

Sample Letters to Editor on Senate Bill 1040

These are only drafts with some ideas on points that can be raised. Please fill in as much detail about your own situation and the impact of these changes on your pocketbook as possible.

From a non-retired school employee:

I am very unhappy to see that the State Legislature is once again proposing more reductions in the pension benefits for public school employees. I am an employee at (name of school), and over the past several years we have contributed more and more of our wages to pay for our pensions and retirement health care benefits. Now, even though I have been making payments that go towards these future benefits, Senate Bill 1040 would severely reduce those benefits unless I retire before July 1 of this year. This is essentially pulling the rug out from under me and thousands of other school employees who have been paying into these accounts.

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The Michigan Legislature is working on legislation to reduce pension and retirement health care costs that go to public school employees. As a school employee myself, I agree that the state has an interest in controlling these costs. Unfortunately, Senate Bill 1040 would do it by breaking decades-old promises to school workers. This legislation would make major retroactive reductions to school employee retirement benefits that will likely have the effect of forcing me and my fellow teachers and support staff to work well into our 60's before we are able to retire. It seems to me that this will actually be more costly for our schools since older, higher-wage employees will end up working more years. The Legislature needs to consider all the possible consequences of these decisions before acting rashly.

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Politicians in Lansing are pushing the panic button again over school employee retirement costs. Twice in the last decade, they have passed legislation to require school workers to pay more out of pocket for their pension and retirement health care. Just two years ago, they made huge changes to the system (i.e. benefit reductions) for employees hired after 2010. What they have refused to do is invest sufficient funds in the system – particularly for retirement health care – to offset future costs. Amazingly, these cuts to benefits and shifts in costs onto workers have failed to correct the funding problem. Now they are coming after us again with Senate Bill 1040. This bill would even reduce benefits for existing employees – even those who are already retired! Not only is this just building on previous failed solutions, it is completely unfair to those workers who have been assured a safe retirement only to see the Legislature take it back.

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From a retired school employee:

When I decided to retire from (name of school) years ago, I thought I had a clear picture of what my retirement income and expenses would be. Recently, I became aware of Senate Bill 1040, which would throw all that out the window. I thought it was bad enough when the Legislature voted to tax my pension last year, but Senate Bill 1040 would double my monthly health care premiums. Don't our

elected officials know that retirees are on a fixed income? Where do they expect us to get the money for this change?

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Somehow over the last decade, “pension” has become a dirty word. The American dream of retirement and the “golden years” has somehow been replaced with visions of working until we are put in the grave. One of the reasons I went to work for (name of school) was the fact that I could get a safe and secure retirement – and I always thought I made a smart decision. I have been retired for several years now, and I am able to live comfortably. But now, my security is being threatened by legislators in Lansing who seem to think that it is perfectly reasonable to go back on the promises that were made to me when I retired. Specifically, I was assured that my share of my health insurance premium would be limited to 10%. Not only has the system increased my out of pocket co-pays and deductibles by hundreds of dollars per year, now Senate Bill 1040 would double my premium costs. Not only is this unfair to me and other retired school employees, but it sends a terrible message to young people considering education as a career.