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**2018**  
**2019**

# **TRTA LEGISLATIVE TRAINING GUIDE**



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## TRS Fact Page

Share this fact page with legislators, candidates and active teachers.

# Introduction

## What is TRTA?

The Texas Retired Teachers Association (TRTA) is a grassroots, non-profit organization of retired teachers, principals, superintendents, school bus drivers, and administrative personnel working together to preserve the Teacher Retirement System (TRS) and protect our TRS-Care health insurance benefits. TRTA is the only organization in the state dedicated solely to the preservation of TRS.

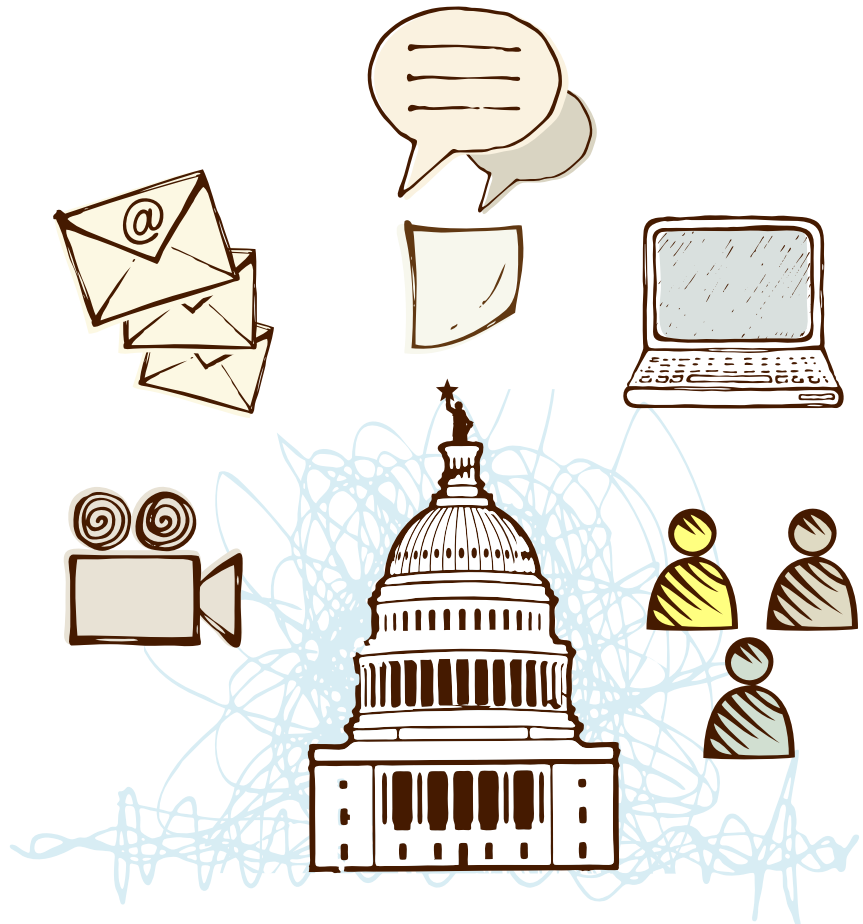
*TRTA represents all retired school personnel.*

## What is the purpose of the Legislative Training Guide?

The following legislative training guide developed by the Texas Retired Teachers Association (TRTA) will help you become an effective advocate for issues pertaining to retirement benefits for public school personnel in Texas. Being an effective advocate means communicating clear, organized messages to legislators, candidates for political office, family, friends, members of the community and active school personnel.

TRTA's goal in establishing this program is to provide a uniform and consistent approach to supporting issues that affect public education retirees. We become stronger as advocates by having a solid message that extends across the entire state.

*Communication  
and  
consistency are key!*



## TOPIC 1: Meeting with Legislators

### *Why is it important for me to meet with my legislator?*

When it comes to the Teacher Retirement System of Texas (TRS), most decisions that impact your pension and health care benefits are made by the Texas Legislature. The Texas Legislature consists of 150 members of the House of Representatives and 31 members of the Senate. (For the purpose of this guide, our primary focus will be on state elected officials, not nationally elected officials that serve in Congress in Washington, D.C.).

Members serving in the Texas Legislature make significant decisions that impact TRS and your benefits. This includes but is not limited to: determining how much money the state will contribute to the Teacher Retirement System (TRS) pension fund each year; determining what percentage of salary active school personnel will contribute to TRS; determining how much money the state will contribute to the TRS–Care health insurance plan; and determining changes to retirement formulas such as the Rule of 80 and the multiplier.

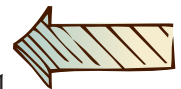
These decisions impact the amount you receive monthly from TRS, whether or not you will be eligible for a pension increase or supplemental payment, and whether or not your health care premiums will increase. Because the Texas Legislature’s decisions impact your long–term financial security and health care, it is important that you meet with your elected officials to discuss your needs and wants.

*The Legislature determines if we receive pension increases!*

### *How do I determine who my legislator is?*

You may contact the TRTA state office in Austin and a member of our staff will be happy to assist you in locating your legislators. Contact us toll free at 1.800.880.1650. You may also visit our website ([www.trta.org](http://www.trta.org)) and click on the “Who Represents Me Website” feature found near the middle left of our home page.

