

**From:** [Ann Reed](#)  
**To:** [Lisa Diesslin](#)  
**Subject:** written testimony  
**Date:** Sunday, April 2, 2023 12:53:15 PM

---

Chair Representative Her and the members of the Legislative Commission on Pensions and Retirement,

Thank you for the time you have given to the status of the Tier 2 pension system for educators in Minnesota. I am an educator, having provided 32 years of service to the children in our communities. I have been watching the process with expectation of reform as our pension has been severely underfunded by the state for decades. I believe that you have heard the message from a group of hardworking people and that you are truly frustrated by the inadequate amount of money that was provided to your committee as a target for pensions this session. I also believe that you see that there is an overwhelming need for reform.

I now understand that the solution to the problem may not happen immediately. Sadly, there is a generation of teachers who simply can't wait, yet again, for reform. This includes active teachers ranging in age from 55-60 with 30 plus years of service. The educators in this age group have the most to lose given a delay in reform. We are the generation who worked for decades beside coworkers whose hire date allowed them to retire a DECADE earlier than us. These coworkers were working the same jobs, in positions that share the same qualifications and responsibilities. We are the generation that, given yet another delay in reform, will face extreme penalties and/or work to an advanced age with as many as 40 years of service credit. We simply can't wait.

On a personal note, my husband and I came back home to Minnesota after teaching in Colorado in the 1990s. We moved our retirement to TRA on the recommendation of our financial advisor and after our hiring administrator and so many colleagues told us that issues with the pension system would be addressed. Yes, 25 years have passed since we bought years of credit, paying into a system that we believed in. This was the "education state" and we were proud to come back to work and invest in a state that we believed valued its educators. Had we stayed in Colorado we would have retired with the Rule of 85. Coming home to the "education state" has delivered us a devastating blow as so many have carelessly "kicked this can down the road" year after year.

It is disheartening to see that the governor's office has not included a means to address the critical issue of pension reform in the budget target during a year with a record surplus. A lack of response to this situation is disillusioning and it speaks volumes. Educators with 30+ years of service have already worked at a lower rate of pay for decades but with, what we believed to be, the promise of an AVERAGE pension. Chair Representative Her and the Pension Commission, while I consider the options on your agenda unacceptable, I

understand that you do not have the funds necessary to do what is right. I am disappointed that, by lowering the actuarial assumption your commission will make reform in the future even harder to pass. It feels like a set up for Tier 2 teachers to carry our burden longer. Please invest in the people who have been wronged in this process and set the wheels in motion for meaningful change.

Sincerely,

Ann Reed  
32 year educator