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SERVING OVER 390,000 MEMBERS

June 2024



THIS IS NUTS!

“Say It Ain’t So”

BY DAVID G. BRONNER



With exceptional research and dedication, the Alabama House passed legal gaming for Alabama, while the Alabama Senate came within “one” vote of allowing Alabama to vote on this issue. The current Alabama gaming situation is a legal mess and always has been due to the 1901 Constitution. Some counties have local gaming laws, while others, like Walker County, are like the Wild West of gaming. The House’s gaming legislation would have fixed this and, more importantly, would have brought in a new stream of revenue for the state.

After the one-vote loss in the Senate, the most popular Alabama governor in my lifetime was asked about a Special Session, to which she replied, “Why would I do that?” Simply put, because you can accomplish it. This needed revenue improvement is “no step too high for a high stepper!”

In her first major challenge after taking office, our outstanding governor passed the gas tax against big odds, not a mere one-vote opponent. Governor Ivey has approved top-quality Alabamians to the Alabama Supreme Court, to the Presidency of the University of South Alabama,

and filled her cabinet with a staff of talent and integrity.

WHY is this new revenue a necessity?

Despite having the country’s second lowest per capita tax burden (only Alaska is lower), the Legislature cut taxes on groceries and overtime pay and granted new tax credits for various causes. The Legislature also passed a school voucher program that will begin to impact education revenues by a minimum of \$100 million but likely at much higher amounts starting in the 2027-2028 school year, when the program will be open to all families, regardless of income level. Arizona was the first state to implement universal vouchers with a projected cost of almost \$1 billion annually. Most of these participants have never enrolled in public school.

Anti-gaming folks might suggest increasing Alabama’s property taxes, which are the lowest in America, to replace this revenue, but this has been impossible to accomplish in the past. Additionally, this past session, the Legislature further limited property taxes by capping annual property tax assessments at 7%.

Alabama needs new revenue. There have been no meaningful COLAs for RSA retirees in 18 years! There is no affordable healthcare coverage for nearly 200,000 Alabamians, many of whom are employed in low-paying positions. Rural hospitals are dropping like flies! Even great new programs like “Working for Alabama” by Governor Ivey require additional funding for child care and housing to make an impact. We also need to remember that every state agency, from State Police to Mental Health, has been grossly underfunded for decades until the federal arrival of COVID funds, which all states are now losing.

First, I am asking each member of the RSA to encourage Governor Ivey to continue to make Alabama a little better and get the essential funds to continue improving the state with a special session on gaming. **Second, to thank each House and Senate member** who voted for this new revenue. **Third, to ask everyone who voted against** new revenue how they plan to address the state’s problems without any new revenue in light of the recent tax cuts and loss of federal monies. Alabama needs to move forward, not form a firing squad within a circle! ●



Final 2024 Legislative Session Update

BY NEAH M. SCOTT, LEGISLATIVE COUNSEL

The 2024 Regular Legislative Session ended on May 9, 2024. As it has always done, the Legislature ensured that the Teachers’ Retirement System (TRS) and the Employees’ Retirement System (ERS) were fully funded at the

actuarially set rates.

There were several efforts by the Legislature to address the need for retiree benefit increases, but none were ultimately successful. The Alabama Retired State Employees’ Association (ARSEA)

advocated for legislation to create a new process for granting and funding retiree benefit increases. The House included retirees in the gaming bill that passed

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FINAL 2024 LEGISLATIVE SESSION UPDATE

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the House but ultimately failed in the Senate. The Senate attempted to amend the statutes governing the retiree trust funds for state and education retirees to allow direct appropriations from the budgets.

The RSA-related bills that passed this session included a bill providing paramedics hazardous duty service credit (Act 2024-105), a local constitutional amendment to allow mayors in Jackson County to participate in the ERS (Act 2024-253), a bill removing compensation caps for retirees serving in certain elected positions (Act 2024-279), a bill amending the forfeiture of pension law (Act 2024-289), and a bill changing the process for restitution garnishments of pensions (Act 2024-408).

Finally, the Legislature passed a joint resolution (Act

2024-124) to create “the State Employee and Education Employee Health Insurance Joint Interim Study Commission.” The commission’s stated purpose is to determine if the benefits of PEEHIP and SEIB are competitive with surrounding states and private industry and to determine if any cost-savings could be realized by consolidating the PEEHIP and SEIB boards and administration. The commission is tasked with meeting to examine and review benefits and consolidation and to report to the Legislature with its findings on or before January 1, 2025.

Check out RSA’s legislative webpage for the final bill tracking chart, which includes links to the enacted legislation at rsa-al.gov/about-rsa/legislation/. ●

“The Why” of Plastic Pollution

EDITORIAL

Last month, Ottawa, Canada, hosted the U.N. negotiation session to develop an international legally binding instrument on plastic pollution. The global plastics treaty, as it is more commonly called, will be finalized at the end of November in Busan, the Republic of Korea.