Other online resources for locating your legislators include the Texas Legislature website ([www.capitol.state.tx.us](http://www.capitol.state.tx.us)). Enter your address in the section entitled “Who Represents Me?” on the right side of the page. This feature informs you of who your Congressmen are, as well as your state leaders in the Texas Legislature. Please note that the terms U.S. Representative and U.S. Senator refer to Congressmen serving in Washington, D.C. and the terms Texas State Representative and Texas Senator refer to members of the Texas Legislature serving within the state of Texas (including the Capitol in Austin).



*Find out who my legislator is.*

Performing a search for your elected officials will provide you with contact information for them at both the Texas Capitol and at their district offices.

### *How do I set up a meeting with my legislator, and where should the meeting occur?*

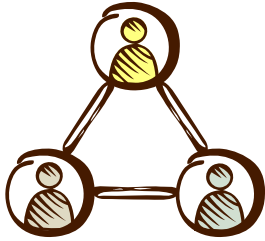
One of the best ways to set up an appointment to meet with your legislator is to speak with a scheduler in the legislator’s office. If you plan to travel to Austin and visit your legislator at the Capitol, you may call the Capitol phone number provided. If you prefer to stay closer to home and meet with your legislator within your district, you may call the District phone number provided.

If you are not comfortable using the internet to locate phone numbers, you may use a toll–free legislator

*There's never a bad time to meet with my legislator!*

hotline which connects you directly to the Texas Capitol (1.888.674.3788). You must tell the operator your address to help him or her determine who your legislator is, and you will then be connected.

When setting your appointment with the scheduler, be sure to include the following information:



*Take some fellow retirees along.*

- Your name and contact information
- The number of people who will attend the meeting from your local unit
- What issues you plan to discuss

*Texas Capitol number 1.888.674.3788*

The scheduler may set your appointment with a staff member that is assigned to work on retirement issues specifically. Please know that when scheduling appointments during legislative session, it is common to meet with staff members, as legislators are often attending committee meetings or are on the floor. Legislative staffers are there to serve you and address your concerns. They will report back to the legislator directly about your meeting and keep him or her informed about your top priorities.

*It is okay to meet with staffers if the legislator is unavailable.*

We recommend meeting with your legislators or their staffers in Austin when the Legislature is in session. It is also important to meet with them during the interim at their district offices. Maintaining contact with our legislators even when the Legislature is not in session lets them know we are serious about our issues.

## TOPIC 2: Advocacy Tips and Best Practices

### What should I expect when meeting with my legislator?

Meetings with legislators or staff members are often quick and efficient. It is important that you are prepared before attending a meeting. You should determine in advance what materials you plan to give to the legislator and what key points you want to focus on during your conversation. (TRTA has several key topics that will be discussed later on in this guide).

It is possible that your legislator may be late to the meeting, especially during Legislative Session. For this reason, if you plan to visit several legislators in one day, it is important that you allot plenty of time between meetings (an hour or more).

*Bring a map of the Capitol and allot plenty of time between meetings.*

The Texas Capitol building is large and can be difficult to maneuver. You should familiarize yourself with a map of the building prior to your meetings. A map can be found at the following link: [www.texastribune.org/directory/offices](http://www.texastribune.org/directory/offices). Try to arrive a few minutes early to your appointment.

When greeting a legislator, it is important to be respectful and refer to that person as Senator Last Name or Representative Last Name, never by a first name. If you are meeting with a staffer, please refer to them as Mr. or Ms. Last Name. If a legislator is running very late or is unable to attend the scheduled meeting, please accept the opportunity to meet with a staffer instead when it is offered.

### What is the proper etiquette when meeting with my legislator?

We have several tips for making sure your meeting goes smoothly and your concerns are heard. Please be aware that legislators and staffers are often pressed for time and meet with many constituents during any given day. You want your message to be memorable for the right reasons, so remember the following:

**BREVITY**: In order to be effective, your presentations must be short. Whether your presentation is an informal conversation with an elected official in the hallway or a very structured presentation before an appropriations committee, it should be emphatic and to the point. You should always introduce yourself and tell whom you represent (including the number of TRS members in the elected official's district if you have it), the extent of your interest and involvement with a particular issue, and why you believe there is a need for some specific legislation to address the problem.



*Keep it short.*

**ACCURACY**: You should always provide accurate information. The credibility of your testimony depends on its accuracy. If you cannot supply documentation to support your claim, do not make the statement. Since most of the issues you will be supporting will require repeated interaction with elected officials or staff in their offices, it is best to start with a correct base of information. Never lie! If you do not know an answer to a question, respond with “I don't know, but I will find that information for you” rather than guessing.

*It is okay to provide answers after the meeting.*

**PREPARATION**: Be prepared. Review any bills you plan to discuss along with the support materials you are bringing along so that you may speak knowledgeably. Anticipate questions. Before you meet with any elected official or community leader, have your thoughts organized. Remember that the burden of proof is on you. In order for you to be effective, you must establish your position with clear and convincing evidence. TRTA Fact Pages (provided by TRTA) are excellent resources for you and your legislators.



**COURTESY:** Be polite, not demanding. Too often, advocates alienate entire legislative committees even though some of the elected officials may have been in agreement with the position originally. This change in attitude often occurs because the advocate was rude, hostile or combative.

**PROTOCOL:** You should address the elected official using a proper salutation (for example, Senator Harris or Representative Smith). Attire is business. Always carry your RTA business cards if you have them (or consider having some made). A business card provides a quick and easy method for legislators and staffers to get in touch with you if questions arise after your appointment.

