

FROM THE OFFICE OF
STATE REPRESENTATIVE RUTH JONES MCCLENDON

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McClendon Legislation to Improve Teacher Retiree Benefits Passes House Again 146 – 0

(San Antonio) -- State Representative Ruth Jones McClendon (District 120, D-San Antonio), presented an amendment on Wednesday to restore the teacher retirement benefit increase proposal to the form in which it first passed the House of Representatives April 17 on a vote of 140 – 0. After House Bill 1105 (filed by McClendon) passed, it moved to the Senate and was assigned on April 19 to the State Affairs Committee, chaired by Senator Robert Duncan (District 28, R-Lubbock). House Bill 1105 was never scheduled for a hearing before the Senate committee, however. Senator Duncan proposed his own teacher retirement benefits structure as Senate Bill 1846. It modified the proposal of HB1105 in such a way that it increased active teacher's contributions and

lowered the proposed state contribution level. Many were fearful that it also put the "thirteenth check" one-time supplemental retirement benefit in jeopardy.

Those who watch the intrigue between House and Senate Bills have been observing the tug of war between McClendon's original proposal, HB1105, and SB1846 proposed by Senator Duncan. Retired teachers and active teachers have been observing the unfolding events carefully since HB1105 was introduced on February 12. The contribution by active teachers to the Teacher Retirement System has been a steady 6.4% for over a decade, while the state's contribution level remained at the constitutional minimum of 6%.

Retired teachers, including school personnel, have not received a cost of living increase since 2001 because the Teacher Retirement System Pension Fund (TRS) has been unable to provide them. McClendon's HB1105 proposed that the state increase its contribution level to 6.7% (of the aggregate annual compensation for all members of the TRS) for that specific purpose. This percentage would provide for actuarial soundness of the fund, and allow for a one-time supplemental benefit in September, 2007; also it would enable this additional monthly payment for eligible retirees to equal the amount they would receive in August, 2007.

Representative McClendon proposed a "floor amendment" to amend SB1846 so that the state's contribution would be boosted to 6.7%, and the thirteenth check made equal to the eligible retiree's regular monthly benefit payment. The House approved her amendment 148 – 0 on Tuesday, then voted on the newly reconstituted Bill. The Bill is now carried under the SB1846 number, but basically states the contents of HB1105. On final reading, the House voted in favor of the McClendon proposal, this time 146 – 0. A conference committee is expected to be appointed from both House and Senate members, to determine the final terms of the Bill that will be presented for the Governor's signature before the Session ends on May 28.

Representative McClendon said, "The House has a clear sense that Texas must provide its retired teachers with a much-needed increase, and treat active teachers equitably in regard to the state's contribution level to the fund." In addition, Representative McClendon emphasized, "We hope that in conference committee, we can sustain the provisions of SB1846 as amended by the House this week."

Representative McClendon serves on the House Committees on Appropriations, and Pensions & Investments (on which she holds a seniority appointment and serves as Chief Budget Officer). Additionally, she is Chair of the House Committee on Rules & Resolutions. She also serves on the Sunset Advisory Commission, which oversees all agencies under the auspices of the State of Texas. Representative McClendon invites constituents with comments on legislative issues, or who may have ideas for legislation, to contact her at the Capitol office at 512-463-0708 or District Office, 210-225-2107. The District and Capitol offices will remain open during the interim between the 80th and 81st Legislative Sessions.