

THE ECONOMIC BENEFIT OF DEFINED-BENEFIT PENSIONS IN MONTANA

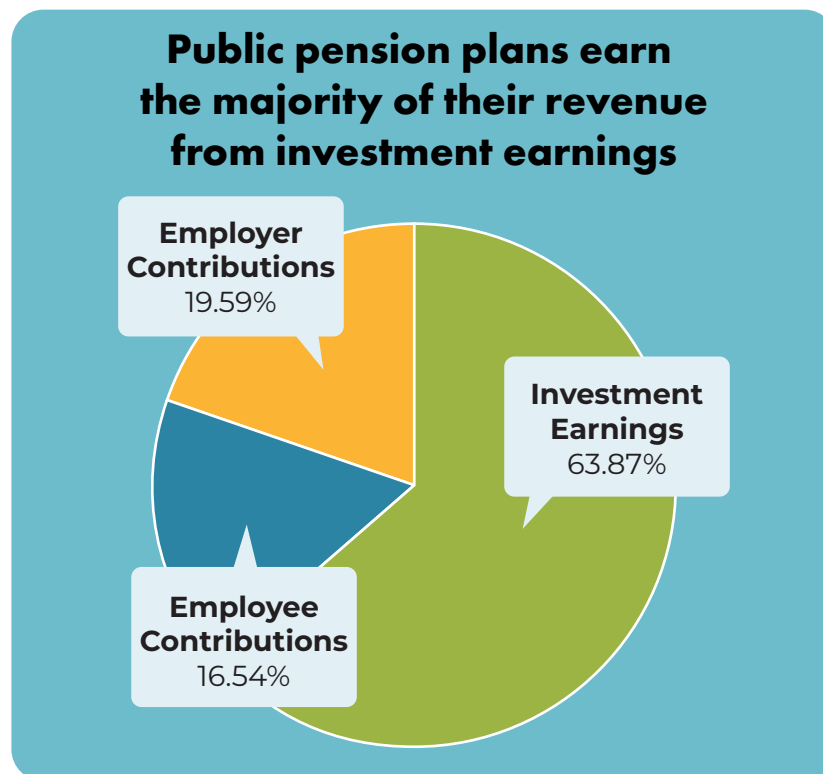
Defined-benefit pensions are the most reliable path to a secure retirement for working families. They are also powerful economic engines for local communities. The spending of pension benefits by retirees supports local businesses through purchases of food, medicine, gas, and other staple items.

In 2018, the spending of pension benefits in Montana:

- Generated **\$1.4 billion** in total economic output.
- Supported **9,287 jobs** that paid nearly **\$402.2 million** in wages and salaries.

Each dollar paid out in pension benefits creates **\$1.21** in total economic output in Montana.

Public pensions are a great investment for taxpayers. Each dollar invested by Montana taxpayers in public pensions supports **\$6.16** in economic activity in the state.



Public pension plans create more tax revenue than what is contributed to the plan by the taxpayer. Nationally in 2018, taxpayers saw **\$341.4 billion** in state and local tax revenue because of pension asset investment and the spending of pension benefits. Since taxpayers only contributed **\$162 billion** to these funds, taxpayers realized a return of **\$179.4 billion**. In Montana, public pension plans create **\$107.2 million** more in tax revenue than what is contributed to the plan by the taxpayer.