**APPRECIATION:** Thank the elected official. Too often, we ask elected officials to act in our interest but we fail to express our appreciation. When your elected official does something for you, respond accordingly with a note of gratitude, recapping what the elected official has agreed to do. When drafting your letter or email, keep in mind that your letter or parts of it may show up in the future campaign literature. Consider checking with your legislative chairman, lobbyist, state president or executive director before sending the letter.

**REPORT BACK TO TRTA:** Contact the TRTA state office to let us know how your meeting went. What questions did the legislator pose that we can help answer? What concerns do you have as a constituent that were raised during the meeting? Your feedback is vital to our staff and state legislative committee, and allows us to cultivate the relationship you have established with your elected official.



*Contact TRTA after the meeting [info@trta.org](mailto:info@trta.org).*

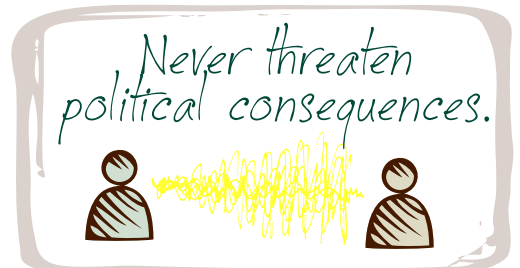
**FOLLOW UP:** Be sure to maintain contact with your elected official throughout legislative session and during the interim between sessions. If you are not able to schedule additional personal visits to the legislator's office, use other methods of contact such as phone calls and emails. Take note of any questions or concerns your legislator mentioned during your meeting, and try to provide additional information based on those inquiries. TRTA staff is happy to assist you in answering any queries or sending additional information about TRTA issues.

### *How does all off this activity appear to elected officials?*

Lobbying is fair persuasion, responsible action, desired input and mutually useful. Elected officials expect to be contacted, and actually need to be contacted in order to do their job well. They may be helping you, but you are also helping them. In addition, because you are a volunteer, your opinion is more valued because you represent what you believe.

Your legislator is charged with representing all of the constituents in his or her district. Many times they have information that you do not have. Try to understand their problems, outlooks, and objections. Never threaten political consequences.

Most controversial legislation is the result of compromise. There will be times when legislation does not go your way, so do not be too critical. Remember that you can simply not agree. Be wary of public criticisms of your legislator. Some legislators can be persuaded in the final vote to vote your way. It is much more effective to sit down in private to discuss the issue and a legislator's vote.



TRTA does not endorse candidates for office and does not have a PAC (political action committee). As an organization, we strive to work with all elected officials for the best outcomes for all TRS annuitants. Using the aforementioned guidelines will help you become a better advocate.



## TOPIC 3: TRTA Issues - The 360 Degree View

TRTA focuses on several issues that pertain to the retirement benefits of school personnel; however, three issues are considered top priorities by our members.

### 1. Defined benefit (DB) versus alternative retirement plans.

*Top 3 TRTA issues...*

#### *Why this issue is important to you:*

TRS offers a defined benefit plan. This means that TRS retirees cannot outlive their retirement benefit. Defined contribution plans, such as a 401(k)-style plan, do not provide the same level of retirement security as DB plans. Once the money runs out of a DC plan, the money is gone. Persons with DB plans will receive a monthly annuity for the rest of their lives.

This issue has reached national prominence due to states improperly funding their defined benefit pension plans, creating low funding ratios. Illinois is an example of a state that chose not to make their yearly contributions to certain retirement plans. However, Texas is not like other states. Texas has never taken a “funding holiday,” though the contribution rates have varied over the years. TRS is a well-funded system that operates efficiently and makes generous returns on its investments.

Still, there are groups in Texas promoting the dissolution of the TRS defined benefit plan, suggesting that it would be more affordable to the state to transition TRS into an alternative retirement plan such as a DC, cash balance, or hybrid plan. TRTA disagrees with this faulty logic for various reasons.

#### *How this issue should be addressed with your legislators:*

**First, TRS is a fiscally healthy fund and is NOT in crisis like other plans across the country.** TRS is well-funded at 80.5%. In 2013, Senate Bill 1458 made the fund actuarially sound at the time. A national standard and prominent accounting guideline for measuring a fund’s health is a funding level of 80% or higher. Many plans are considered actuarially sound if they meet the 80% threshold.

*TRS is funded at 80.5%*



It would be ideal to have a system that is 100% funded. That standard asserts that the system has all the money it will ever need to fully fund the promised benefits for everyone in the system, even those that are not retired or near retirement age. In reality, the system has time to accumulate the resources necessary in an employee’s career in order to pay those future obligations.

**Second, 95% of all Texas school district employees do not pay into Social Security and may not be eligible for any Social Security benefits.** TRS provides an annuity payment in lieu of Social Security (SS), and is often the only form of guaranteed retirement security for Texas public education retirees. In addition, the benefit provided to TRS retirees is traditionally better than what Social Security provides for about the same contribution level as SS participants. In fact, the average monthly TRS benefit is two and a half times higher than the average Social Security benefit (TRS Great Value for All Texans guide).

*TRS is often the only retirement income for Texas public education retirees.*

#### **Third, defined benefit plans (such as TRS) provide retirement security; other types of plans do not.**

A recent study finds that defined benefit pensions have been instrumental in keeping elderly Americans out of poverty. In 2006, poverty rates among older households lacking pension income were about six times greater than those with pensions. Among early Baby Boomers (born 1946–1954), 35% are at risk of being unable to maintain their pre-retirement standard of living after they stop working. This number is much larger for those with defined contribution plans (49%) and for those with no retirement plan (50%).

