

## HOUSE HEALTH AND AGING RETIREMENT AND PENSIONS SUBCOMMITTEE

Wed., Mar. 9, 2011

Rep. Schuring: 614-752-2438

### **HB69** STATE RETIREMENT SYSTEMS (Wachtmann L) Regarding the state retirement systems.

Dennis Leone, a former State Teachers Retirement System board member, testified to ask committee members not to allow provisions of the system's solvency plan to be weakened, and to consider implementing some provisions on a faster timetable. He said emotions around the collective bargaining debate should not detract from the need for lawmakers to act decisively on the pension bill.

He listed several points of concern:

- The committee should not allow union pressures to convince it that the 3 percent proposed increase in employee contributions is too high. He also said that a permissive additional 1 percent increase sought by the board will never be used unless the Legislature mandates it. He said using that additional 1 percent would equalize at 14 percent the contributions of employees and employers.
- Move forward from 2015 to 2012 or 2013 the change to a five-year final average salary calculation, and consider moving to a seven-year average a few years after that, perhaps in 2018. "Trust me when I say it will be needed," he said.
- End the 88 percent-35year retirement benefit sooner than the proposed date of 2015. He said such a benefit has created a two-tiered system since its introduction in 2000 and never should have been established.
- Do not cut the cost-of-living adjustment by more than 1 percent. He said maintaining some kind of adjustment is the only hope retirees have of keeping up with health care costs. He noted that some states have eliminated adjustments for future active members. But he said because the cost-of-living adjustments are in statute, taking them away for those who already have them could spark a legal challenge
- Leone said a "shameful omission" in STRS' plan is a failure to protect the oldest retirees with the lowest pensions from reductions in their cost-of-living adjustments.
- He said the committee should not decrease the 14 percent contribution for employers, saying it would have significant effects on long-term solvency.

Leone also expressed concern about long-term assumptions undergirding the STRS solvency plan, namely the assumed 8 percent investment return and 4 percent payroll growth.

After the hearing, Chairman Schuring told Hannah News he hopes to have a substitute bill soon so that he can have ample hearings on it before sending the bill to the Retirement Study Council and the Senate. He said possible changes could include addressing cost-of-living adjustments for police officers and firefighters placed on permanent disability early in their careers, as well as an "eligibility cliff" in the State Teachers Retirement System plan that drew criticism from the Ohio Education Association and Ohio Federation of Teachers.

**SENATE EDUCATION** Sen. Lehner: 614-466-4538

Tue., Mar. 8, 2011

**HB30 SCHOOL FUNDING** (Gardner R) To eliminate spending and reporting requirements related to the school funding system, to abolish the School Funding Advisory Council, to eliminate the requirement that school districts offer all- day kindergarten.

Russell Harris, from the Governmental Services Division of the Ohio Education Association (OEA), gave testified in opposition to the provisions in HB30 that would end Ohio's commitment to universal all-day kindergarten and repeal a number of recent education reforms such as the School Funding Advisory Council, class-size reductions, Family and Civic Engagement Teams and the Closing the Achievement Gap Initiatives. The OEA supports the proposal to reduce the period covered by school district financial forecasts.

Darold Johnson, director of legislation for the Ohio Federation of Teachers, presented opponent testimony on behalf of three teachers from the Georgetown Exempted Village Schools: Melissa Cropper, media specialist, and Deanne Cooper and Rachel Bishop, both kindergarten teachers. They were unable to attend due to obligations to their teaching duties. The testimony presented strongly supported the importance of full day kindergarten. "In a time when we are all struggling financially, we cannot make a quick fix decision that will have a negative impact on our students," they said.

**SB81 LICENSE PLATES** (Cates G) To qualify Teach for America participants for a resident educator license.

Hannah Powell, school director at KIPP Journey Academy, a Linden area middle school, gave proponent testimony for SB81. She started as a 2003 Teach for America (TFA) corps member in Philadelphia and became "passionately committed to ensuring all children receive the education they deserve." She sees SB81 as "an opportunity to recruit excellent teachers -- and encourage TFA alumni working in education to return to Ohio."

Kristin Barnhart, intervention specialist in grades 4-7 at Berne Union Local Schools, gave proponent testimony for SB81. She is a 2007 alumna of TFA and taught for two years in New Mexico. She wants to see SB81 pass to provide alternative certification legislation "to make TFA's expansion to Ohio a reality."

Jamie Davies O'Leary, senior policy analyst and associate editor at the Thomas B. Fordham Institute in Columbus testified. Also a TFA alum and a native of Mansfield, O'Leary said he wanted to come back to teach in Ohio but faced "more coursework and jumping over other regulatory hurdles -- despite my six years of college education and two successful years in the classroom." She is a proponent of SB81 as "TFA builds a leadership pipeline that Ohio needs."

Sen. and Chair Lehner raised the issue of TFA candidates' efficacy on literacy in the early grades. Powell answered that there has been a "shift" in focus towards literacy in TFA training. Sen. Tavares asked about current research regarding the results of this shift. There was only one "Gold Star" study that has been done, according to O'Leary, and that does not isolate early literacy, only overall effectiveness. Tavares asked if there was a cross-cultural training component to deal with the special issues facing urban schools. O'Leary answered yes, that there is a diversity module in the five-week summer training session. Sen. Sawyer asked if the two years of TFA teaching would count as part of the four-year certification and residency requirement in Ohio. Lehner answered that yes, that this was part of the bill.

There will be a meeting on March 16 between TFA and Ohio universities to see if there is interest in partnering if SB81 passes.

Sen. Smith was "somewhat taken aback" that it would be considered appropriate to deny urban children the opportunity to be taught by traditionally trained teachers. O'Leary stated that TFA teachers are "highly effective" which "means more than highly qualified." Smith also asked what percentage of their recruits are African American males. A breakdown by gender was not available, but 11 percent of the most recent class was African American. TFA places a "high priority on diversity."

Darold Johnson, director of legislation for the Ohio Federation of Teachers (OFT), "appreciated that TFA alumni will go through the four year licensure process," but gave written testimony that stated, "a five-week induction program and two years in the field should not place TFA alumni ahead of those who have put four years of college study into the process of becoming an educator."