

## EDUCATION

# Lawmakers, Advocates Discussing Increases to Teachers' Retirement Benefits to Battle Teacher Shortage

Mary Sell, February 15, 2019



(Source: Pixabay)

Education leaders cite changes to teachers' retirement benefits six years ago as a factor in Alabama's worsening statewide teacher shortage.

Now, they're asking lawmakers to make adjustments to what's known as Tier 2 benefits, including allowing retirement after 30 years of service and slightly increasing the benefit amount. Legislators say they're listening but aren't convinced retirement changes alone will fix classroom staffing.

“Do I think modifying Tier 2 is going to solve our teacher shortage issues? No,” Rep. Bill Poole, R-Tuscaloosa said this week. “But we do want to make sure we are competitive on benefits.”

Poole is chairman of the House education budget committee.

Evidence of the teacher shortages around the state is plentiful, but concrete numbers are not. A task force set up to study the shortages, the causes and possible solutions hopes to have some recommendations to lawmakers this spring. Last week, BirminghamWatch reported that there recently were more than 1,700 educators in Alabama classrooms who were not certified in the core subjects they were teaching.

“Our superintendents identify the current Tier 2 retirement plan as a contributing issue in the shortage of teachers we are facing today,” Ryan Hollingsworth, executive director of Alabama School Superintendents, said this week. “It is a fact that we have teachers graduating from colleges of education in Alabama but going to work in other states strictly due to our current Tier 2 retirement plan. We have asked the leadership in the Alabama Legislature to revisit the current Tier 2 retirement plan to place us in a more competitive position when we are recruiting against neighboring states.”

In the Senate, Arthur Orr, R-Decatur, chairs the education budget committee. He said he’s willing to have conversations about modifications to Tier 2.

“I’m certainly open to listening to them and have,” Orr said. Legislation is expected in the session that begins March 5.

### **Fewer Years, More Retirement Pay, Other Changes Being Considered**

Tier 2 retirement benefits went into effect for new teachers in 2013. Under the previous Tier 1 system, teachers could retire at any age if they had 25 years of service.

Under Tier 2, they must wait until age 62.

Ashley McLain, public relations manager for the Alabama Education Association, said that for 22-year-old teachers entering the classroom, working 40 years “is more than they can fathom.”

The option to retire after 30 years is on educators’ list of possible changes.

The AEA also wants more flexibility with leave. Previously, teachers could carry over their sick time from year to year. Under Tier 2, they cannot.

“You’ve got educators who are taking time off when they don’t have to just because they’ll lose it if they don’t use it,” McLain said. Absent teachers means substitutes and non-certified educators leading classrooms.

“(Teachers) have to be able to accrue leave,” McLain said.

The legislation is still being written and is unavailable, but at the State House this week, Leura Canary, general counsel for the Retirement Systems of Alabama, discussed possible

changes with House education budget committee members. Among them, increasing the benefit multiplier, which determines how much retirees earn, from Tier 2’s current 1.65 percent to 2 percent.

Proposed changes are estimated to increase the employer contributions in fiscal 2020 by \$16.7 million, according to RSA.

“We are willing to discuss (benefit changes) and be at the table,” Neah Scott, legislative counsel for RSA, told BirminghamWatch. “Our interest is two-fold: keeping it affordable for employers and making sure we can administer it.”

Poole said there is a balancing act between increasing benefits and increasing salaries because there is a limited amount of money to spend.

The 2020 education budget is expected to be the largest ever, more than \$7 billion. Teacher raises are possible. McLain said the AEA believes a 5 percent raise is reasonable.

### Looking for Reasons

School leaders have discussed the need to reduce class sizes, but McLain said schools can’t fill current teaching positions.

Poole said the shortage issue is multi-faceted, and lawmakers are trying to find out what’s driving it. He said the state needs to promote the profession of education and encourage students to become teachers. He also thinks schools are losing math and science teachers to the private sector.

#### **Age of Teacher Retirement in Alabama and Surrounding States**

- In Alabama, new teachers can’t collect retirement benefits until age 62, no matter how many years they work. Now, education groups are asking lawmakers to allow retirement after 30 years of teaching or at age 62.
- In Florida, teachers can collect at 65 or after 33 years of service.
- In Georgia and Mississippi, it’s age 60 or after 30 years.
- In Tennessee, it’s age 65 or “the rule of 90,” meaning age and years of service must equal at least 90. So, a teacher who is 60 with 30 years served may retire.

*Source: School Superintendents of Alabama*

“I think we’re going to have to have a serious discussion about paying high demand teachers more,” Poole said.

He also said more scholarships for math and science teachers and stipends for educators in hard-to-fill positions or areas of the state may be needed.

“I think we’ve started to do those things, but we’re going to have to be very purposeful in continuing those and growing,” Poole said