



**Statement by AFT Pennsylvania Executive Vice President Rosemary Boland
on Governor Corbett's Pension 'Reform' Proposal
February 5, 2013**

"Gov. Corbett's pension 'reform' proposal is short-term thinking that creates long-term problems for teachers, librarians, nurses and other school and state employees, and, ultimately, for Pennsylvania taxpayers.

"The governor's plan will not reduce any of the systems' current \$41 billion unfunded liability. In fact, it may increase the amount needed down the road to meet its obligations to retired and current workers. Further, the governor has provided no details on the amount employers, school districts and the state, will contribute to the 401(k)-type plans, leaving it to the imagination potential costs as well as potential savings.

"Teachers and other school and state employees didn't cause the pension problem, but under the governor's proposal current and future state employees will pay for the mistakes that others made with significantly reduced pensions.

"Teachers and school employees accept significant changes to their pensions in 2010 when the legislature passed bipartisan pension reform. Act 120 is designed to do what everyone agrees needs to be done: restore healthy fund balances gradually so that the state's pension funds will be able to meet their obligations to retirees – as they have done for the past 100 years. If Act 120 is allowed to work, it will strengthen and build a healthy pension system and provide secure and stable pensions for another 100 years.

"Gov. Corbett's plan, on the other hand, will kick the pension funds problems down the road, leaving retirees poorer and taxpayers footing a larger bill in the future. Like a doctor who takes an oath to 'do no harm,' Gov. Corbett should do the same. His pension reform isn't helping taxpayers, retirees or current employees. He should let Act 120 work."