In other words, having a defined contribution plan does not reduce retirement risks at all. Among households with defined benefit pensions, these numbers drop significantly—15% for those with only a defined benefit pension, and 12% for those with both defined benefit and defined contribution income. Thus, Americans with defined benefit pension income are much more likely to achieve financial security in retirement than those without such pensions.

The private sector has pushed a combination of Social Security and defined contribution to provide retirement security for their workforce. Studies show that the average employee woefully underfunds their privatized retirement account. Without the basic level of Social Security protection, many current retirees would have little to no income for their retirement years.

**Fourth, TRS is an economic stabilizer.** Because school districts and employees do not contribute to Social Security through their work with the school district, this exemption from making contributions to the federal program saves the Texas taxpayer, school district, and education workforce a tremendous amount of money. TRS provides retirement security at a low cost to employees and taxpayers. This saves the state money by reducing the need to rely on public assistance programs, which are far more costly to administer than the very successful TRS plan.

## **2. Pension increases and pension funding.**

### *Why this issue is important to you:*

Many TRTA members express concern that they do not receive regularly scheduled permanent increases in their pensions. This is significant because TRS is often the sole income for TRS retirees, as many do not qualify for Social Security benefits. While the TRS benefit is a good one, it is difficult for retirees on limited incomes to keep up with the cost-of-living. Expenses are increasing, while income is flat.

Pension increases are directly affected by how much money the Texas Legislature is putting into the pension fund. 6.0% is the constitutional minimum. Increased contributions by the state improve the financial soundness of the system and increase the likelihood that some form of benefit increase may be granted.



*the state contribution is presently 6.8%.*

### *How this issue should be addressed with your legislators:*

State funding for the TRS pension fund should remain at 6.8%. or be increased. This impacts not only current retirees in desperate need of a pension increase, but also protects the system in the long term. TRS retirees have received only one pension increase in the last 13 years, making it difficult for many of them to meet the rising cost of regular goods and services such as gasoline and groceries. TRTA supports the long-term fiscal health of TRS, as many of our members' children and grandchildren also work in public education.

We want the system to be around for them too.

## **3. The TRS–Care health insurance plan.**

*TRS has existed for 81 years!*



### *Why this issue is important to you:*

This program covers more than 230,000 TRS retirees and dependents. In 2011, TRS reported that the program had a \$700-plus million reserve. Legislators were also told that the program was using that reserve quickly and that it may be depleted by 2014. During the 82nd legislative session in 2011, state budget cuts affected TRS–Care. The legislature reduced funding by 50% for the second year of the biennium. This reduction burned through the program's reserve funds more quickly than anticipated.

TRS–Care faced a shortfall of nearly \$1 billion during the 2016–17 biennium, resulting in the Legislature providing \$768 million in supplemental funding in 2015, and the TRS Board of Trustees approving deductible and co-pay increases, among other changes, in the summer of 2016.

During the 85th Legislative Session that began in 2017, the shortfall to TRS-Care increased to \$1 billion. HB 3976 passed during the regular session, eliminating the tiered coverage plans and instituting a high-deductible plan for retirees under the age of 65, and a Medicare Advantage plan for retirees 65 and older. The bill resulted in dramatically increased premiums and deductibles, causing many retirees to reach out to their legislators for help.

Retiree  
premiums did  
not increase  
for 15 years

Governor Greg Abbott then added TRS-Care to the call for a special session in the summer of 2017, resulting in \$212 million more being added back to the program. While this softened the blow of increased out-of-pocket costs for retirees, the increases were still too much to bear for many. Approximately 35,000 plan participants left TRS-Care between August 2017 and May 2018.

Without legislative intervention, TRS has only one alternative: raising TRS retiree premiums. Plan participants pay very high premiums to participate in this health care plan, as well as co-pays, deductibles and prescription costs. In addition, major plan design change is a cost-shifting measure that forces plan participants to carry more of the load than can be afforded on static incomes with no associated cost-of-living increases. Despite recent drastic changes to the plan, another shortfall is projected for 2019.

***How to address this issue with your legislators:***

This program is critical to the well-being of over 230,000 Texans. If we are to maintain this vital health insurance program, we need to educate the Legislature on how necessary it is, **and that it must be funded to protect plan participants.** TRS retiree premium increases should not be the basis for raising the revenue needed for TRS–Care. With pension income relatively stagnant, the state must consider higher appropriations for the TRS–Care program to keep it viable.

TRTA is calling on the Texas Legislature to fund any shortfall with the TRS–Care program. About almost 200,000 TRS retirees received a 3% benefit increase in 2013. Many TRS retirees used the extra income for medical expenses. Premiums for Medicare have increased over the past decade and many retirees must choose between paying for medical care or other essentials. The implementation of massive premium increases for plan participants would be devastating.



*Increase state funding to TRS-Care!*

TRS–Care plan design change would also create major financial hardships on retirees. Solutions for TRS–Care should start with increased state funding, as well as working with all sources to maintain affordable care through our hospital and physician networks.

**Stay Informed on All TRTA Issues!**

Other issues often arise during legislative session that impact TRS. Bills may be filed that address investment policy or return to work rules. As a legislative liaison, it is vital that you sign up for the *Inside Line* e-newsletter to stay informed on these issues as they arise. Action Alerts, which are embedded into the text of an *Inside Line*, enable members to click on a link and email a pre-written letter to their legislators. These alerts provide a quick, easy way to communicate a unified message about a very specific topic or bill and to let legislators know how they can vote on a bill to show support for retired school personnel.

