

# A TALE OF TWO TIERS



Let's look at Mike and Molly who both teach in the same school district. Mike is the more experienced and is on Retirement Tier 4 while Molly is on Tier 6. Let's see what that means when retirement nears.\*



\*At the start of their careers, Mike and Molly each pay 3% of their salary toward their retirement...**BUT WATCH WHAT HAPPENS.**

## TIER 4

For the first 10 years, **Mike** continues to pay 3% of his salary toward his pension, BUT after year 10, his payments END.

**Mike** can retire and collect his full pension penalty-free at age 55 and 30 years of service. This would equal 60% of his FAS (Final Average Salary).

## TIER 6

As **Molly's** salary increases, so does the percentage of her salary going to her pension. When she reached \$46,000, she will be [paying 3.5% of her salary toward her pension. By \$56,000 she is paying 4.5%. By \$76,000 it's 5.75% and by \$101,000 it will be 6%. **Molly** can't retire and collect her penalty-free pension until she's 63. **If she retired like Mike at age 55 and 30 years of service, she would receive only 26.4% of her FAS—after paying tens of thousands\$\$\$ more into the system.**

\*\*info from FixTier6.org



It's UNFAIR that some NYSUT members must work longer, and contribute more, to earn a significantly reduced pension. This should anger ALL union members. **FIXING TIER 6 IS ABOUT DIGNITY.** The hallmark of a public-service career is the promise of a dignified retirement.

**FIXING TIER 6 IS ABOUT KEEPING TALENTED EDUCATORS IN THE CLASSROOM AND RECRUITING NEW EDUCATORS INTO THE PROFESSION.** Forcing younger members into a lesser pension system undervalues our profession and makes it harder to recruit new teachers. **FIXING TIER 6 IS ABOUT UNITY AND POWER.** By staying united, we've made big changes before. We can do it again!

## HOW CAN RETIREES HELP?

- ✘ **WRITE OR CALL** your state representatives letting them know that Tier 6 has to be changed is NYS is going to attract qualified teachers.
- ✘ **TELL** your state representatives that Tier 6 makes teaching a less desirable career and discourages young people from choosing to teach.
- ✘ **EXPLAIN** what has happened to Teacher Pensions in NY if the subject of “*teachers’ great pensions*” come up in conversation.
- ✘ **DEFEND** and **ENCOURAGE** teaching as a worthy profession for young people to consider.
- ✘ **DONATE** to **VOTE-COPE** to help NYSUT get the message out to our state lawmakers so that changes can be made.