

Teacher Pensions MYTHBUSTERS

Pension Myth

Defined benefit plans have no risk for teachers while defined contribution plans have great risk.

The Facts

All teacher retirement plans have some level of risk.

- The risk associated with a defined contribution plan is that of investment losses, the same risk that those using a 401K to save for retirement face.
- The risk associated with a defined benefit plan is that of not being in the system long enough to collect fully (or even at all) –a reality for many teachers who choose or are forced to move during their teaching careers or who enter the profession mid-career.



*To learn more about teacher pensions and other reforms to elevate the teaching profession
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National Council on Teacher Quality

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