*Sign up for the e-newsletter the Inside Line.  
[www.trta.org/the-inside-line](http://www.trta.org/the-inside-line)*

## Topic 4: Responses to TRTA Issues

Legislators may have opinions that differ significantly from those of TRTA on issues impacting the Teacher Retirement System. It is important that you are prepared to educate and persuade legislators with facts and figures provided by TRTA.

*Why is the TRS–Care retiree health insurance program experiencing so many issues when ERS (the state employees plan) is not having similar problems?*

**You can say:**

“The current funding for TRS–Care is based on a fixed percentage of active member payroll. Payroll is not growing nearly as quickly as the number of retirees participating in the plan or medical costs. This mismatch in funding versus cost is causing problems for TRS–Care. ERS funding is tied to a fixed amount per member each biennium and is tied directly to cost increases. The amount funded per member is much higher for ERS than for TRS–Care.”

*How did the TRS–Care funding crisis get so big?*

**You can say:**

“Funding for TRS–Care is not growing as quickly as medical costs. TRTA has reiterated the need for additional funding during the last several sessions, but the Legislature chose to let TRS use the balance in the TRS–Care fund to make up the difference between the funding amounts and the higher costs in previous years and infuse the program with supplemental funding thereafter. There is an urgent need for this mismatch of revenue and expenditures to be resolved, as shortfalls to the program for the foreseeable future continue to escalate rapidly.”

*Why should educators have retiree health insurance when most people in the private sector do not have such benefits?*

**You can say:**

“Educators spend their careers teaching our children and contribute to TRS–Care each month so that they will receive a retiree health care benefit when they retire. In addition, current retirees are paying more than 35% of the cost of their own health care. 95% of TRS retirees do not receive Social Security as an additional source of income to pay for their health care needs. Given that the average TRS annuity is \$2,060 per month, affordable health care is essential to the well-being of our public education retirees.”

*Why should the state pay for retiree health care for individuals under 65?*

**You can say:**

“These individuals taught our children for many years while contributing each month to TRS–Care so that when they retired they would have a health care plan. Currently, they are also paying higher premiums than retirees who are covered by Medicare. These individuals are very dependent upon having access to affordable health care because they are not covered by Medicare, and would have a difficult time finding affordable insurance on their own.”

*Many individuals retire at age 55 or even younger. Why should the State assume liability for their health insurance when they chose to retire at such a young age?*

**You can say:**

“Clearly the total costs for individuals retiring early is higher because they will need health care coverage for longer periods of time. Nevertheless, they need health care coverage and they contributed toward that coverage while they were working.”



*Retirees did not have premium increases for 15 years, but health care costs have more than doubled during this time. It seems like reasonable increases in premiums each year may have helped prevent the current underfunding situation.*

**You can say:**

“Premium increases over time would have reduced the amount needed for the next biennium, but probably would not have kept the fund solvent for more than a couple of years. Given that most retirees live on a fixed annuity (which has not been increased since 2001 except for the 3% increase granted to older retirees in 2013), the decision was made by the Texas Legislature and TRS to keep premiums steady. Given that retirees pay over 35% of the total cost of health care, it is appropriate to look at sources other than retiree premiums.”

*Even if we (the Legislature) put in an extra \$1 billion this biennium, you are going to come back next biennium asking for an even larger amount. This program is not sustainable.*

**You can say:**

“The current program definitely is in need of an additional infusion of funding to keep the program going. TRTA believes TRS–Care is critical to our retirees and will work with the Legislature to come up with solutions to keep the program solvent. Elimination of TRS–Care is not an acceptable option.”

*What does TRTA propose to make this program sustainable over the long term?*

**You can say:**

“Clearly the funding structure for TRS–Care must be changed to eliminate the mismatch between revenues and expenditures. Current funding from the State and school districts is too low. TRTA will work with the Legislature to come up with solutions to keep the program solvent and still affordable for our members.”

*Shouldn't the districts pay a larger portion of the costs for retiree health care?*

**You can say:**

“TRTA believes the combined funding from the State and from the school districts is not adequate and should be increased. The decision as to how much the State will pay versus how much the districts will contribute is a decision the Legislature will make in the bigger context of school finance.”

*Isn't the Affordable Care Act going to help take care of this problem? Or is it going to make it worse?*

**You can say:**

“TRS conducted a sustainability study for TRS–Care and considered the impact of the Affordable Care Act. At this point, it is still too early to know the long-term ramifications. TRS–Care has received additional funding as a result of the Affordable Care Act in the past, and this additional funding helped keep the TRS–Care solvent at the time.”

*TRS has looked at various options to make this program sustainable. Which of these options does TRTA support?*

**You can say:**

“TRTA will review any options that are presented thoroughly and evaluate which options are best for our members. TRTA will not support any option that places all of the burden on the retirees.”

*Does TRTA support a solution that involves a “sharing the pain” approach in which all parties—including retirees, the State, school districts and active employees—have to pay more to keep the program going?*

**You can say:**

“TRTA will work with the Legislature to come up with solutions that provide affordable health care for all of our retirees. Since retirees are currently paying more than 35% of the total cost of coverage, additional

funding from other sources is the first priority. TRTA also supports a system that ensures affordable health care for active teachers.”

