share these resources with members who wish to get engaged.

- [Sign up](#) for the Pension Updates e-newsletter and read previous newsletters [here](#).
- [Sign up to be a Pension Action Leader](#) and we'll contact you about action items and advocacy to your state legislators. We need a PAL in every local and legislative district!
- Use our [easy-action form](#) to contact legislative leadership asking for their support of state investment for pension improvements.
- Join the [members-only Pension Advocacy Network private Facebook group](#), which is the best place to get updates, stay involved and ask questions.
- Watch our Pension 101 and Informational Update sessions on [MEA Online](#).
- We encourage all members to [make an appointment](#) with TRA to discuss what your benefit currently looks like, and what options you have.
- Use [this flyer](#), [this flyer](#) and [this flyer](#) to communicate with your colleagues about the pension movement.
- Request a stack of [pension postcards](#) from your field staff for your local. These postcards can act as a great tool for members to write to their legislators.



