

Fix Tier 6 Talking Points for Fix Tier 6 Brief Presentation

What's this about?

Since 2010, newly created pension tiers (Tier 5 and Tier 6) have been enacted that reduce the retirement benefits for newly hired public employees, including public school teachers and School Related Professionals.

Tier 6 requires public employees to work until age 63, up to 40 years, to retire without penalty. Public employees in Tier 6 can no longer retire at age 55 with 30 years of service without suffering from significant penalties that reduce their overall pension.

Tier 6 was imposed on our members by Gov. Cuomo in 2012, one of his many attacks on our members, public education, and public employees in general.

While still a defined benefit pension that our members cannot outlive, how much a member will receive in retirement, how long they are required to work for this lesser amount, and how much they must pay for it is far different than their Tier 4 and Tier 5 co-workers.

Thirty years is a career: public employees should be able to retire with a secure retirement after 30 years of service, without penalty.

How bad is it?

Tier 6 will result in significant reductions to employee's pensions.

Penalties for early retirement, prior to age 63, are devastating to an employee's retirement security. In fact,

- Tier 6 members must pay into the retirement system their entire careers.
- Tier 6 members must contribute more as their pay increases, starting at 3 percent and growing to 6 percent.
- Tier 6 members can't retire before 63 without heavy penalties.
- Tier 6 doesn't incentivize professionals to enter, or stay in, education.

It is a problem for our new members to have such a reduction in their overall retirement security but that is not all; it is a problem for all our members.

- The shortages caused by the lack of people entering public service is real; we see it every day in our schools, colleges, universities, and public hospitals.

- These shortages impact our current members with larger class sizes, less classroom assistants, fewer substitutes, and higher burnout rates.
- Without measures to retain current employees and recruit new hires — such as fixing Tier 6 — the lives of our members and those they serve, including students and patients, will be negatively impacted.

What is NYSUT doing about this?

That's why NYSUT is launching a long-term advocacy campaign to improve retirement benefits for public employees under Tier 6. It took us over a decade to reform Tier 4, we're going to keep fighting until we reform Tier 6 and restore a secure retirement for all public employees in New York.

We did it once and we can do it again! In the year 2000, after many years of lobbying the state, NYSUT and the other public employee unions won the battle for tier equity for Tier 4 members. Tier 4 members saw their employee contributions reduced to zero after 10 years of the service and service credit calculations were adjusted benefiting employees across all public pension systems.

Last year, the first year under Gov. Hochul, we won the first battle in this fight. The number of years required to vest in the pension system for Tier 6 members was reduced from 10 years to five years — the same amount required for Tier 4. 85,000 Tier 6 members are now vested in the retirement system thanks to NYSUT's advocacy.

What can you do about this?

We know how to get this done, but we can't do it without you. Whether you're a Tier 4, 5 or 6 member, you can help NYSUT Fix Tier 6 by signing up to stay informed and help fight for retirement fairness and dignity.

Join NYSUT's Fix Tier 6 Team to help with direct outreach. To do this, I'm asking you to please take out your phone now and scan the QR code on the flyer we distributed. Fill out the information to be part of the Fix Tier 6 Team—you will receive occasional updates on how you can help change this unfair policy.

OPTIONAL ASK: Donate to VOTE-COPE, NYSUT's voluntary non-partisan political action fund. Your donations help us get our message out to lawmakers so we can make change!