



TSTA TESTIMONY TO SENATE FINANCE COMMITTEE

FEBRUARY 6, 2023

SB1 Article III - Education

Chair Huffman and Vice-Chairman Hinojosa and distinguished members of this committee. My name is Elaina Fowler, and I am honored to be here today on the behalf of the Texas State Teachers Association and the thousands of TRS retirees. Many of you in this room are champions of public education and work diligently across the aisle to do what is in the best interest for the students of Texas and for our educators. We are all on the same page when we say we want the best for our students, but sometimes partisan views get in the way of this progress. Public education is a bipartisan issue and should be treated as such with excellence in mind.

Post pandemic effects have not been kind to public education, its educators, and its retirees. In fact, these events only exacerbated the ongoing underfunding and lack of priority, yet we expect our educators and schools to operate and achieve exaggerated results under an outdated system of rules and regulations and standards. As a result, we are seeing an exodus of educators in mass. We are seeing this stress being transferred to our remaining educators which is being felt in overcrowded classrooms by our students. We are seeing our retired educators face healthcare premiums and expenses surpass their monthly pension checks. Which when last checked was estimated to be \$2,174.00 in 2022. This is a horrific fact, especially since many educators go into the profession, despite the relatively low wages, with the expectation that they will be taken care of in retirement through their pension.

This continues to be a grim awakening for many retired educators who have not had a COLA in 19 years. Meanwhile, inflation continues to eat away at the inadequate income on which they depend. To add further insult to injury, retired educators cannot receive social security to supplement their menial pensions. For over a decade, TRS retirees have been patiently waiting and actively advocating for a COLA. They have heard all the excuses regarding budgetary constraints or other priorities, but now we have a \$32.7 billion dollar surplus and it's time for this legislature to do right by TRS retirees and provide them with a COLA.

This huge surplus did not come out of thin air. It was created by Texas taxpayers, including these same retired educators who faithfully paid their taxes at great financial hardship. They need and have earned a COLA! and Now! Unlike Social Security, which provides regular benefit increases, including an 8.7 percent raise this year, Texas does not provide for automatic cost-of-living adjustments for TRS pensioners. Retirees rely on the Legislature. All other states whose retired educators are excluded from Social Security provide for automatic COLAs, tied to inflation, in their pension plans for school employees. Texas is the only state that does not.

In 2019 and 2021, the Legislature provided extra pension checks to TRS retirees. These checks were gratefully accepted, but they did little to ease retirees' plight, much less give them the dignified retirements they have earned. This year, they need a COLA. A COLA and the greater spending power would provide for almost half a million TRS retirees and their beneficiaries also would help keep the Texas economy strong.

Lastly, the Legislature also must address the funding structure of TRS Active Care without reducing benefits for retirees or requiring either retirees or active teachers to shoulder an unfair portion of the funding burden. For two decades, the state has neglected to increase its \$75 TRS Active Care monthly contribution as healthcare costs soared. TSTA is calling on the Legislature to increase the state contribution from \$75 to \$225 per month and require school districts to maintain a matching contribution of at least \$225 per month for TRS Active Care. Many districts already contribute at least \$225, and the combined \$450 would cover a significantly higher portion of the cost of employees' health insurance.

In closing, TRS retirees need a COLA and active and retired educators need more affordable health care; with a \$32.7 billion dollar surplus a priority should be made to address and resolve these concerns.

Thank you.