



## **A message from Gov. Wolf**

The PA House voted today to approve the pension bill, sending it to Gov. Tom Wolf's desk.

The governor has kept us updated since the process began, and he's asked me to share with you the message below explaining his thoughts on the pension bill.

Reading the governor's message, I reflected on how far we've come, and how proud I am to be a member of our Association. We sent nearly 1 million emails, letters, and phone calls to legislators over the past four and a half years, fighting back bills that would have slashed our pension benefits by as much as 70 percent. Gov. Wolf wants to make sure that PSEA members know that he's been fighting for us, too.

Please read the letter below explaining Gov. Wolf's thoughts on the bill, and why he plans to sign it.

You can learn more at [www.psea.org/pension](http://www.psea.org/pension), and I will continue to update you on the status of the bill as I know more.

Again, thank you for your advocacy on this issue.

In Solidarity,

Jerry Oleksiak  
PSEA President

Members of PSEA:

I plan to sign SB 1, a proposal that will reform Pennsylvania's pension system for future state and public school employees, while protecting their retirement security and yours.

I reject the bullying of public employees that we've seen across the country and in our own state. I will continue to fight to protect Pennsylvania's state workers, teachers, law enforcement, and other public employees who dedicate themselves to public service.

But the fiscal realities facing Pennsylvania and our legacy pension problems cannot be ignored.

We needed a balanced approach to these problems to protect your retirements and taxpayers. This historic law will save taxpayers billions, and prevent future pension debt while ensuring a secure retirement for the people who educate our children and serve our communities.

Throughout the course of negotiations, and when weighing whether to sign this legislation, I insisted on several key components. In addition to saving money that could be used to invest in public education, any pension proposal must:

- Not impact current employees in a negative way;
- Continue to adequately fund both PSERS and SERS to ensure current and retired employees receive the benefits they paid for and earned; and
- Provide a fair retirement for future educators and state employees.

**Previous pension reform proposals failed to meet these criteria. And I vetoed them to protect public servants like you.**

I plan to sign SB 1 because it aligned with the principles I established.

**This bill will not have any impact on employees hired before July 1, 2011, and will continue to fully fund the defined benefit system.**

**It will have two positive changes for people hired after July 1, 2011:**

- It will add upside risk sharing: If the stock market performs well, you will pay less into your retirement. This will balance the downside risk sharing you currently have.

- It will add an actuarial neutral Option 4 (lump-sum withdrawal), giving you the opportunity to withdraw what you paid into your retirement in one lump sum upon retirement.

And, it will provide a **pension benefit for future employees that is comparable** to the benefit being earned by today's state and school employees.

I am looking forward to partnering with you to continue to make historic investments in Pennsylvania's schools, reduce high-stakes testing in our classrooms, and to create an economic climate that will provide opportunities for students upon graduation.

Thank you.

Gov. Tom Wolf

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400 N. 3rd Street, Harrisburg, PA 17101

**This message is intended for PSEA Members and their families.**

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