

FLORIDA PUBLIC PENSION TRUSTEES ASSOCIATION



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Prepared by Fred Nesbitt, FPPTA Media Consultant – fnesbitt911@gmail.com

[Elon Musk says stop saving for retirement. Researchers call it 'nonsense.'](#)

By Esther Luz, P&I, February 02, 2026

Elon Musk has a new message for retirement savers: Don't. "One side recommendation I have is — don't worry about squirreling money away for retirement," Musk said on the "Moonshots with Peter Diamandis" podcast on Jan. 6. "In like 10 or 20 years it won't matter." Musk's theory involves a concept he called "universal high income": AI, robots and cheap energy push productivity so high that services — housing, healthcare, entertainment — become broadly accessible, making saving feel like an antique habit. In that future, he concluded: "If any of the things that we've said are true, saving for retirement will be irrelevant." "It is nonsense," said Alicia Munnell, a senior advisor at Boston College's Center for Retirement Research (CRR). Musk, she said, "has no idea about how the American person lives ... and how important saving for retirement is today and will probably be tomorrow." "People," she added, "get old and tired and they can't work any longer, and they need some money to live on." Olivia Mitchell, director of the Pension Research Council at The Wharton School of the University of Pennsylvania, called Musk's advice "risky" and "behaviorally and economically" damaging. "Advising people that retirement saving will not matter reinforces" the tendency to delay planning "while ignoring the severe downside consequences if optimistic scenarios fail to materialize or benefits are unevenly distributed."

[Team USA Athletes to Get First-Ever Pensions Under \\$100M Ross Stevens Gift](#)

By Alexandra Tremayne-Pengelly, Observer, January 31, 2026

A total of 232 athletes will represent the U.S. at the upcoming Milan Cortina Olympics, marking the nation's largest-ever roster for the Winter Games. But that isn't the only way Team USA is making history this year. The squad will also be the first group of American Olympians and Paralympians to receive retirement benefits, thanks to a donation from financier Ross Stevens. Stevens, the CEO and founder of asset manager Stone Ridge Holdings Group, last year pledged \$100 million to help the U.S. Olympic and Paralympic Committee (USOPC) bolster the economic stability of athletes through the newly created Stevens Financial Security Awards. Starting this year and continuing until at least the 2032 Brisbane Olympics, all participating American athletes will be eligible for \$200,000—or more—in post-retirement funds.

[Proposed Legislation Could Allow Older Workers to Buy Annuities With 401\(k\) Funds. But Should They?](#)

By Trina Paul, Yahoo Finance, February 5, 2026

Older workers who have 401(k)s may soon have a new investment option thanks to a proposed bill. The legislation, known as the Retirement Simplification and Clarity Act, aims to allow workers age 50 or older to invest some of their 401(k) funds into an annuity. It also seeks to simplify the rollover information people receive upon leaving a job so they can better manage their money. "This bipartisan bill helps Americans plan for retirement by making the process simpler and giving them more flexibility," said the bill's co-sponsor, James Panetta (D-CA).

Working Americans Struggling to Prepare for Retirement **Typical Working American Has Less Than \$1,000 Saved for Retirement**

By Dan Doonan, NIRS, February 6, 2026

Preparing for retirement remains a major financial challenge for working Americans, according to a [new report from the National Institute on Retirement Security \(NIRS\)](#). Retirement in America: An Analysis of Retirement Preparedness Among Working-Age Americans examines how workers across demographic groups are saving — or failing to save — for retirement. The study also examines how rising costs and competing financial pressures are undermining the long-term economic security of American workers.

University sued by staff member because his pension isn't VEGAN

By Peter Stevens, GBI, February 6, 2026

A university has been sued by an ex-staff member because his pension fund was not vegan. The former employee claimed the University of Manchester discriminated against his ethical veganism after it refused to offer a "plant-based" alternative pension fund. He objected to the terms of his pension scheme and decided to opt out of it. At tribunal, the man said a Sharia pension was offered for Muslim workers, so a pension pot for vegans would not have been a stretch. But the man's claim was thrown out by a judge at Manchester Employment Tribunal because it had "no reasonable prospect of success." The ex-employee said he was a victim of "indirect discrimination on the grounds of his belief in ethical veganism". "Also, the [worker] admitted that there exists no ethical vegan pension fund at present. "They are in the process of being established." "It is therefore not possible for the [USS], even if it felt able to, to offer employees the chance to invest in such a scheme as none currently exist..."

