

UPDATE

TRTA STATE LEGISLATIVE COMMITTEE

January 22, 2017

- The TRTA State Legislative Committee, (20 TRTA members, one from each of the 20 districts of TRTA.) met in Austin this past week to prepare for our assigned visits in the Capital. The members of the committee are tasked with visiting each of the Legislators who represent their District. District X's time to visit is the week of Valentine's Day, Feb. 13-18, 2017. We have 32 Representatives and Senators serving at the Capital. In our brief meetings with the Legislators, or one of their staff members, we will be discussing the TRS Care Health Crisis and the Defined Benefit Pension Plan. I am sure "School Choice" will come into the conversation. (That is another uphill battle.) We will be delivering the letters to the Legislators you have written. I am hoping I have huge stacks for each Legislator.

It is not too late to write those letters using the template in the recent VOICE. I will deliver the first set of letters on Feb. 14. HURRY GET THOSE LETTERS IN THE MAIL. We want to put a face on the situation with TRS CARE. Tell your Legislators how the suggestions of the Committee on TRS CARE will impact you.

- Members should watch carefully what happens on the Federal level with the **Affordable Care Act**, (Obama Care.) TRS Care receives quite a bit of money in discounts, which would hurt us if the ACA is cancelled. If Medicare D is included in the cuts, our drug costs would be affected. No information was given other than the mention to watch carefully.
- The **TRS Newsletter** will soon arrive in your mailboxes. The important information concerns the election and appointment of open seats on the TRS BOARD. Two Retiree positions are open and one at large position. (The at large position could be a retiree also) The candidate profiles will be reviewed in the Newsletter. The mail-in ballot will be included in a Newsletter.
Each candidate had to have 250 signatures on a petition to be eligible to run for office. (TRTA former President, Fran Plemmons is running for one of the retiree positions, and Sissy Sessions is running for the at large

position) The top three “vote getter” names are sent to our Governor. He appoints one of the three for the seat on the Board.

- **Forwarding the INSIDE LINE**

Many of our members forward to friends the Inside Line alert requests to send letters to Legislators. When they send an alert on the forwarded email, the Legislator gets another letter from the original person who received the alert. Instead of forwarding the alert, help your friends subscribe to The Inside Line themselves. Your Legislator does not need to get multiple alert notices from you. We also found out the people receiving the FORWARDED EMAIL are unsubscribing the Inside Line after clicking on send the letter. That unsubscribes for the original person who received the email. Many people have complained they no longer get The Inside Line, this may be one reason. **REMEMBER, SUBSCRIBE NOT UNSUBSCRIBE!**

- **Joe Straus** was elected **Speaker** of the House of Representatives for a record 5 terms. The vote was unanimous. No opponent. TRTA considers him a friend in the Legislature.

The House has: 96 Republicans 53 Democrats 1 Independent

The Senate has: 20 Republicans 11 Democrats

The Committees for the Senate have been named.

The Committees should be announced soon.

TRS-Care issues will be considered by:

In the Senate----The Finance Committee

In the House-----The Appropriations Committee

- **Information Concerning TRS Defined Benefit Pension**

- ✓ Our Pension is NOT IN CRISIS. It is well managed, and our team of investors is first class.

- ✓ The UAAL (unfunded Liability) \$35.5 Billion

- ✓ The fiduciary Period (Can pay off debt) 33.6 Years

To receive a Cost of Living Raise or a 13th check the above figure has to be below 30. Any Bills introduced for a 13th check will not proceed for the above reason.

- ✓ TRS earned 7.4% in returns on investments this year. 8% is our projected earnings. We were very close.

- ✓ The Pension Review Board wants to lower our projected earnings figure.

That would not be good for our Fund.

- ✓ TRS has a review and report date out in Feb. Mr. Jung does not expect any new change in numbers.

- **DB /DC PENSION DISCUSSION**

Ronnie Jung, former Ex. Director of TRS and present Staff Member of TRTA, thinks the discussion of changing to a Defined Contribution from a Defined Benefit form of Pension Plan will be discussed in the Legislature this year. Bills will be introduced. They are laying groundwork for 2 years from now when we go through a sunset review.

