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# Pension Updates



THE VOICE FOR PROFESSIONAL  
EDUCATORS AND STUDENTS

## Update No. 61

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

Timely actions needed from advocates:

- [Contact LCPR members to support the Tier 2 penalty reduction bill in front of the committee Monday.](#)
- [Ask your state representative to sign-on to the penalty reduction bill.](#) It's important that we get a full 35 co-authors, currently we have 21!
- [Contact legislative leadership to include ongoing money in budget targets to cover pension improvements.](#)

## REMINDER: LCPR hearing on Monday

The most important hearing of the year for teacher pensions is this Monday, March 25 from 8:30-10:30 a.m. Educators who are able to should prioritize coming in-person, wearing purple! Mark [here](#) that you're going, and invite your colleagues!

The Legislative Commission on Pensions and Retirement is hearing the penalty reduction bill (HF 3972/SF 4196) and the 62/30 career rule bill (HF 3808/SF 4348) on Monday. This is our best chance to make an argument for state investment for a TRA Tier 2 plan improvement. Use our easy email tool to contact LCPR members [here](#). You can find more information on the [LCPR website](#).

In addition to the bill hearings, there will be a 45-minute presentation from the National Association of State Retirement Administrators (NASRA) and Pew Charitable Trusts on TRA pensions compared to other states. We've asked that these state comparisons break out the data on tiers and types of employees, so it accurately reflects the situation Minnesota educators are in. If it doesn't, we'll be ready to speak to it. The chart below is helpful, as it compares the percentage of an educators high-five salary with our surrounding states.

The hearing will also be streamed online. Tune in on the [Education Minnesota Facebook page](#).

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

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

### Why the investment should come from the state

We need one message to be heard by legislators this year -- that any workers' benefit improvement should be paid for by the state, and not by the workers.

The state has underfunded our pension system and created the problem teachers face today. Any contribution increase to fund an improvement, while benefitting teachers close to retirement, would be a hindrance to young people entering the profession and a detriment to mid-career teachers. In those years where salaries are the lowest, losing more of each paycheck to TRA contributions would affect young and mid-career teachers' financial wellbeing, and exacerbate the educator shortage.

Legislators who are hearing that teachers are willing to pay more to cover benefit improvements will use that as a reason to not give pensions a budget target this year. To successfully achieve a workers' pension benefit improvement through state investment rather than employee contributions, we need legislative leadership to grant the LCPR a budget target that includes ongoing funding. Please use this [easy email tool](#) to contact legislative leadership and personalize the message to include why this is important to you.

### Monthly Zooms for Pension Action Leaders

Are you an Education Minnesota member and a pension building rep, an action leader or an active advocate? Please join us for our monthly Zoom updates! We'll give you pension action items, resources and legislative news that will be helpful in your efforts. The next update is Tuesday, April 2, from 6:30-7:30 p.m. [Sign up here!](#)

### Action items

This 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.

- Check out our [one-pager](#) on bills this year! Feel free to distribute to your local colleagues.

- Use our [easy action form](#) to reach out to your state representative, asking them to sign on in support of the penalty reduction bill! We need 35 co-authors to have the best chance to make this change.
- [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 Penalty Reduction Bill 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](#) by emailing us at [pensions@edmn.org](mailto:pensions@edmn.org). These postcards can act as a great tool for members to write to their legislators.