*Should we give retirees a fixed amount and let them shop around to get the best deal?*

**You can say:**

“TRTA believes our members are better served collectively by having a health care program that is affordable and spreads the risk of a catastrophic medical event across the pool of all retirees.”

*Should we be using Health Saving Accounts (HSAs) for this program?*

**You can say:**

“Health Savings Accounts are tied to high deductible health care plans. Now that the plan design for TRS–Care includes an HD plan for retirees under age 65, they could possibly play a role. The concern is that money currently being used to pay health care claims will be put into savings accounts for healthy members. The question is “how will we pay projected claims and still have enough money for savings accounts and carry this funding forward to future years?”

*Why didn’t TRTA support efforts during the 83rd session by some legislators to get extra money for TRS–Care?*

**You can say:**

“TRTA works collectively with the Legislature to get the best benefits for our members. TRTA chose to not get involved in letting our retirees be used as human shields in the budget battle. Instead, TRTA worked with the legislative leadership to get the maximum benefits for all TRS retirees. Senate Bill 1458, which made the TRS pension fund actuarially sound and gave older retirees a 3% cost-of-living adjustment, also helped the long-term health of TRS–Care.”

*It seems like active teachers already are paying significantly more for their health insurance premiums than retired teachers. Shouldn’t we be focusing on that problem?*

**You can say:**

“TRTA believes additional funding is needed for both the active and retiree health care plans. Current funding is not adequate for either plan, and active and retired members are paying a disproportionately large share of the costs.”

*Couldn’t we save a lot of money by combining TRS–Care and TRS–ActiveCare?*

**You can say:**

“The size of both programs is large enough to get significant discounts. TRTA has not seen any analysis that would indicate savings by combining the programs.”

*We could save money by combining state employees and educators into a single health care plan and have better purchasing power with hospitals and doctors.*

**You can say:**

“TRS currently receives significant discounts on both the active and retiree plans. TRTA has not seen any analysis that would indicate savings by combining the programs. A big concern with this approach would be having access to quality health care. Even under the current plans, hospital and doctors threaten to leave existing networks for higher fees.”

*It seems like the real problem is individuals under the age of 65 costing the plan significantly more than the older retirees. Does TRTA support significantly raising the premiums for the younger age group?*

**You can say:**

“TRTA will work with the Legislature to ensure a sustainable health care plan that is affordable for all retirees, not just those retirees who are 65 or older.”

*Since the Pension Fund has assets of almost \$148 billion, couldn't we use some of that money to help pay for retiree health care costs?*

**You can say:**

“The Pension Trust Fund is a constitutionally established fund that is held in trust to pay annuities and cannot be diverted for other purposes such as health care costs. Although money cannot be diverted from the pension trust fund, TRTA is concerned that the contribution amount to the pension fund could be lowered to as little as 6% and the difference used to help pay for health care costs. TRTA believes the pension fund should be actuarially sound and that the contribution rates established in 2013 should be maintained. TRS–Care should receive additional funding that is not diverted from the pension trust fund.”

*If your legislator says “changing TRS to another type of retirement plan won't hurt you, only future retirees, so why do you care?”*

**You can say:**

“TRTA supports the long-term fiscal health of TRS, as many our members' children and grandchildren also work in public education in Texas. We want the system to be around for them too.”

“We want good teachers for our grandchildren. TRS benefits make the teaching profession more attractive. DB plans help to recruit high quality teachers and retain highly productive teachers longer. A recent analysis by the National Institute on Retirement Security (NIRS) determined that DB pension plans saved school districts \$273.2 million nationally in turnover costs.”

“Changing TRS to another type of retirement plan today does hurt current retirees, because that means a contribution source for the fund disappears. 63% of TRS consists of investment earnings. Without contributions from active employees, TRS will be unable to maintain its current level of investment returns. This could result in the fund depleting much sooner, putting retirees at risk of losing their monthly annuities.”

*If your legislator says “transitioning TRS to another type of retirement plan would be cheaper for the state and taxpayers.”*

**You can say:**

“TRS saves the state money. Because school districts and employees do not contribute to Social Security through their work with the school district, this exemption from making contributions to the federal program saves the Texas taxpayer, school district, and education workforce a tremendous amount of money. If TRS is transitioned to a DC plan, state taxpayers would still have to pay at least the 6% constitutional rate and it is likely they would also have to pay Social Security. If this happens, taxpayers and members would have to pay an additional \$3 billion per year.”

“Congress could invoke mandatory Social Security. With 1,000,000-plus public school employees, the state or the school districts would need to find nearly \$5 billion out of the budget per year to pay into Social Security (at the 6.2% employer rate). By comparison, the state put \$4 billion into TRS in 2011 and only \$3.64 billion in 2012.”



*If your legislator says “other states are transitioning their retirement plans to defined contribution or other retirement plans, why shouldn’t we?”*

**You can say:**

“Texas TRS is not broken, so why fix it? TRS has a proven track record. TRS is a fiscally healthy fund and is NOT in crisis like other plans across the country. TRS is well-funded at 80.5%. Over the last 25 years and through some of the worst economic downturns in this country’s history, the fund’s overall rate of return is 8.6%. The TRS fund now outperforms 75% of other investment funds around the country. TRS is projected to have enough funds to pay for benefits for its annuitants until the year 2075.”

“TRS is good public policy! Retirement benefits generated an estimated \$975 million in state revenues and \$368 million in local government revenues in 2016. Pension benefit payments made by the Teacher Retirement System of Texas (TRS) help create and sustain over 131,422 Texas jobs! These jobs are in all sectors of the economy from health care and research, to finance and investment, and the service industry. TRS pensioners are a major force in the state’s economic engine.”