He does NOT think the Legislature will act on the subject. Historically, the Legislature considers only one crisis per organization or interest group. Ours is TRS-Care.

- **TRS CARE CRISIS**

Not much has changed. We still have a 1.3-5 Billion shortfall that has to be paid. The special study committee recommended the entire amount must be paid by retirees in the program. The funding for the program is still 1% of the active teacher payroll.

What has changed is:

Senate Finance filed their version of the budget and TRS-Care was not a line item.

The Legislature is saying they have NO MONEY to help us, and they don't have a way to find it.

We are reminded by TRTA that the **committee report and the options it suggested** is just a starting point, and it is not written in gold. We still have many friends in the Legislature, and the discussion is just beginning. We will have more sympathetic ears in the House than in the Senate.

Mr. Tim Lee will be testifying before the Senate Finance Committee this week in the Capital. The Subject is TRS Care.

Side note: Several of our members have experienced being told they were dropped from the Medicare D list and cannot get their medication through Express Scripts. We feel this is a mistake. I wish I had the expertise to tell you how to fix that problem. I do not. I do know you cannot wait to

contact TRS to ask what they can do to help you. You know the old saying **the squeaky wheel gets attention.**

- A Bill has been introduced **to halt payroll deduction** for dues of unions and organizations that use public funds to accomplish the deduction, We also lobby the Legislature. This may touch TRTA. The bill actually says employees. We are retirees not employees. We have less risk than the active teachers, for they are employees. We need to watch this Bill to see if it progresses.
- TRTA is stressing we continue **cultivating relationships with the Legislators** who represent you. The contact teams for those Legislators should take the lead on that effort. Those Legislators should smile when they see you coming. They should want to help their friends. When visiting and speaking with your Legislator, TRTA does not want anyone to go into the meeting stating, “We just can’t have increases in premiums in insurance.” Don’t make demands they fix the problem. We are learning they just quit listening. Try a reasonable education method of discussion.
Fixed incomes for retirees, average pension income, high cost of drugs and health care, funding has not changed but costs of medication still rises, Retirees pay premiums, Retirees, for the most part, do not receive e Social Security Benefits. Retirees want to be part of the solution. Be sure to ask, **“Will you support an available and affordable Health Insurance Program for Educational Retirees?”** If a negative answer is given, **contact TRTA as soon as possible.**

- **WHAT WE WANT**

- ✓ **A Defined Benefit Pension Plan**

- It is our security—No social security

- A DC plan for new hires will hurt present retirees

- Money will be removed from fund

- No new money coming into fund

- Less money to invest

No actuarially soundness means no COLA or 13th checks

- **WHAT WE DO NOT WANT**

1. A DC Benefit Pension Plan
2. No one messing with our investments with TRS
3. Do not tell us what investments to make
4. Don't fix what is not Broken

- **WHAT WE WANT CONCERNING HEALTH INSURANCE**

We want a well-funded, affordable, and available program very similar to what we have had in TRS CARE. It has been a good insurance

- **TRTA ANNUAL CONVENTION**

The Convention will be held in Austin on March 27 & 28.

***An important note;**

The Legislative Breakout Session will be after the House of Delegates meeting, in the same room, and is open to anyone attending the Convention.

March 29 is TRTA Day at the Capital.

TRTA members will be recognized in both houses.

TRTA members can make appointments for meetings with their Legislators by calling their offices in the capital. Now is not too early to get those visits scheduled. You may be scheduled with a staff member. Try to keep the numbers attending to 4 or less. Ask the Legislator's office if more will attend the meeting. They may want to suggest a meeting room. Be sure to ask for pictures.

TRTA members are asked to **wear red.** The red tee shirts we used at the last Day at the Capital will work as it does not have a date. We are selling those shirts again for those who need a new one.

Check with your Treasurer. District 10 is taking two buses to Austin for the day. Again check with the treasurer for reservations.

THANK YOU FOR READING ALL 5 PAGES OF THIS UPDATE.

I KNOW IT IS LONG; HOWEVER, WE ALL NEED TO BE INFORMED.

Tonna Duke

District 10 Legislative Chairman

