

2018 End of Session Report

KILLED

SPECIAL CONCERN - St. Louis Public School Retirement System and Kansas City Public Retirement System - Members' pension benefits could have been modified, changed, reduced, or repealed for any member of the City of St. Louis and Kansas City PSRS hired on or after August 28, 2018. The promise of a retirement benefit could have been broken.

KILLED

PRIORITY #1 – MRTA strongly opposes HB 2660 (Miller R-124). This legislation requires the PSRS/PEERS Board of Trustees include an elected school board member. In its 70 year history, the law has not allowed for any elected officials to serve as a trustee on the PSRS/PEERS Board. This has kept politics out of the decision-making process. This legislation also requires the employer contribution to the system to go back to the employer if an educator leaves before being vested; currently, those funds stay in the system. This provision will greatly harm the system financially by increasing the systems' liability by at least \$508 million. If this bill passes it would, in effect, eliminate the possibility of COLA and mean an increase of 2.07% in contribution rate for members and employers. Please stay tuned and feel free to write your Representative in opposition of HB 2660.

- **Comment** - This bill was heard in committee and no vote was taken.

PASSED

PRIORITY #2 – MRTA supports full funding of the Foundation Formula and opposes the use of public tax dollars for private schools. The Missouri Constitution mandates adequate funding of K-12 education through HB 2 which requires education funding as the second priority of state expenditures. *Comment: Due to several tax cuts enacted by the legislature over the past few years general revenue is expected to be reduced significantly. MRTA asks funding for Public Education be the priority.*

- **Comment** - The House Budget Committee added \$46 million to Governor's recommendation budgeting \$98 million increase thus fully funding the Foundation Formula. Plus school transportation funding was increased by \$10 million. Thank you to House of Representatives!

KILLED

PRIORITY #3 – MRTA opposes SB 747 (Emery R-31). This act provides that statewide elected officials and members of the General Assembly serving for the first time on or after January 1, 2019, shall participate in a 401(k) defined contribution plan instead of the current defined benefit plan (DB). *Comment: This does not include educators at this time. It is only one amendment away if this bill is not stopped. DB plans are a proven better use of tax dollars and provide for better retirement security.*

- **Comment** - This bill died in committee.

KILLED

PRIORITY #4 – MRTA opposes HCS HB 2247 (Roeber R-34). This legislation allows for the expansion of charter schools statewide. *Comment: Charter schools take scarce tax revenue from public education. Currently, charter schools are only allowed in Kansas City and St. Louis City.*

- **Comment** - Voted out of Committee. Died due to lack of votes. Good job, MRTA!

KILLED

PRIORITY #5 – MRTA opposes HB 2200 (Rhoads R-154). This bill creates "schools of innovation" which is another term for charter schools. MRTA is very concerned the legislation, as written, changes the Work-After-Retirement (W.A.R.) provisions, which will allow PSRS retirees to work full time for these new schools. According to PSRS/PEERS actuaries, this will increase the fund liability of the PSRS/PEERS systems by up to \$187 million. This could jeopardize your pension benefit and COLA.

- **Comment** - Voted out of Committee Do Pass. Offered as an amendment and was removed in conference committee.

KILLED

PRIORITY #6 – MRTA opposes HB 2188 (Matthiesen R-70), SB 612 (Koenig R-13), and SB 565 (Emery R-31). These acts establish the Missouri Empowerment Scholarship Accounts Program. *Comment: These are voucher schemes which create a new 100% tax credit allowing up to \$25 million per year of state revenue to be used for private school tuition and other expenses for students. This will result in up to \$25 million less state revenue for public education per year. These bills take scarce tax revenue away from public education.*

- **Comment** - All bills on priority #5 and #6 were added to SB 612 which died due to lack of votes. Good job, MRTA!

NO ACTION

PRIORITY #7 – MRTA opposes HJR 55 (Shumake R-5). This is a proposed Constitutional Amendment that eliminates the prohibition of public funds for the use of any religious or sectarian educational purpose. *Comment: This allows for public tax dollars to be used for private schools which will take unlimited tax revenue from public education.*

- **Comment** - No Committee Hearing scheduled.

PASSED

PRIORITY #8 – MRTA supports HB 2335 (Black R-7). This legislation is regarding Work-After-Retirement (W.A.R.) requirements and would allow retired PSRS educators to work more than 550 hours as a PEERS employee. *Comment: This legislation is a win-win for school districts needing to fill positions such as bus drivers and also allows for retirees to obtain extra employment. The school district is required to pay the employer contribution to the PEERS system.*

- **Comment** - Amended to other legislation and passed.

NO ACTION

PRIORITY #9 – MRTA supports HR 2619 (Brattin R-55). This bill changes the Working After Retirement (W.A.R.) provision from 550 hours to 700 hours.

- **Comment** - The cost of this legislation to the PSRS/PEERS System was estimated to increase the liability by over \$3 billion and would have increased the contribution rate by an estimated 1.5%

PASSED

PRIORITY #10 – MRTA supports HB 2184 (Bondon R-56) and SB 856 (Curls D-9). These bills modify provisions relating to the Public school retirement system of Kansas City, MO. The legislation sets the contribution rates of the employing school districts. These bills are needed to strengthen the financial health of the system, protecting employee benefits. This legislation will allow for a better opportunity for retirees to be awarded cost-of-living adjustments (COLAs).

- **Comment** - Passed as an amendment to other legislation without any concerning language from Senator Schaaf.