“The TRS defined benefit plan recruits and retains high quality educators, and helps reduce teacher turnover.”

*If your legislator says “You are getting your annuity check every month as promised, yes? Texas never promised you a raise.”*

**You can say:**

“While it is true that I always receive my annuity check, the cost-of-living has gone up substantially since I retired. For example, the cost of gasoline has risen nearly 247% since 2001. ([www.consumerenergyreport.com/2012/03/14/charting-the-dramatic-gas-price-rise-of-the-last-decade](http://www.consumerenergyreport.com/2012/03/14/charting-the-dramatic-gas-price-rise-of-the-last-decade)). Medical costs continue to rise with age, and I already pay large premiums and co-pay costs. My stagnant income cannot continue to meet the demand of the cost of regular goods and services.”

“Retirees provide value to the state and deserve a standard of living that meets their basic needs. TRTA members are able to provide volunteer services to others in their communities. In 2017, we contributed over 6.2 million volunteer hours with an estimated value of \$156 million to Texas communities. 55% of TRS retirees earn \$2000 or less per month from TRS.”

*If your legislator says “I’d love to be able to help, but Texas can’t spare the money from general revenue right now to contribute more to the pension fund.”*

**You can say:**

“Did you know that over 63% of the money in TRS has been generated by investments since 1938? The more money that the state is able to put into the system, the more that TRS is able to earn on its investments. The money management expertise at TRS would benefit significantly now and in the long-term from just a little more money from the state. Right now, the state contribution is 6.8%. Currently, contributions to TRS from the state use only 2% of the state’s entire budget.”

“The Texas Legislature has a historical precedent of providing pension increases for its public education retirees. It was not until 2001 that Texas modified their position on retirees receiving adjustments from the pension fund.”

*If your legislator says “I’d love to be able to help, but the Texas Attorney General ruled in 2009 that the Texas Legislature cannot provide a supplemental payment to retirees.”*

**You can say:**

“The Attorney General opinion is often misunderstood. The Attorney General stated that Texas statutes provide ways to give increases to retirees, but that the members of the Legislature did not utilize those methods at that time.”

## TOPIC 5: I've Received Training. What's Next?

Now that your initial legislative training has ended, it's time to prepare for the upcoming legislative session! You should not wait to share what you have learned with your fellow TRTA members. Begin building a localized grassroots movement focused on your area legislators.

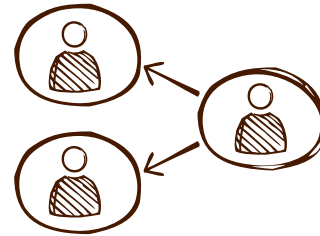
### 1. Stay well informed

- The *Inside Line* is used to keep members up-to-date. Please encourage your local members to sign up for this wonderful feature ([www.trta.org/the-inside-line](http://www.trta.org/the-inside-line)). Be sure to read *The VOICE* you receive each quarter and keep it as a reference. You may consider making copies of articles or fact sheets printed in *The VOICE* to take with you to your visits with legislators.

### 2. Put someone in charge

- Develop a member network. Use a telephone committee for quick response as well as an email link. As alerts are sent, especially during session, have a plan ready to activate your local members into action. All local members should be participants in your plan. Legislators note the number of contacts that are made on a particular issue by their constituents. The person organizing this should be your local unit legislative chairman.

*Develop a member network.  
Volunteer for the local legislative committee.*



### 3. Set up an appointment

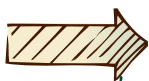
- It is important to first try and meet with your legislator in his or her district office. It is best to take no more than three to four members to your appointment. Your time will be limited, so get to the point. Discuss your concerns with accurate facts. It might help to have a written document outlining your points to leave with the legislator. Be sure to thank the legislator and let them know that you will be contacting them again during the session. Let TRTA know that you have had a meeting so that a follow up can be made during session or sooner. Having a bill number is important during the legislative session.

### 4. Get personally acquainted

- Make sure that your members get to know their Senator, Representative and their staff as well as candidates running for office. Take a sincere interest in your legislators by attending their events. They need to know that of your community involvement and want your issues addressed. Discuss TRTA priorities and be prepared to answer questions. If you do not know the answer, tell the legislator that you will find out and get back to them.

### 5. Send letters and emails

- When writing a letter, please reference only one bill. Be sure to place the bill number at the top of your letter. Present your issue logically and use facts. Emotional appeals usually do not influence a vote. Use background material provided by TRTA (fact pages from *The VOICE*, for example). Give facts and opinions concerning the effects of a particular measure on public school retirees.

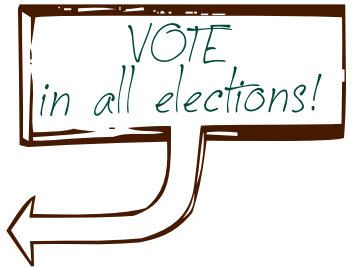


*How to email a legislator.*

- The importance of contacting a legislator on time cannot be overemphasized. The most eloquent letter does no good if it arrives after a vote. Using email is a great way to send your message quickly. Email addresses for Texas legislators are configured as such: `firstname.lastname@house.state.tx.us` or `firstname.lastname@senate.state.tx.us`. You might also call your legislator's office and ask for the email address of the staff member that works on retirement issues.

