



MRTA

Missouri Retired Teachers Association & Public School Personnel

May 30, 2009

“ALL QUIET ON THE WESTERN FRONT”

MRTA 2009 Legislative Report - Missouri

All is quiet in Jefferson City as the Missouri Legislature adjourned on May 15 at 6:00 pm. All in all it was a pretty quiet session for MRTA and our issues of importance. In fact MRTA had a very successful session this year because of the legislation we opposed that did not pass the General Assembly. THANK YOU to all the MRTA members who attended our MRTA Legislative Days. We had a record number of members attending with GREAT chili-dogs being prepared and served by the MRTA staff. THANK YOU to all that attended our Legislative Reception at the Capitol Plaza. Another huge success and well attended. THANK YOU to all the MRTA members and Legislative Leaders who wrote e-mails, letters, and made phone calls to their state elected officials on MRTA issues of importance. THANK YOU to all that donated to the MRTA Building Fund. Our new facility is the talk of the Capitol and of Jefferson City. Our new building has given us even more influence as everyone now knows that MRTA is hear to stay! GREAT JOB!

Below is a summary of Legislative issues that MRTA worked on this year.

- 1) The General Assembly after much argument enacted the 2010 State Budget. The Foundation Formula for public schools was fully funded as per the 2003 rewrite. This is a huge victory as the budget experienced many cuts. The Federal Stimulus dollars made the difference for public schools in Missouri. Professional Development did suffer cuts.
- 2) HB 265 did pass. The bill allowed our PSRS/PEERS retirement system to put in place several efficiencies to make our system stronger. MRTA worked hard for this legislation be finally approved. This legislation was amended to require a special committee to study the state of the PSRS/PEERS system and how it is funded. This will happen this summer. MRTA will need to be strong and involved as our system lost over \$9 billion dollars (over one third) of its assets this year.
- 3) HJR 23 – TABOR - Tax Payer Bill Of Rights did not make it through the Senate after being passed by the House. TABOR threatened public school funding.

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3016 Dupont Circle, Suite B, Jefferson City, MO 65109

1-877-366-MRTA/Fax: 573-634-4273

- 4) SB 64 – Expansion of Charter Schools failed.
- 5) HJR 36 would have eliminated state income tax and put in its place a state sales tax failed. This would have hurt retirees and threaten Public School Funding.
- 6) SB 324 failed immediately after MRTA Legislative Days because of our opposition. SB 324 was a MSTA sponsored bill that would have allowed the “SPIKING” of Final Average Salary (FAS) at 20% each year. MRTA pushed regulation of “SPIKING” in 2007 at 10% each year for FAS stopping the abuse.
- 7) SJR 20 and HJR 33 were resolutions asking Congress to repeal the WEP/GPO provisions of Social Security. These bills were not pushed this year because of the extreme amount of time given to the state budget. We will push hard in 2010. THANK YOU Senator Pearce and Representative Nolte
- 8) SCS HCS HB 82 PASSED and is on the Governors desk to be signed. This is a very important bill for education retirees and was pushed by MRTA. HB 82 clarified and made stronger the provisions of HB 444 (Jetton) which are the tax cuts for public education retirees enacted because of MRTA in 2007. The most important clarification of the law was the removal of the age requirement for this tax exemption. This bill also includes all military retirement income. The right thing to do! Special THANKS to Senator Jason Crowell of Cape Girardeau and Will Kraus of Raytown. PLEASE CALL GOVERNOR NIXON at 1-573-751-3222 and ask him to sign into law HB 82. With state revenue short the Governor needs to hear from us.

MRTA also was heavily involved with the Section 218 of Social Security agreement debate. Section 218 exempts’ teachers from paying Social Security and allows them to pay into PSRS. Social Security and the IRS were trying to put more teachers into Social Security which would have weakened our retirement system. All in all after the efforts of MRTA and others kept things essentially the same as they were. Education Retirees working after retirement at public schools will have to pay Social Security. This is even more reason to work hard for the repeal of WEP/GPO in Washington DC. THANKS to our Congressional Delegation for standing with us. Also THANKS for the hard work of PSRS/PEERS Board and staff.

Respectfully submitted

Jim Kreider
Executive Director MRTA