The urgency arises from global plastic production soaring from under 2 million tons in 1950 to 460 million tons in 2019, of which 430 million tons were virgin plastic and 30 million tons were recycled plastic. Single-use plastics currently account for approximately 40% of total plastic production. Only 9% of all plastics are recycled, with just 1% for single-use plastics.

Plastics in the environment break down into an infinite variety of ever-smaller pieces. These microplastic particles enter our bodies daily and penetrate virtually every organ. Microplastic particles have been found in our lungs, heart, blood, and brains. Unborn children also ingest microplastics, which are commonly found in placentas.

Plastic fallout is happening everywhere – freshly fallen snow from various parts of Antarctica averaged 29 microplastic particles per liter of snow, according to a 2022 study. There is a strong correlation between plastic pollution and many chronic diseases. ●

Worker Turnover Soars

BY TYLER BOND, NATIONAL INSTITUTE ON RETIREMENT SECURITY (NIRS)

Public pension plans were established to play a key role throughout an employee’s career, so it should come as no surprise that closing a public pension plan has adverse outcomes for workforce management.

The workforce challenges that result from closing a public pension plan are documented in a new report from NIRS called *No Quick Fix*. The report examines five states: Alaska, Kentucky, Michigan, Oklahoma, and West Virginia – that either closed or significantly changed public plans in their state, and in the case of West Virginia, eventually reopened its closed plan.

Alaska stands out as the prime example due to the severity of its worker shortages. So, closing the two statewide public plans 17 years ago removed much of the incentive for someone to work in public service in Alaska. The actuary for the two closed Alaska plans tracks the employee turnover

data for both the defined benefit (DB) and the defined contribution (DC) plans. Employee turnover is much higher in the DC plans than in the DB plans.

The data can be used to project the years of expected service in the two plans. For example, for a group of 100 male peace officers vesting in their plan at age 30, the DB plan would expect to still have 63 of them working at age 54, but the DC plan would only expect to have 17 of those 100 still working then. Similarly, for 100 female general government employees, 26 of 100 would be expected to still be working at age 55 in the DB plan, but only 7 of those in the DC plan. Put another way, the state expects to receive 67 percent more service from male peace officers in the DB plan and 51 percent more service from female general government employees in the DB plan. ●

Alabama Success Stories

VOICES for Alabama's Children

ALAVOICES.ORG

Thirty years ago, Alabama's children did not have a single driving force that would speak for and represent their interests when it came to laws and policies affecting them and their families. Inspired by a shared commitment to the well-being of Alabama's children, a group of passionate individuals and corporations came together in 1992 to address this pressing need. VOICES for Alabama's Children (VOICES) was born out of this determination to make a difference.

VOICES' mission is simple yet profound: to speak for the well-being of Alabama's children through research, public awareness, and advocacy. Its vision is that every Alabama child is safe, healthy, educated, and economically secure, paving the way for thriving families and communities.

"What gets measured gets changed" is one of VOICES' mottos that reflects its dedication to driving significant advancements. That is why research is at the heart of the organization's work, yielding data-driven public awareness and advocacy efforts.

The cornerstone of VOICES' research is the Alabama Kids Count project and the *Alabama Kids Count Data Book*. Since the first *Data Book*, VOICES has empowered child advocates statewide with the most trusted and comprehensive child well-being data in Alabama. This data is not just numbers on a page; it is a beacon of insight that guides a collective mission to improve the lives of Alabama's children from 0 to 18.

Thanks to VOICES' trilateral approach, more Alabama children have health insurance coverage; however, they often lack access to healthcare resources where they live. Initiatives like the State Child Death Review Team and enhanced safety regulations, such as child passenger safety laws and child care quality improvements, have provided understanding and safety for children.

The group's collaboration with other organizations has also led to positive changes, including reducing the sales tax on groceries and the Juvenile Justice Act of 2008, which substantially reduced juvenile incarceration. One of VOICES' longest-standing commitments is to early brain development research and raising awareness about the need for high-quality early childhood education such as Alabama's First Class Pre-K.

Most recently, VOICES has worked to secure funding for a summer feeding program (Summer EBT) to help keep school-age children fed during the summer. It also developed research-based recommendations to address the shortage of quality, affordable child care and advocated for enhanced mental health services for children and families.

VOICES published its 30th annual *Alabama Kids Count Data Book* in April. It measures child well-being based on 70 indicators, including the following highlights:

- Alabama's child population decreased from 24.6% of the total population in 2022 compared to 28.2% in 2000. Hispanic children are the fastest-growing demographic under 20, tripling from 2000 to 2022.
- State child poverty rates have increased steadily since 2000. African American (38.3%) and Hispanic (36.7%) children are affected at more than two times the rate of White children (13.5%).



- In 2021, 18.3% of Alabama children faced food insecurity at some point during the year.
- Early intervention for children birth to three years increased by 39% since 2012, serving 8,236 children in 2021.
- The infant mortality rate has increased slightly from 7.0 deaths per 1,000 live

births in 2020 to 7.6 deaths per 1,000 live births in 2021. This represents 443 babies who did not live to see their first birthday.