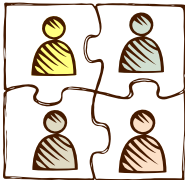
## 6. Vote!

- Although TRTA does not endorse candidates for political office, we do encourage our members always to exercise their right to vote. Opportunities to vote include primary elections, run-offs, and general elections. As an organization, our political power lies in the strength of our members. Use your voice to vote for the candidates you believe are representing your interests. Do not assume that your neighbors, colleagues or fellow TRTA members are voting. Your vote counts! Election dates are included on page 12.



## 7. Understand your influence

- The strength of our organization lies in your decision to be involved. TRTA becomes stronger by encouraging other TRS annuitants to get involved. The more we are seen and heard, the stronger we become. Joining a local unit or encouraging other TRS retirees to join local units is a great way to grow our influence.



Join a local unit - [trta.org/local-unit-map](http://trta.org/local-unit-map).

## Mark Your Calendar

### 2018

- November 6      General election is scheduled for November 6, 2018  
Election Code Sec. 41.002
- November 12    Pre-filing of legislation for 85th Legislature begins November 12, 2018  
House Rule 8, Sec. 7, and Senate Rule 7.04 (a)

### 2019

- January 9      86th Legislature convenes at noon  
Government Code, Sec. 301.001
- March 16      Deadline for filing bills and joint resolutions other than  
local bills, emergency appropriations, and bills that have  
been declared an emergency by the Governor  
House Rule 8, Sec. 8; Senate Rule 7.07 (b)
- May 27        Last day of the 85th regular session; corrections only in  
House and Senate  
Sec. 24 (b), Art. III, Texas Constitution
- June 17        Last day Governor can sign or veto bills passed during  
the regular legislative session  
Sec. 14, Art. IV, Texas Constitution
- August 31     Date that bills without specific effective dates  
(that could not be effective immediately) become law

First day of  
legislative session.

## Conclusion

Thank you for taking the time to read this training guide and for viewing the TRTA legislative training video. Our staff in Austin is ready to answer any questions you may have. Let us know if you are planning a visit to Austin to meet with your legislator. We may be able to arrange for a staff member to join you or supply you with resources to use during your meeting. As always, thank you for being a member of TRTA.

Please do not hesitate to contact us:

Texas Retired Teachers Association  
313 E. 12th Street, Suite 200  
Austin, TX 78701

1.800.880.1650 | [info@trta.org](mailto:info@trta.org)

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### **Visit us online!**

[www.trta.org](http://www.trta.org)

Facebook ([www.facebook.com/TexasRetiredTeachers](http://www.facebook.com/TexasRetiredTeachers))

Twitter ([www.twitter.com/TRTA](http://www.twitter.com/TRTA))

YouTube ([www.youtube.com/TheTRTATV](http://www.youtube.com/TheTRTATV))



# Public Education Retirees and Pre-Retirees Deserve a Quality Health Care Benefit As Part of Their Retirement Security!

## TRS-Care is in Crisis!

Although the TRS pension fund is considered healthy by national standards with a funded ratio of 80.5%, the TRS-Care retiree health insurance program continues to face a funding shortfalls year after year. This places the affordability and accessibility of this very necessary program in jeopardy. Texas public education retirees need your help! If the Legislature fails to act, retirees may no longer be able to afford their health care coverage!

## Background

TRS-Care began in 1986 and has approximately 230,000 participants today. It is funded on a pay-as-you-go basis and is subject to change based on available funding. Funding sources include retiree premiums, state funding, and school district and active personnel contributions. While the plan used to offer tiers of coverage and varying premiums depending upon which tier was chosen by the participant, this changed in 2017 with the passage of HB 3976. Retirees under the age of 65 now have only a high-deductible health care plan available through TRS, and retirees age 65 and older now have only a Medicare Advantage plan through TRS. Since this change was instituted, approximately 35,000 participants have left the plan due to increased premiums, deductibles, and prescription costs. The no-cost catastrophic plan, TRS-Care 1, was also eliminated by HB 3976. Premiums for most participants have more than doubled since the new plans went into effect in January 2018.

## TRS-Care Funding Sources

Retiree premiums range from \$200 (for retiree only) to \$999 (for retiree and family) for the under age 65 group. For retirees age 65 and older in the Medicare Advantage plan, premiums range from \$135 (for retiree only) to \$1,020 (for retiree and family). In 2017, before the new plans were instituted, retiree premiums were \$404 million (accounting for 36% of the total funding of TRS-Care). Numbers from the new plans for the 2018 plan year are not yet available.

The State contributes about \$100 per month per TRS-Care participant. Funding for TRS-Care and the cost of running the program are not aligned. Contributions are based on payroll, which is not correlated to increases in program participation or increasing medical costs.

## Work with TRTA to be a Part of the Solution!

TRS-Care needs more money. TRTA is calling on the Legislature to increase its appropriation to the retiree health insurance program. Retirees, active school employees, the state and school districts must all be engaged early in the 86th Legislative Session to develop a funding plan for TRS-Care.

A funding plan that focuses on the long-term sustainability of TRS-Care must be developed so that retirees and future retirees are not faced with a funding crisis every session.

TRS-Care needs a solution that does not drastically cut health care benefits, but instead provides quality health care options at reasonable costs similar to what was offered to participants prior to 2018.

It is unreasonable to pass all of the costs onto the backs of retirees. The average monthly annuity of a TRS retiree is only \$2000.

Retirees need legislative champions who will carry these issues in 2019!

