MRTA HALFTIME REPORT

ISSUES OF IMPORTANCE 2016 LEGISLATIVE SESSION

PRIORITY #1 - Protecting public education retirees’ pension benefits and retirement system.

A. MRTA opposes any 401(k) Defined Contribution (D.C.) plans for Missouri public employees including the Legislature. We oppose the following legislation because it is in concert with #8 of the “20 for 2020” of the Show Me Institute (Rex Sinquefield) Agenda which proposes a 401(k) plan for PSRS/PEERS employees.

1. MRTA opposes HB 1591 (Koenig). Establishes a hybrid retirement plan and requires all new members of the plan to participate in the D.C. for state employees and elected officials.

UPDATE: HB 1591 has not even been referred to committee. GOOD JOB MRTA!

2. MRTA opposes SB 680 (Emery). Puts State Legislators into a 401(k) retirement plan; MRTA opposes any 401(k) D.C. plans for Missouri public employees including the Legislature. This is a slippery slope that leads to educators being put into a 401(k).

UPDATE: This bill was voted out of Senate Pensions Committee 5 to 4 and is on the Senate Calendar for perfection and debate. This is worrisome as it could attract negative amendments on retirement. We are keeping a very close watch on this one. PLEASE STAY TUNED!

B. MRTA strongly opposes HB 1783 (Jay Barnes of Cole County) as written. The bill would allow PSRS retirement accounts to be treated as marital property and subject to court-ordered division in divorce proceedings. Currently, PSRS retirement accounts, like Social Security accounts, are considered nonmarital property and may not be divided in a divorce proceeding, but may be factored into just division of marital property. MRTA believes the current process allows for just division of property and opposes the change. We respectfully ask to be removed from the Legislation. MRTA testified against HB 1783 on February 10th.

UPDATE: This Legislation was amended to EXCLUDE PSRS/PEERS. GOOD JOB MRTA!

PRIORITY #2 – MRTA supports reforms which enhance the lives of all public education retirees.

A. MRTA supports HB 1709 (Lair). This legislation is an MRTA priority and allows pension benefits to “POP UP” after a divorce with the ruling on assets by a court. The bill also allows an extension from 90 days to one year for a retiree to add a beneficiary if the retiree remarries.

UPDATE: This Legislation passed the House and is now in the Senate. PLEASE STAY TUNED!
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B. **MRTA supports HB 1710 (Lair).** 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.

**UPDATE:** This Legislation passed the House and is now in the Senate. **PLEASE STAY TUNED!**

C. **MRTA supports HB 1420 (Walker), 1780 (Fitzwater), and SB 954 (Pearce).** This legislation reinstates the 2.55 factor for educators after 31 years of service. This legislation is a net monetary GAIN for the PSRS/PEERS systems and will help retain good educators in the classroom.

**UPDATE:** HB 1420/1780 passed the House and is now in the Senate. SB 954 was heard in Committee and failed to pass out of committee because of Senator Onder and Senator Emery’s opposition. Currently on the Senate floor is SA1 to SB 980. This amendment was proposed by Senator Pearce reinstating 2.55 factor benefit after 31 years’ service. Senators Schaaf, Onder and Emery are filibustering trying to prevent the adoption of the amendment. MRTA currently has a “CALL TO ACTION” asking MRTA members to write their Senator asking them to adopt the SA1 to SB 980 (PEARCE). This is very important and a precedent setting amendment as we will have other legislation that needs passed by the Senate. **PLEASE WRITE YOUR SENATOR TODAY!**

D. **MRTA strongly supports HB 2550 (Burns) a Cost-of-Living Adjustment (COLA) for the Saint Louis City retirees who have not had a COLA for 10 years.** This is an issue of fairness in the fact that PSRS/PEERS retirees have an automatic COLA written into Missouri Law. Saint Louis City retirees have lost approximately 20% of their buying power in the last 9 years. **The Kansas City System retirees have not had a COLA in 7 years.** We call on the Legislature to persuade the Kansas City School System and the PSRS of Kansas City, the Saint Louis School District and the PSRS of STL to grant a COLA increase in 2016 to current retirees.

