

August 30, 2019

To: PASR Members

Re: PASR COLA Efforts

Dear PASR Members,

We have recently received many messages from our members regarding their disappointment over the failure of the Pennsylvania General Assembly to, once again, pass a COLA (Cost of Living Adjustment). We strongly believe that it is essential to reach out and explain the current status of our COLA legislative and lobbying efforts. The development and implementation of our legislative efforts were a result of the work completed by the PASR Board of Directors and the members of the Legislative Committee and L/PEC (Legislative Political Education Committee) at the State, Region, and Chapter levels.

It must first be stated that everyone at PASR feels frustration regarding the Pennsylvania General Assembly's inaction. It is a constant focus of the Board of Directors and it has been our main lobbying focus since January of 2017.

Almost every member of PASR knows that there has been no COLA increase since Act 9 of 2001. We have believed, and continue to believe, that this situation is entirely unacceptable. We also understand that those who retired prior to June 30, 2001 did not receive the benefits of Act 9 of 2001 and the need to receive an adjustment for these individuals is especially great.

Here are some key steps we have taken during our recent efforts:

1. Realizing that a coalition is more effective and important than a single entity, we have contacted the Pennsylvania State Education Association (PSEA) to combine our efforts. Not only is this the most logical approach, it is professional behavior with a focus on the result and not the process. We worked very closely with PSEA and our coalition partners on strategy, tactics, and the implementation of our strategy.
2. Working in conjunction with our partners, we developed and drafted legislation that would give an increase to all annuitants with a special emphasis on those who retired pre-Act 9.
3. After the legislation was developed and shared with our partners, the proposal was conveyed to PSERS (Public School Employees Retirement System) for their review and comments.
4. The lobbyists for PASR and our partners contacted legislative leaders and the Governor's Office to convey our position and the acute need for a COLA. Several legislative leaders have reacted positively to our outreach and efforts.
5. After we received an estimate of the cost of our proposal, we developed three alternative proposals and have submitted them for review working with our coalition partners.
6. We expanded our lobbyist efforts to include key rank and file legislators and committee chairs.

7. It is important to note that during the process of communicating with the Pennsylvania General Assembly, several key leaders offered to either play an important role or to introduce legislation granting a COLA. Now, and in the future, it is vitally important to find the prime sponsor that would give the legislation the best chance of passing. Simply introducing a bill is not enough.
8. After the budget passed without any action on a COLA, we met to reassess our position and to plan the next step in the process.
9. We will continue to work and advocate for this issue when the General Assembly returns to session in mid-September. Even though our goal was to achieve action prior to the passage of the budget, we will simply continue our efforts into the fall.
10. In the very near future, we will be interviewing members who have an acute need for a COLA. We will be asking them to tell their story to us. We will share the information with our members, the public, and the Pennsylvania General Assembly. Anyone willing to tell their story, please contact our office.

Our mission will not be over until we achieve success. **We will not be deterred during the process of obtaining a COLA for our members.** This issue is never far from our minds. Unfortunately, even a modest COLA would cost a large sum of money spread out over 10 years. Given the amount of the unfunded liability being carried by PSERS, it makes our challenge much harder. Also, we need to vote for the candidates committed to supporting retirees.

It is important to remember that the legislative process presents many challenges and a great deal of complexity. The passage of any legislation is a two-step process that involves working with leaders and members of both the House and the Senate. What may be successful in one branch of the General Assembly is not necessarily what will be successful in the other. In addition, any legislation will need the Governor's support. The time is now and the need is critical for our members and all PSERS annuitants.

The key work has been and will continue to be done behind the scenes. Just because we have not conveyed any information during the budget process does not mean we were not addressing the issue. **We will need everyone's help in this effort.** Our thanks for your membership and support. It will be important to check our website, [pasr.org](http://pasr.org), for the latest information updates.

Sincerely,

Max Krugle, Legislative Committee Chair

Mark McKillop, Executive Director