Teacher Pensions MYTHBUSTERS

Pension Myth Most states have already reformed their pension systems.

The Facts

States have made a lot of changes to their teacher pension systems in recent years – often at the expense of teachers – but these changes represent mostly minor adjustments designed to reduce costs, rather than systemic improvements to teacher retirement plans.

- Since 2009, nearly all states have increased the mandatory contribution amount that employers must pay into pensions, while 29 states have increased the amount teachers contribute; 33 states have increased the age of retirement for current teachers; 27 states reduced or eliminated cost of living adjustments; and 17 states made changes to the final calculation of benefits.
- All of these changes impact the plans teachers accepted at the beginning of their careers, and which they had counted on for retirement.
- With almost $499 billion in unfunded pension liabilities across the country – a debt load that has climbed by over $100 billion between 2012 and 2014 alone – we cannot expect teachers to continue to carry the burden of a broken pension system. State legislators must take action to meaningfully fix teacher pension systems so they are fair to both teachers and taxpayers.

BUSTED

To learn more about teacher pensions and other reforms to elevate the teaching profession visit: nctq.org, studentsfirst.org and teacherpensions.org

National Council on Teacher Quality

studentsfirst