**UPDATE:** HB 2550 has never been referred to committee. We are disappointed. Senator Nasheed of Saint Louis introduced SB 1146 which is the same as HB 2550. The bill was heard by the Senate Pensions Committee. Getting a hearing was a major step for the quest for a COLA for Saint Louis City education retirees. We compel the Saint Louis City School Board and the PSRS of Saint Louis City to award a COLA to these educators as soon as possible.

**NOTE OF CONCERN:** HB 2314 – Leara and SB 1059 – Schaaf were introduced and heard in committee in both the House and Senate. MRTA testified in strong opposition to both of these bills. HB 2314 and SB 1059 deal with the Saint Louis City educators and retirement benefits. These bills are very concerning as they both cut the retirement benefits of active educators by reducing the benefit factor from 2.0 to 1.75, while at the same time, raising the contribution rate from 5% to 8%. **AMAZING!** This legislation, if passed, would set an extremely bad precedent for the entire state. We must keep these bills from becoming law. **PLEASE STAY TUNED!**

E. **MRTA supports full funding of the Foundation Formula and opposes the use of public tax dollars for private schools.** The Public School Foundation Formula is currently underfunded by at least $500 million dollars.

**UPDATE:** The amount of school funding is extremely disappointing as proposed by the House - only a $63 million increase which is still underfunded by more than $500 million. The Governor proposed an $85 million increase. The funding of public education through the Foundation Formula is extremely important to the education of children from poorer districts, rural and urban. This inadequate funding will require districts to cut staff and expenses and/or ask for local property tax increases. We should note that the tax cuts (SB 509) enacted by the Legislature by overriding the Governor’s veto in 2014 will trigger the tax cuts in 2017 by estimates of $500 to $700 million dollars per year. Education funding is at risk. We ask the Legislature to make public school funding a top priority once again.

**FEDERAL LEGISLATION UPDATE –Washington D.C.**

There is a current MRTA “CALL TO ACTION” asking MRTA members to contact their own US Representative to support HR 711 – Brady of Texas. HR 711 reforms the WEP (Windfall Elimination Provision) of Social Security. This provision enacted in 1983 penalizes the earned Social Security benefit of public employees who are part of a non-Social Security pension system up to 66%. It is not the full repeal that we would like but it will provide a much fairer Social Security Benefit. More importantly HR 711 will provide a “START” in the eventual repeal and allow us to the work on the repeal of GPO (Governmental Pension Offset) that deals with widow and widower benefits. **PLEASE WRITE YOUR US REPRESENTATIVE** if you have not done so yet. This is a national push with a supportive Ways and Means Committee Chairman Brady of Texas. AARP has changed their “NEUTRAL” stance on the repeal of these provisions and supports HR 711. With your advocacy we are hopeful for a solution to these unfair provisions affecting all Missouri retired educators.
Vocal at the Local
By: Barbara Self, MRTA President

MRTA is a grassroots organization which uses tactics that build power from local and community sources. They establish needed structure, raise awareness, build name recognition, and deepen participation. One important aim is to keep out harmful influences.

MRTA can establish goals and policies for statewide issues, but, as the popular saying goes, “All politics is local.” Getting involved in your community and in your school district is where our members make the biggest impact.

Reflect on how important you, the local citizen, are. We speak when we volunteer in our towns. Volunteering is the ultimate experience in democracy. You vote at the polls once or twice a year, but when you volunteer, you vote everyday about the kind of community you want to live in. It’s at the local level that we change or retain our values.

Here are a few ways to get involved at home.

1) Host house meetings.
2) Put up posters.
3) Talk with people on the street or walk door to door.
4) Gather signatures for a petition.
5) Mobilize letter writing, phone calling, or email campaigns.
6) Set up information tables.
7) Submit opinions to media outlets and government officials.
8) Hold get-out-the-vote activities such as reminding people to vote or transporting people to vote.
9) Attend town hall meetings.
10) Use on-line social networks.

One last thought: your silence on any issue equates acceptance.
Watch Your Mailbox
The MRTF Mailing Label Campaign Begins in April!

“The success of our children and grandchildren is dependent upon a quality education!”

Support the MRTF Classroom Grant Program
Make a tax-deductible contribution today!

www.mortf.org