

Kansas Coalition of Public Retirees



REVISED RETIREMENT CONCERNS SPECIFICALLY FOR WOMEN (original 9/20/21) dated May 2024

1. For the past 20 years, the Kansas legislature intentionally or unintentionally appears to be anti-female. This is seen in lack of state employee raises, no COLA for KPERS, toxic treatment of those in the education/school group of KPERS, underfunding Special Education, and two court cases filed because of lack of suitable funding.”
2. Retirees, especially women, vote in your best interest! Research incumbent voting records and visit with first time candidates about YOUR interests.
3. January 2024, KPERS reports that there are 151,984 KPERS ACTIVE members. KPERS 1 has 46,500 active members, KPERS 2 has 23,792 active members and KPERS 3 is the largest group with 73,557 active members. Of the 151,984, 87,207 (58%) are in the school group. There are 113,000 retirees, ages 50-112. The average yearly salary of retirees is \$16,518 yearly, or \$1,376 monthly.
4. A gender disparity between men and women can be attributed to most of the following:
 - a. Women are more likely to work part time reducing income and often not qualifying for sponsored retirement plans.
 - b. Females are more likely to quit work for care giving. Child rearing and elder care, including spousal care, are examples.
 - c. Separation and divorce more often negatively impact women more than men.
 - d. According to AARP and NRTA, females between the ages of 75-79 are three times more likely than men to live in poverty. Women are more likely to be impoverished at age 65 and older.
 - e. Nationally, the average wealth value of public pensions (2018-2020) age 55+: For men is \$335K and for women is \$279K. Kansas figures are \$302K and \$224K, respectively.
5. In a February 2022 study by NIRS called “AMERICANS’ VIEWS OF PUBLIC SCHOOL TEACHERS AND PERSONNEL IN THE WAKE OF COVID-19” these facts are reported:
 - a. 86% of Americans agree that a COLA, similar to Social Security COLAs, is important in a pension. 75% of state and local pension plans provide an automatic COLA-KANSAS DOES NOT!!
 - b. 70% OF Americans agree that K-12 pensions should not be replaced with 401K style retirement accounts.
6. In 2024, NIRS reported “Eighty percent of US Women Say the Nation Faces a Retirement Crisis”. Women say the average worker cannot save enough on their

own to guarantee a secure retirement and employers should contribute to a plan to help them achieve a secure retirement.

- a. Retirement is getting harder because of high inflation, rising cost of health care, rising cost of long-term care and more.
 - b. Congress needs to work with the next administration to develop a solution to Social Security funding NOW.
 - c. Women face an uphill battle when it comes to retirement. The wage gap is persistent, and women live longer. Women have care-giving demands throughout their lifetime that hurts their pension wealth. Also, women face higher medical expenses when it comes to long term care.
 - d. Women are also very concerned about long-term care costs. Only 38% feel confident they can pay for any needed long-term care.
7. KPERS Retiree Life Expectancy (1-20-24): For a KPERS School female who reaches age 65, she has an 86% probability of living to age 80, and a 52% probability of living to age 90.
8. KPERS cannot by law share pension income specific to positions held. While the average KPERS retiree receives \$16,516 per year, we do not know what position the member was in during their career. In the KPERS School Group, members of the bargaining unit, usually teachers and related support professionals like counselors, speech pathologists etc., negotiate a yearly salary, benefits and working conditions. Administrators are offered a 10–12-month contract and classified staff are paid hourly, and many are part time. One can assume the highest salaries are top level administrators (superintendents) and lowest salaries are classified employees. Years of experience and type of degrees held by certified staff greatly affect their salaries, as well as supplemental contracts (coaching for example) which are seldom offered to elementary teachers. Other factors affecting all KPERS retirees are options taken upon retirement, such as lump sum and spousal survival options.
9. KPERS cannot share ‘marital status’ but single people generally have less discretionary income than married couples. That means less in personal savings and wealth accumulation. In regard to single women/married women, there are divorced, widowed, never married.
- a. The [Employee Benefit Research Institute](#) Survey found just 27% of married women workers have assets of less than \$25,000, compared with just over half of divorced women workers (58%) and single, never-married women workers (56%). Married women retirees are also likely to have higher levels of assets than [divorced](#) and [widowed retirees](#).
 - b. In the U.S., tax rates are lower for married couples compared to filing on an individual basis for each, so a single or divorced woman potentially has less after-tax income to set aside for saving. Widows will also pay a higher tax rate.
 - c. A 2007 Social Security bulletin shares a Census Bureau Study of women’s marital histories in relation to SS Spouse and Widow Benefit eligibility. Data

from 1985, when compared to data in 2001, found in 2001 a smaller proportion spouse or widow benefits because of rising proportions of currently divorced women WITHOUT A 10-year marriage and NEVER-MARRIED women. Reasons are: Increases in divorces and decreases in length of marriage and a rise in women who delay or forgo marriage. Social Security spouse and widow benefits remain a major source of income for elderly women.

- d. Among women retirees, 51% of those who are divorced or widowed stepped away from the workforce earlier than planned, compared with 42% of their married counterparts, according to a report in Sept 2022 by CNBC. A higher share of divorced and widowed women also said their retirement lifestyle is worse than expected compared with married women: 26% versus 18%. Likely reasons include women who had to stop working due to caregiver responsibilities or health issues. Married women may want to make sure they consider the possibility of unplanned singlehood when it comes to retirement preparations.
10. Most studies suggest a target of 70-80% of pre-retirement income is necessary to maintain the same lifestyle in retirement. KPERS 1 and 2 do that. However, the KPERS 3 replacement ratio is 27-34%. (KPERS I, 2, and 4 are also referred to as Tiers I, II, and III.)

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