

88TH LEGISLATIVE SESSION
GREAT VICTORIES
GREAT FUTURE

TRTA POLICY RECOMMENDATIONS FOR TRS TEXAS



TRTA Purpose and Mission: The Texas Retired Teachers Association (TRTA) works closely with the Texas Legislature and U.S. Congress to preserve and maintain the Teacher Retirement System (TRS) pension fund and TRS-Care insurance plan for all Texas educators. Together, we protect, promote, and defend the interests of TRS members.

TRTA STATE ISSUES

Preserve TRS Texas Traditional Defined Benefit Retirement Plan: TRTA's primary public policy objective is the preservation of the TRS traditional defined benefit plan for all public-school retirees and pre-retirees. TRS proves that when these plans are managed and funded appropriately, they provide cost-efficient retirement security for plan participants and taxpayers alike. Please note that 95% of public-school employees do not participate in Social Security. This saves Texas taxpayers billions of dollars, but also raises the stakes when ensuring the TRS traditional defined benefit plan remains strong and viable for all future retirees.

Fund TRS Pension Trust: In 2019, TRTA championed the "TRS Actuarial Soundness—Raise the Base!" plan (Senate Bill 12). This plan is a multi-session increased funding initiative that will ensure the long-term solvency of TRS. TRTA members urge the 88th Texas Legislature to continue the plan by introducing and adopting a state budget that funds contribution rates of 8.25% for the state and active educators and 1.9% for school districts by 2024.

Support a COLA for TRS Retirees: *TRTA is aware of the sincere interest expressed by the Legislature over the past several years to take steps regarding the loss of income retirees are experiencing. TRTA welcomes the open expression of support from legislators to address this issue during the 88th Texas Legislative Session. TRTA urges the enactment of a cost-of-living adjustment (COLA) for TRS retirees as an emergency item in the coming session.*

Protect TRS-Care: TRTA appreciates the work of the Legislature to address increasing health care costs for TRS retirees over the past several years. However, it is our belief that the best solution for this issue is to design and implement a long-term plan that continuously reviews health care costs and associated state funding and compares them to the actual costs of health care. This solution would take the place of the current arbitrary formula that was established 35 years ago when TRS-Care was created.



The Voice For All Public Education Retirees

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TRTA FEDERAL ISSUES

Arbitrary WEP Out, Fairness Now! The Windfall Elimination Provision (WEP) is an arbitrary formula from the 1980's and it is neither fair or needed. Congress knows that there is a better way. TRTA calls on Congress to pass WEP reform now and end the arbitrary and unfair WEP!

Stop the GPO pain! The Government Pension Offset unfairly penalizes public servants, including Texas retired school employees. The worst part is GPO typically hurts seniors after the loss of a spouse who was a Social Security recipient. The GPO is bad public policy that needs to be reformed immediately.

One-and-Done on GPO! While TRTA pushes an aggressive repeal/reform of the current Government Pension Offset (GPO), we believe Congress could and should implement a policy we refer to as "One-and-Done." Texas has many TRS retirees that have been hit with the GPO, but the impact of this unfair provision did not completely offset their spousal/auxiliary benefit. Whenever TRTA secures a benefit increase for retirees on their state pension benefits, the federal government then reduces the retiree's remaining spousal/auxiliary benefit. This is punitive and impractical and should come to an end! TRTA says if the federal GPO already has been applied to a retiree's spousal/auxiliary benefit and it was not eliminated completely, then no further reduction in their Social Security income should occur ever again when there is an increase in their state pension benefits.



The TRTA Board of Directors and District Presidents visited the Texas Capitol in July 2021.

Protect the Texas TRS Defined Benefit Plan. Some leaders in Washington, D.C. have touted the idea that Texas public employees who are not paying into Social Security should be forced to do so. This concept is known as Mandatory Social Security. While there may be some advantages to having all Texas public workers pay into the federal Social Security program, the strategy to implement the concept often leaves our state defined benefit retirement systems without the assurance that it will be protected and remain fully funded.