VOICES is proud to be the driving force behind improving the well-being of the most vulnerable Alabamians. And, because its data shows widening disparities for children of color, those in poverty, and those living in rural areas, it will continue leading this charge until every Alabama child has what they need to reach their full potential.

This is a series of articles about Alabama Success Stories. Please let us know if you have a similar success story you would like to share with the RSA membership. You may contact us at communication.correspondences@rsa-al.gov. ●

WANT TO HELP?



A FREE CAR TAG

Tired of that worn-out dealer tag on the front of your car? Would you like to help the RSA and our Alabama Tourism Department advertise "Alabama's Robert Trent Jones Golf Trail" on your front bumper? If so, call to request a tag at 334.517.7000 or 877.517.0020, or write:

Tag, P.O. Box 302150
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The Battle House,

A Renaissance Hotel \$129

- June 1-8, 12-17, 21-24, 28-30
- July 1-6, 12-14, 26-31 • August 1-10, 21-31

The Battle House RSA Spa Package \$244

- June 3-5, 12, 17, 24 • July 1-3, 29-30
- August 5-7, 21, 26-28

Riverview Plaza \$119

- June 1-2, 7-8, 12-16, 21-24
- July 1-6, 12-14, 26-28
- August 4-10, 15-24, 30-31

Grand Hotel \$137 (plus a 15% resort fee)

- June 4-5, 25-27, 30 • July 1, 14-16, 24-25, 30
- August 11-13, 20-22, 26-29

Grand Hotel RSA Golf Package \$209 (plus a 15% resort fee)

- June 4-5, 25-27, 30 • July 1, 14-16, 24-25, 30
- August 11-13, 20-22, 26-29

Grand Hotel RSA Spa Package \$285 (plus a 15% resort fee)

- June 4-5, 25-27, 30 • July 1, 14-16, 24-25, 30
- August 11-13, 20-22, 26-29

Marriott Shoals \$119

- June 2-3, 16-17, 23-24, 30
- July 1-2, 7-8, 14-15, 21-22, 28-29
- August 1, 11-12, 18-19, 25-26

Marriott Shoals RSA Spa Package \$229

- June N/A (Closed for Renovation)
- July N/A (Closed for Renovation)
- August 1, 12, 19, 26

Renaissance Ross Bridge \$129

- June 2, 5, 9, 13-17, 23, 26, 30
- July 1-4, 7-9, 14, 21, 23, 31
- August 1, 4-6, 11-12, 14-15, 18, 21, 25, 27-29

Renaissance Ross Bridge RSA Spa Package \$260

- June 16-17, 23, 26 • July 14, 23
- August 4-5, 11-12

Auburn/Opelika Marriott Resort \$119

(plus a 10% resort fee) Web reservation will show \$144, including \$25 resort fee. Guest will only be charged RSA rate at checkout.

- June 2-4, 16-17, 25-30 • July 3-4, 7-10
- August 18-21, 25-29

Auburn/Opelika Marriott Resort RSA Spa Package \$234 (plus a 10% resort fee)

- June 2-3, 16-17, 26-30 • July 3, 7-8, 10
- August 18-19, 21, 25-26, 28-29

Prattville Marriott \$109

- June 1-4, 12-13 • July 1-2, 7, 28-31
- August 11-12, 29-31

Renaissance Montgomery \$129

- June 1, 7-9, 14-16, 20-22, 28-30
- July 1-7, 20-23 • August 4-11, 13, 18-19, 22

Renaissance Montgomery RSA Spa Package \$244

- June 1, 7-8, 14-15, 20-22, 28-30
- July 2-6, 20, 23 • August 6, 9-10, 13, 22

Specific room requests may require additional charge.

Rates available the 1st of the month and are not applicable to groups.

Corporate/Promotional Code: R2A
on www.rsa-al.gov

Book Online and Save RSA \$4.

TRS Board of Control Runoff Election Results

Congratulations to Mary Beth Tate on her reelection to Teacher Position, No. 3! Her three-year term will begin July 1, 2024. Complete runoff election results are available at www.rsa-al.gov/trs/board-of-control/trs-board-elections/. ●

Make Your Vote Count! ERS Board of Control Election Information

Regular election ballots for the Retired State Employee Position will be mailed by June 3, 2024, and must be returned to YesElections no later than 4:00 p.m., July 15, 2024. The elected member will begin their four-year term of service on October 1, 2024.

To be eligible to vote for the Retired State Employee Position, you must be a retired state employee and currently receiving an ERS retirement benefit. Eligible members can vote by mail, phone, or the internet. Instructions will be included with the paper ballot. More information about the candidates can be found at www.rsa-al.gov/ers/board-of-control/ers-board-elections/.

By submitting your vote, you are confirming that you are eligible to vote for the position based on your classification. If your classification is incorrect, please contact the Elections Coordinator at 334.517.7192 or 877.517.0020. ●

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