2016 MRTA End of Session Report

Dear MRTA Members:

YOUR PENSIONS HAVE BEEN PROTECTED!

The Legislature of 2016 has required herculean effort for positive change in regards to educator retirement and public schools. In the end we had outstanding success in protecting the pension systems of Missouri and educator benefits by stopping legislation that would be damaging to retirees and public education. We had great disappointments in losing Legislation in the Senate that would have improved the PSRS/PEERS system’s financial stability and legislation that would have benefited certain beneficiaries of that system.

This is an election year and I want to say to the over 25,000 MRTA members and their colleagues, friends, and families, “It really does matter who your elected officials are!” Please ask candidates questions! Please pay attention to their positions on education retirement and public education funding. Please be sure and vote!

MRTA’s SUCCESSES IN 2016

MRTA STOPPED AND KILLED

1) HB 1591 (Koenig R - 99) and SB 680 (Emery R - 31). Both bills would have shut down Defined Benefit retirement plans and require Defined Contribution plans for public employees. MRTA Legislative Day attendance killed both these bills.

2) HB 1783 (Barnes R - 60). This bill would have change the way PSRS/PEERS deals with marital property. This was very disadvantageous to PSRS/PEERS retirees. MRTA’s hard work was successful in removing PSRS/PEERS from the bill.

3) HB 1059 (Leara R - 96) and SB 2314 (Schaaf R - 34). This bill dealt with Saint Louis City PSRS. These bills would have reduced benefits of active teachers while taking more out of their pockets. This was our major achievement as these bills would have set a very, very bad precedent for all educators in Missouri as well as other public pensioners. These bills had major lobbying efforts in favor of passage. GOOD JOB MRTA! YOU ARE “OBVIOUSLY A POWERFUL GROUP”!

4) HCS/HBs 1589 and 2307 (Koenig R - 99) - Vouchers. The portion from HB 1589 creates a tax credit voucher for donations to a fund established for the provision of private school scholarships limited to

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foster care children. The portion from HB 2307 would establish education scholarship accounts. The accounts would have been funded by tax credits for donations to third-party organizations that would administer the education savings accounts used to fund home school or private school tuition for students with a disability.

**MRTA DISAPPOINTMENTS 2016**

1) **HB 1709 (Lair R - 7).** This bill allowed for a benefit "pop up" and removal of an ex-spouse's name from pension benefit in the case of a divorce. It died in the Senate as they adjourned at 4:00 p.m., two hours early.

2) **HB 1710 (Lair R - 7).** Closed the work after retirement loophole called the "Kelly Services Bill." This legislation requires that any retiree who is employed by a third party or is performing work as an independent contractor as a temporary or long-term substitute teacher be required to comply with the statutory working after retirement requirements of 50% salary and 550 hours. This bill died in the Senate as they adjourned at 4:00 p.m., two hours early.

3) **HB 1420 (Walker R - 3), 1780 (Fitzwater R - 144), and SB 954 (Pearce R - 21).**

   This legislation would have reinstated the 2.55 factor for educators after 31 years of service. This legislation is a net monetary GAIN of $7 million per year for the PSRS/PEERS systems and would have helped retain good educators in the classroom. This legislation died in the Senate mostly due to Senator Schaaf's unfounded objections.

4) **HB 2550 (Burns D - 93) and SB 1146 (Nasheed D - 5).** This legislation allowed for a COLA increase for Saint Louis City retirees. Senate Pensions Committee, Chaired by Senator Schaff, heard SB 1146 but would not vote the bill out of committee.

5) **The Senate and House overrode the Governor's veto of SCS/SBs 586 & 651 (Wasson R - 20).** It is now law. The bill would revise the definitions used in calculating state aid for schools. The bill reinstates the 5% cap on annual growth the per pupil base amount known as the State Adequacy Target. In layman's terms the Legislature has underfunded the public school foundation formula by around $500 million. Now, they say only $65 million is owed because of this legislation. This is the second time since 2005 the Legislature has reduced public school funding because they would not fund the formula that was in law. Twice the Legislature has reduced the formula where they could claim it was close to "fully funded." It would be proper to remember this the next time you are asked for a local levy increase of your property, OR the next time teachers and staff are laid off/positions unfilled, OR the next time you hear of class sizes being increased, OR the next time you hear someone say we just cannot afford the retirement benefits for educators and staff. **Be sure and vote accordingly.**

All in all the hard work of MRTA was a success. **MANY HEARTFELT THANKS TO:**

- All the MRTA members for paying their membership dues allowing financial support for our work.
- The over 1,000 MRTA members who attended MRTA Legislative Day in February.
- All those MRTA members who answered our "CALLS TO ACTION" allowing for much of our success.
- Representative Lair for handling our legislation, and to Representative Nate Walker chair of House Retirement Committee for his unwavering support.