

April 29, 2022

**Pension Bill Passes House and Senate Unanimously:**

After more than a year of organizing and hard work from you and your fellow members, the total package solution moved forward by the Legislative Pension Task Force, including Vermont-NEA members Molly Stoner, Kate McCann, and Andrew Emrich, is on its way to Governor Scott. It was because you and your fellow teachers and state employees raised your voices and dug into the hard work that this happened. Your fellow Vermont-NEA members who represented you on the Legislative Pension Task Force participated in seventeen open meetings and two public hearings, not to mention innumerable other meetings to reach the total package solution that passed both the House and Senate unanimously.

**S.286, the pension bill, passed the Senate earlier this month on a unanimous and bipartisan vote of 28-0 and on April 26<sup>th</sup> the House passed the pension bill on a unanimous vote of 144-0.** Amazingly, as the bill move through the Senate and the House, including five different legislative committees, it did not receive a single no vote.

**As you know, S.286 includes:**

- Historic One-Time Money of \$125 Million
- Extra Annual State Payment of \$15 Million
- Twenty-five percent of State Budget Surplus to fund a path to a Future COLA Enhancement
- Millions in One-time and Annual Payments for Retiree Health Care Security
- Progressive Contribution Structure Phased-in over 3 three years
- COLA Adjustments Going Forward
- NO changes to your retirement age, the calculation of your pension benefit and no move to a risky defined contribution plan

One of the guiding principles of your Vermont-NEA Internal Pension Task Force that supported the work of Kate, Molly, and Andrew, was to move to a **progressive structure for teacher contributions**. As S.286 moved through the legislative process, this progressive contribution structure was adjusted to ensure that it could be implemented starting July 1, 2022. In 2022-23 and 2023-2024 the progressive rates will be an eight banded flat progressive rate and in year three it will transition to a marginally applied progressive contribution rate, where teachers pay a blended effective rate. **For more details click on [www.vtnea.org/contributionrates22](http://www.vtnea.org/contributionrates22)**

**Timeline, Next Steps, and Possible Action:**

We expect Governor Scott to get the bill in the coming week. Our hope is that he will allow it to become law, however he could choose to veto it. Given the unanimous votes in the House and the Senate we believe a veto is unlikely. If Governor Scott does veto the bill, we will need your help. Stay tuned!

In the meantime:

- **Send a Thank You Message to Your Legislators** – Click here to send a quick note to thanks: <https://secure.ngpvan.com/GX8Ye7zTTkeGIYQQxquDpg2>