

# KEEPING THE PROMISE

## HIGHLIGHTS



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-  **1.** “Keeping the Promise” will save Kentucky’s pension systems and meet the legal and moral obligations owed to current and retired teachers and public servants
  -  **2.** Requires full payment of ARC and creates a new funding formula that mandates hundreds of millions more into every retirement plan, making them healthier and solvent sooner
  -  **3.** For those still working: no increase to the full retirement age, and current defined benefits remain in place until the employee reaches the promised level of unreduced pension benefit
  -  **4.** For those retired: no clawbacks or reductions to pension checks, and healthcare benefits are protected
  -  **5.** For future non-hazardous employees and teachers: enrollment in a defined contribution retirement plan will provide comparable retirement benefits
  -  **6.** For current and future hazardous employees: will continue in the same system they are in now
  -  **7.** Closes loophole to ensure payment of death benefits for the families of hazardous employees
  -  **8.** Stops defined benefits plan for all legislators, moving them into the same defined contribution plan as other state employees under the jurisdiction of the KRS Board
  -  **9.** No emergency clause: law will not go into effect until July 1, 2018
  -  **10.** Structural changes should improve the Commonwealth’s rating with credit agencies, which have downgraded Kentucky’s rating, citing unfunded pension burdens