

## Florida Retired Educators Association Opposes Legislation Stripping Away Retirement Plan Choice and Pensions for Public School Personnel

### *S.B. 84 is Fiscally Irresponsible, Plays Favorites by Continuing to Offer Pensions to Police & Firefighters*

### **76% of Floridians Agree Unfair to Offer Pensions Police & Fire Personnel, But Not Teachers**

**ST. PETERSBURG, FL., April XX, 2021** – The [Florida Retired Educators Association \(FREA\)](#) opposes legislation that would end choice and pensions for certain news state employees – except for police and firefighters - beginning in July 2022. The legislation is fiscally irresponsible, would damage the education workforce, and plays favorites among sectors of the public workforce.

“It is outrageous that lawmakers are playing favorites,” said [Nancy Hosie](#), a retired St. Lucie County science teacher and president of FREA. “There is zero justification that only certain segments of the Florida public workforce are provided choice and pensions. This treatment of teachers is especially outrageous in a year when school personnel have given so much and worked tirelessly during the pandemic.”

“We already have a serious problem recruiting and retaining teachers here in Florida – the very people who are preparing our future workforce. Watering down teacher compensation via benefit cuts is short-sighted, dangerous and fiscally irresponsible,” Hosie added. “We hope Florida lawmakers will reverse course and listen to Floridians who support providing competitive benefits to our teachers.”

Other states that have replaced pensions with 401(k)-style accounts have seen [taxpayer costs escalate](#) while weakening public employers' ability to [recruit and retain](#) experienced employees and undermining [retirement security](#).

“S.B. 84, flies in the face of fiscal responsibility and public sentiment. If enacted, the bill would end teacher pensions and likely cause taxpayer costs to skyrocket,” Hosie explained. “Instead, Florida lawmakers are wise to carefully examine failed and costly [pension experiments in other states](#) and in [Palm Beach](#). The Florida Retirement System ([FRS](#)) has a long history as one of the [best managed](#) retirement systems in the country. Rather than enacting flawed legislation, we want to work with policymakers to ensure the retirement system is financially strong and provides a modest retirement benefit for all Florida public employees who deliver essential taxpayer services.”

The legislation comes as a [new state-wide poll](#) finds that Floridians overwhelming support providing pensions benefits for the state's education workforce and believe it is unfair to offer pensions to some Florida public employees, like police officers and firefighters, but not to teachers. The statewide poll of working-age Floridians finds:

- **There is overwhelming public support for teacher pensions in Florida.** Nearly all (87 percent) agree that Florida teachers should continue to have a choice between a pension and a 401(k) account. Three quarters (75 percent) agree that Florida teachers have a better chance at a secure retirement with a pension plan rather than a 401(k) account.
- **Fairness is important to Floridians.** Seventy-nine percent say it's unfair that the state has diverted money from the pension fund to balance the state's budget. Meanwhile, 76

percent agree it would be unfair to offer pensions to some Florida public employees, like police officers and firefighters, but not to teachers.

- **Floridians want fiscal responsibility when it comes to public employee benefits.** Eighty percent agree any changes to teacher retirement benefits should not raise costs to Florida taxpayers, while 73 percent say pensions are a [good deal](#) because Florida teachers and investment income cover most of the pension cost. Also, 82 percent agree Florida teachers should continue to have a pension because they help pay the costs.
- **Floridians say that teacher retirement benefit levels are about right (48 percent) or too low (36 percent).** The [average retirement benefit](#) for Florida teachers is about \$2,051 per month, with nearly three-fourths of the benefits paid by employee contributions (3.5 percent) and investment income (71.3 percent).
- **Floridians see the workforce value of pensions.** Eighty-two percent agree that offering competitive retirement benefits with a pension is important for maintaining good schools because it helps attract and retain good teachers in Florida. Seventy-nine percent agree that pensions help incentivize long teaching careers, which benefits children, schools, and communities. Also, 71 percent agree that Florida teachers should have a pension to compensate for their pay.

The recent FRS funding shortfalls largely can be attributed to Florida lawmakers diverting their required pension contributions to Florida's General Fund during the Great Recession. Legislators used state employees' retirement savings to balance Florida's budget to the detriment of the FRS pension funding. This money still has not been fully returned to the educator's retirement plan, and now legislators have introduced legislation that would make managing the pension fund more difficult, raise taxpayer costs, undermine teachers' retirement, and hurt the state's ability to recruit and retain teachers.

**The Florida Retired Educators Association** is a not-for-profit, non-partisan organization established in 1954 to serve the economic, social, and professional needs of Florida's retired education professionals. FREA is part of the National Retired Teachers Association and represents the interests of more than 9,000 retired educators in 45 local units across the state. FREA members are actively engaged in serving their local communities and supporting past, future, and active educators. More information is available at [www.frea.org](http://www.frea.org).

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