

May 25, 2021

Update on Current Events:

The Pension Task Force Bill Crosses the Finish Line. The [bill establishing a legislative task force](#) to make recommendations to address the pension system's funding issue is on the way to the governor's desk. The bill, as we've reported, will ensure that teachers, state workers, and state troopers will have a say in designing options for the legislature to pursue next year. In a word, the bill is good news for us: the charge to the task force is virtually unchanged from that passed by the Senate. This was our hope, and it means that the task force's outcome won't be predetermined; the task force will be free to be creative and have wider latitude to include dedicated revenue streams; and the task force must study the effects of any proposals on the education workforce and on the state and local economies. The task force will have more time to complete its work. The initial meeting will be on June 15; an interim report is due October 15; and the final recommendation is due December 15. This was also in the version passed by the Senate. And the task force will be balanced. The composition changed slightly from the version passed by the Senate, but its voting membership remains split between labor unions and non-beneficiaries. The House will have three seats; the Senate will have two; the administration will have one seat; Vermont-NEA will have three seats; the Vermont State Employees Association will have two; the Vermont Troopers Association will have one; and the treasurer's office will have one non-voting seat. The governor is expected to sign the measure.

Budget Deal Includes Funding for Pension Payment, OPEB.

For a while last week it looked as though an agreement on next fiscal year's [state budget](#) were going to be derailed by disagreement over whether to move \$14 million worth of funding for Other Post-Employment Benefits – chiefly retiree healthcare benefits – into the Education Fund. This pre-funding of OPEB costs would have saved approximately \$800 million in unfunded OPEB liabilities and is something Vermont-NEA has supported for the past several years. In the end, lawmakers agreed to reserve \$14 million in the Education Fund for OPEB costs in addition to the \$150 million reserved in the General Fund for use once the legislature determines its approach to address the system's funding issues in 2022.

The Vermont-NEA Pension Task Force Slated for First Meeting.

The members serving on our union's internal pension task force is expected to meet for the first time this week. This group of members applied to serve on the task force, which will become the hub of Vermont-NEA's pension policy recommendations. From this internal group, the union's three representatives on the legislature's task force will be chosen. We'll introduce you to this group after they've had a chance to hold their initial meeting. As always, stay informed [here](#) and [here](#).

Learn How Teachers' Pension Has Changed Over Time in New Webinar – Thurs May 27, 4:30pm:

Over the past five months, the status of the Vermont State Teachers' Retirement System, and potential changes to retirement benefits, have dominated the legislative conversation. **Vermont-NEA Director of Member Benefits Mark Hage will lead a webinar at 4:30 pm on May 27 for Vermont-NEA members about the history of the system's changes over the past several decades and about the state of current retirement benefits.** Because of the amazing work of Vermont-NEA members, the legislature has stepped back on action this year and created a task force (see above) to look at the pension issue. Now is an important time for Vermont-NEA members to dig into what benefits currently exist and the history of how those benefits came about.

Click here to register: <https://secure.ngpvan.com/PHUYDRowTU-9PviDVcalDw2>

NOTE – *This will be the last Vermont-NEA Pension Bulletin for a little bit. We expect the next update to come this summer after your colleagues on the Legislative Pension Task Force begin their work.*