

From: [Paul Peterson](#)
To: [Lisa Diesslin](#)
Subject: April 3rd, 2023 written testimony regarding TRA tier 2 Bills.
Date: Thursday, March 30, 2023 12:28:19 PM

LCPR Members,

It's been made clear the listed bills are set to pass with a delete all amendment and restructured to fit an omnibus bill.

In an unprecedented time to fix the wrongs created by a 2 tier system in 1989 with a record surplus, higher funding than 1989 (especially considering the more strict standards for funded ratios), we will be left with nothing or next to nothing while an amount is allocated to colas or the funded ratio which will eventually provide colas (which are deserved) for people that retired under a much better pension plan than their tier 2 counterparts.

As a last ditch plea, I ask the committee consider one final option:

- Allow current tier 2 members to OPT in to a tier 1 pension themselves with all of the allocated benefits provided to current tier 1 teachers (rule of 90, NRA 65/NRA 62 with 30 years and 3% protected reductions)
- If the tier 2 teacher opts into tier 1 they will be charged the contribution rate required to make the benefit change and the actuarial cost/difference of prior contribution deficiency either through lump sum, additional payroll deductions, or if close to retirement a third option of a TEMPORARY reduction in benefits until they have paid the missing actuarial cost
- Members that do not opt in will not be impacted and remain tier 2

This plan would be of NO cost to the state at this time.

It would allow educators in TRA to make the decision that best works for them.

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