Public Pensions' Growing Private Investments Expected to Further Raise Volatility in 2026

By Michael Katz, Chief Investment Officer, February 10, 2026

Among the trends public pensions should watch out for in 2026, according to a report from S&P Global, is rising portfolio risk stemming from growing allocations to private investments. The report stated that rising market risk over the past decade resulted partly from public pensions adding more private market debt and private equity to their portfolios. S&P Global noted that because PE investments are illiquid and are typically locked up for more than 10 years, they could limit a pension plan's flexibility to pay for benefits. Some public pension funds are increasing their risk in pursuit of matching or surpassing their return assumptions, the report cautioned, "but this increasing allocation does not necessarily translate to an increase in the assumed return, given the national median assumption remained steady at 7%." Another risk cited by S&P Global is a "trend of increasing workplace disabilities since 2020 [which] shows no signs of slowing and could lead to increased pension costs." The firm estimated that public pensions returned 8.5% during the first half of fiscal 2026. Overall, S&P Global estimated that the average funded level for public pensions reached 81% in fiscal 2025, noting that funded ratios have improved every year since fiscal 2022, increasing nearly 10 percentage points during that time.

Corporate Pension Funding Rises To 109% In January

By Milliman, Magazine Advisor, February 13, 2026

Milliman, Inc has released the results of its monthly Milliman 100 Pension Funding Index (PFI), which analyzes the 100 largest U.S. corporate pension plans. Market gains of 1.05% during January lifted the market value of PFI plan assets by \$8 billion during the month, up to \$1.327 trillion. Meanwhile, a 1-basis-point rise in discount rates, to 5.47%, lowered plan liabilities from \$1.219 trillion in December to \$1.217 trillion at the end of January. The PFI funded ratio climbed from 108.2% at the beginning of the year to 109.0% as of January 31.

Public pension debt should be scrutinized like other types of government debt

By Rod Crane, Reason Foundation, February 12, 2026

Pension liabilities are retirement obligations contractually promised to public workers. In any sense of the word, an unfunded pension liability is a debt, yet it is not treated the same as other government obligations. State and local governments have long engaged in the practice of issuing various types of debt instruments to finance infrastructure and other public endeavors. But, despite holding the power to levy taxes, these governments aren't always able to repay those obligations. Many public policy makers do not understand that public pension liabilities are not legally treated as general obligation-type debt and are not subject to the safeguards restricting GO debt undertakings. In some states, these pension obligations have even stronger claims on the full-faith and credit of the state than GO debt. Therefore, it is important for policymakers to understand the policy rationale for general obligation debt limits and why public pension obligations in many states can be more serious than GO debt.

Charted: U.S. Pension Retirees Now Outnumber Active Workers

By Marcus Lu, Virtual Capitalist, February 17, 2020

In 2012, America's public pension system reached a demographic tipping point: retirees began to outnumber the active workers funding them. More than a decade later, that reversal remains in place. As Americans live longer and public workforce growth slows, pension systems are paying out more in benefits than they collect from contributors, increasing their reliance on investment returns to stay funded. In 2001, there were 12.7 million active workers supporting 7.6 million retirees. However, by 2012, retirees (13.3 million) surpassed active workers (13.2 million). Since then, the gap has widened. By 2023, there were 19.5 million retirees compared to 13.7 million active workers. Although 2024 shows a modest rebound in active workers to 14.5 million, retirees still significantly outnumber contributors. Pension systems rely on three main funding sources: employee contributions, employer contributions, and investment income. When active workers decline relative to retirees, contribution inflows shrink while benefit payments rise. Longer retirements mean benefits are paid out for more years per beneficiary. At the same time, slower public workforce growth limits the base of contributors supporting those payments. Even strong investment years may not fully offset this structural shift.

Pension Funding Levels Start Strong in 2026

By Emily Boyle, Plan Sponsor, February 17, 2026

Pension finances started 2026 strong, as the funded status of the largest 100 corporate defined benefit plans rose to 109% in January from 108.1% at year-end 2025, according to Milliman's Pension Funding Index. January's rise built on gains made in the last three quarters of 2025. Milliman's PFI showed funding dipped to its lowest point of last year in March 2025 (102.7%) before increasing for 10 consecutive months to reach its current level.

