

From: [Jim Reed](#)
To: [Lisa Diesslin](#)
Subject: Education Pension Reform - Testimony
Date: Sunday, February 26, 2023 7:32:54 AM

Members of the LCPR,

Thank you for taking the time to read this. I recently attended a presentation regarding pension reform. It was informative and helped me understand the complexity of getting this issue resolved. Many times throughout the presentation, I heard reference to a full career. Never was a number attached to the term full career. We need to look at this and assign it a number. 35 years in education, in any capacity, should qualify as a full career. As you look at the various bills that will be introduced, please think of a full career as 35 years. 35 years puts Minnesota in line with the national average if a teacher comes in right out of college.

Teachers are public servants. Many of us gave up a large chunk of our earning potential because we were told that the state of Minnesota would make the two tiers of teachers equal in benefits. Now is the time to fix the pension inequalities for Tier II teachers and please remember that 35 years is a full career. We have earned this reform.

Minnesota has placed the responsibility of pension funding on the back of its teachers. The state of Minnesota pays one of the lowest percentages toward the funding of the pensions for Tier II educators. The total is 8.75% but only 1.75% goes toward the Tier II teachers pension and the rest goes to unfunded liabilities. This is basically the promised benefit for Tier I teachers. Currently Tier II teachers pay 7.5% of their yearly gross income to fund approximately 81% of the pension. In July that will jump to 7.75%, the most ANY teacher in MN has ever had to pay. So, Tier II teachers pay the most and are being asked to work to age 66 to get a full pension. Pay in ten years longer than a Tier I and get back 10 years less based on life expectancy. Boy, that does not sound like a solid recruiting tool.

Fixing education starts this legislative session. If we fail to start someplace, we will never fix the problem and the shortages will just continue to get larger and larger. With these shortages, Minnesota will have a fall from grace and will no longer be looked at as a leader in education.

Jim Reed
Brainerd, MN 56401
Media Teacher