

Excerpts from the address to the 2009 NEA-NH Delegate Assembly
Sam Giarrusso, Member, New Hampshire Retirement System
Board of Trustees
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When the money runs out, so does the love!

I moved to New Hampshire in 1975 right after the teachers were fired in the Timberlane strike.

I now recognize how destructive the politics of the day was, and how that strike ruined many peoples' lives.

But that single act was the catalyst to pass RSA 273:A, which gave teachers the right to collectively bargain contracts.

We still benefit from that law today.

Sometimes gains are painful.

Right then I knew there was only one way to accomplish change.

It would be through political action.

I have always believed that Democrats are the friends of organized labor.

Then I awoke from my dream when I saw some of the proposed legislation in the 2009 session of the New Hampshire Legislature, which is controlled by Democratic majorities in both houses. I am thinking particularly of a proposed change to your pension contribution rate, increasing it by **40 percent**.

This is legislation that attacks your defined-benefit pension.

To quote a phrase from "Hans and Franz" of Saturday Night Live,

"Believe me now or listen to me later."

We need to be as vigilant now as we have ever been.

In 1952, **32.5 percent** of the labor force was unionized labor.

Last year only **12.4 percent** of American workers belonged to a union.

And if you believe some of the people out there, they would blame all the ills of the economic slump on UNIONS.

But my thesis is that this has been a carefully crafted marketing ploy to pay people less, and give them reduced benefits or none.

All so they can just put more profit in the pockets of people who need it the least -- as a way to not pay their fair share of the bill.

I am not here preaching socialism, but I do champion fairness and a sustainable quality of life for everyone -- one that produces consistent economic growth and limits reactionary economic practices.

Just take a look at the rotten politics that is taking place right now in Concord around your pension.

The American people and workers have been conned into thinking that if you get rid of unions you will get:

- better working conditions
- higher pay

- increased benefits.

Well folks over the last 57 years the truth is in the results. With the decline in the unionized work force has come:

- an increase in lower paying jobs.
- reduced benefits
- reduced pensions or none
- working conditions that are suspect
- the total erosion of the middle class.

In Concord they will not repeal your defined benefit pension although there are some people out there who will constantly try to screw you out of it.

All because they don't want to pay their fair share.

Do you know what the second best field is to be in during hard times?

Just last week a former teacher in my district contacted me and asked what was going to happen with her pension through the New Hampshire Retirement System due to the stock market decline.

My response was that nothing will change.

Unless you let your elected officials change it.

You will continue to receive your pension. It is a defined benefit that is set by state law.

The way it works is:

You contribute **5%** of your salary.

Your employer contributes an amount of your salary that varies.

The employer contribution has been as low as **0.65% in 1987 to 8.93% in 2008.**

And an average of 3.13% over the last 40 years.

And the returns in the stock market make up the rest of the growth. This is a long-term investment. We base it on 30 years.

During good times, when the market does well, the employer contribution rate drops, and during bad economic times it is increased to make up the actuarial difference.

You will notice in the budget presented today that there is a large increase that meets the actuarial funding mechanism similar to how your pension is funded.

The only exception with the New Hampshire Retirement System is that certain educational support professionals are not part of the New Hampshire Retirement System because their district chose not to have them belong.

But it is a longstanding goal to achieve this benefit for these individual and their school districts.

So I ask you to support the budget as presented to you today.

Seeing that it would be the ultimate double standard to vote down the increased pension costs.

It would be similar to what the New Hampshire House is trying to do to you with your pension.

They are willing to pay less during good economic times but, then have the audacity to state that during bad times they don't want to pay their fair share.

Where do we go from here?

Someone asked me what I am going to do about this. You mean WE!

The real question is, what are the 16,000 members of NEA-NH going to do about this.

Summary of Employer Contributions to the Teacher's Account of the New Hampshire Retirement System

Fiscal Year	Employer Contribution To Teachers' Account
7/1/1968 — 6/30/1969	3.10%
7/1/1969 — 6/30/1970	3.55%
7/1/1970 — 6/30/1971	3.88%
7/1/1971 — 6/30/1972	4.30%
7/1/1972 — 6/30/1973	2.61%
7/1/1973 — 6/30/1974	1.79%
7/1/1974 — 6/30/1975	3.89%
7/1/1975 — 6/30/1976	2.88%
7/1/1976 — 6/30/1977	2.88%
7/1/1977 — 6/30/1978	2.88%
7/1/1978 — 6/30/1979	2.88%
7/1/1979 — 6/30/1980	2.91%
7/1/1980 — 6/30/1981	2.91%
7/1/1981 — 6/30/1982	1.80%
7/1/1982 — 6/30/1983	2.20%
7/1/1983 — 6/30/1984	0.88%
7/1/1984 — 6/30/1985	0.92%
7/1/1985 — 6/30/1986	0.88%
7/1/1986 — 6/30/1987	0.88%
7/1/1987 — 6/30/1988	0.65%
7/1/1988 — 6/30/1989	0.79%
7/1/1989 — 6/30/1990	1.37%
7/1/1990 — 6/30/1991	1.37%
7/1/1991 — 6/30/1992	5.23%
7/1/1992 — 6/30/1993	2.79%
7/1/1993 — 6/30/1994	2.79%
7/1/1994 — 6/30/1995	2.79%
7/1/1995 — 6/30/1996	3.35%
7/1/1996 — 6/30/1997	3.35%
7/1/1997 — 6/30/1998	4.05%
7/1/1998 — 6/30/1999	4.05%
7/1/1999 — 6/30/2000	4.11%
7/1/2000 — 6/30/2001	4.11%
7/1/2001 — 6/30/2002	3.97%
7/1/2002 — 6/30/2003	3.97%
7/1/2003 — 6/30/2004	4.06%
7/1/2004 — 6/30/2005	4.06%
7/1/2005 — 6/30/2006	5.70%
7/1/2006 — 6/30/2007	5.70%
7/1/2007 — 6/30/2008	8.93%

Average Rate = 3.13%

I know I have paid my bill for 32 years.

The employer organizations of this state owe the New Hampshire Retirement System **\$2.7 billion dollars**. Now pay it.

Repeat after me:

I want my \$2.7 billion back now!

Come on Say it!

Now, lets not over react. OK, they can pay it back over time.

But don't tell me I need to pay 40 percent more, when the employer organizations don't want to pay their own bill.