Social Security Fairness Act: Unfair taxes and the bill that aims to fix it

By Medora Lee, USA TODAY, February 20, 2026

The Social Security Fairness Act eliminated the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO), which reduced Social Security benefits for about 3.2 million public-sector retirees who also receive pension income. The law's effective date was retroactive to January 2024, so many beneficiaries received last year a one-time retroactive payment that may have amounted to thousands of dollars and higher monthly benefits, starting in 2025. Those income spikes last year likely triggered more taxes for many people, experts said. To help address the potential tax bomb, Rep. Lance Gooden, R-Texas, introduced earlier in February the bipartisan No Tax on Restored Benefits Act to amend the tax code to exclude retroactive Social Security payments tied specifically to the repeal of WEP and GPO from federal taxable income. "The payments could also push individuals into a higher tax bracket or IRMMA bracket,

affecting Medicare premiums," she said. IRMAA stands for Income-Related Monthly Adjustment Amount, which is a surcharge added to Medicare Part B and Part D premiums for people with higher incomes.

Retirement in America: An Analysis of Retirement Preparedness Among Working-Age Americans

Study by NIRS, February 5, 2026

This research examines the retirement preparedness of working-age Americans. The research answers key questions relating to retirement savings, access to retirement plans, and how saving for retirement interacts with other financial commitments, such as repaying student loan debt and owning a home. It also offers a broad examination of how different groups of workers are faring in their preparation for retirement and a consideration of where workers are falling short. The key findings are: Many working Americans still lack access to employer-provided retirement plans; Social Security constitutes half of income for the typical older adult; Working individuals who have positive DC savings had median savings of \$40,000 in December 2022; The typical employee contribution rate to a defined contribution savings plan is between five and six percent and the typical employer contribution rate is just under three percent; Retirement savings represent about a quarter of financial assets on average for the typical working adult, while home equity represents about a third; and, The interaction between student loan debt and retirement savings is complex, but illustrates the tension between different financial commitments.

Corporate pension plan returns lag as they take conservative approach

By Larry Rothman, P&I, February 23, 2026

Corporate pension plans continued to have the lowest returns in the fourth quarter and year, driven by their relatively high allocation to fixed income and smaller allocations to equities, according to the recently released Q4 2025 Confluence Plan Universe Report, which uses data from over 4,000 institutions consisting of pension plans and endowments/foundations. Corporate pension funds had a median return of 1.2% and 11.1% in the fourth quarter and full year, respectively. The category's returns have trailed public pension plans, Taft-Hartley pension plans, and endowments/foundations over various periods. Endowments and foundations have had the highest returns over the last quarter, year, and three years.

Critics says WA bill to dissolve, reinstate pension plan would 'set a precedent'

By The Center Square, February 24, 2026

A pension advocacy group is threatening a lawsuit if the state Washington Legislature passes a bill to take money from a pension plan, which is projected to be overfunded and closed to new members, to fill in budget gaps. The bill sponsors point to analysis done by legal experts that concluded the bill provisions doesn't undermine obligation to the pensioners. House Bill 2034 would dissolve the Law Enforcement Officer and Fire Fighter 1 Plan, then reinstate it while funneling surplus funds elsewhere, which includes \$569 million to the CCA Account. The bill cleared the House and is now scheduled for a public hearing in the Senate Committee on Ways & Means. The proposed legislative operating budgets would add \$2 billion to overall operating budget spending for 2025-27, representing an 11% increase from the 2023-25 biennium.

New Jersey's Pension System's "High" Investment Return

By Russ Kamp, CEO, Ryan ALM, Inc., February 25, 2026

NJ's pension systems generated strong investment returns in fiscal year 2025, reporting a nearly 11% return. Terrific. Yet, despite the above target return (7.0% ROA), the impact on the system's funded status was negative. Yes, the funded ratio improved (assets/liabilities), but the funded status further deteriorated (funding gap in \$). Since the system is striving for 7% and the

combined funded ratio of the various plans is <50%, a system like NJ's would need to double the annual return on asset target just to keep the \$ deficit stable. The management of DB pension plans is not rocket science if the basics of sound pension management are followed. For instance, plans receiving the full required contribution have on average an 80% funded ratio, while those not receiving the full ADC sit with funded ratios <70% (NCPERS study). Plans sitting with funded ratios below 50% are not likely to create enough excess return relative to the annual ROA to be able to close the funding gap. This often leads to plans making difficult decisions such as creating plans with multiple tiers, which I really despise. Plans should focus on meeting the Actuarial Determined Contribution, securing the promised benefits in the near-term, which buys time for the growth or alpha assets to perform, and reduce costs of administration, including management fees. DB plans are critical to the creation of a dignified retirement.

[City Council Opts to Pay out Firefighter Retirement Fund](#)

By Chris Bernhardt, Hernando Sun, February 17, 2026

Months after deciding to consolidate the Brooksville Fire Department with Hernando County Fire Rescue, the City Council found itself dealing with a confusing and complicated loose end. At its meeting, the council voted in favor of terminating the city's Firefighters' Retirement Trust Fund, opting to pay out 100% of the money owed to its former firefighters rather than closing the fund and continuing to pay toward it over the next several decades. "The priority is to make them whole and then to also do what's best for the city moving forward long-term financially," Mayor Christa Tanner said. "These are hard decisions and the five of us chose to sit on this board to make these hard decisions." The council had voted to move forward with the termination rather than a closure, meaning a large lump-sum payout now rather than simply freezing the fund and continuing to contribute 18.77% of payroll each year. When factoring in beneficiaries, raising the total number of those receiving benefits to over 100, that option could leave the city paying out for somewhere around 60 years at a greater cost over the long run. With a termination, the city would instead make a one-time payout to the pension board that would fully vest all accrued benefits to those still participating in the fund. It would be up to the pension board to disperse that money through annuities or a lump sum.

[Co-investments drive billions in savings as pension funds expand private equity strategy](#)

By Ryan Prete and Palash Ghosh, P&I, February 05, 2026

Co-investments have become an increasingly central feature of private equity programs at public pension funds, as investors seek to invest alongside GPs while reducing fees and gaining targeted exposure. According to data from P&I's survey of the 1,000 largest U.S. retirement plans, numerous public pension funds saw their co-investment assets jump year-over-year. Several pension funds have recently made commitments to co-investment funds following the latest P&I 1,000 survey period, including: **Florida State Board of Administration**, Tallahassee committed \$15 million to KKR Marble Co-Invest and \$10 million each to three other co-investment funds: Menrva Co-Investment, 26N Guava Co-Investment Partners, and VRS Parent Holdings.

[Bitcoin price meltdown leaves these public pensions down 60% on Strategy bets](#)

By Pedro Solimano, DL News, February 4, 2026

US pension funds that bet on Strategy find themselves nursing some heavy losses as share prices for Michael Saylor's firm continue to slide. The 11 funds collectively hold nearly 1.8 million shares of Strategy, now worth about \$240 million, down from \$577 million when they first reported their allocations. That's \$337 million in paper losses so far, according to research platform Fintel. Moreover, 10 out of the 11 funds are down 60% on their Strategy stock buys. Strategy's shares have lost 67% of their value in the past six months. **State Board of Administration of Florida Retirement System** - The State Board of Administration of Florida manages investments for the Florida Retirement System, which serves more than one million

current and former public employees. Florida's pension scheme is sitting on an estimated \$46 million paper loss on its Strategy position, which represents a loss of around 58% of its holdings. The system holds around \$250 billion in assets.

Top retirement plans see third year of gains, but concentration risks pose new challenges

By Rob Kozlowski, P&I, February 4, 2026

U.S. retirement plans in Pensions & Investments' latest annual survey reported positive gains in assets for the third year in a row, despite considerable market volatility. Those positive gains for the year ended Sept. 30 came despite a torrid first half of 2025 following the inauguration of Donald Trump as U.S. president, particularly in April following the "Liberation Day" announcement of tariffs. For the year ended Sept. 30, the 1,000 largest U.S. retirement plan sponsors saw their combined defined benefit and defined contribution assets increase 7.6% to a record \$16.33 trillion. While it was another positive year, that increase was well short of the extraordinary gains the prior year when the top 1,000 retirement plan assets jumped 16.4%. Still, with the positive returns for the 12 months through September added in, assets of the top 1,000 retirement plans rose 35.1% over the five years through Sept. 30 — a period that includes a record 13.9% drop for the September 2022 survey period.