

# KENTUCKY EDUCATION ACTION TEAM

## NEWS RELEASE

### KENTUCKY EDUCATION ACTION TEAM (KEAT) STATEMENT ON GOVERNOR BEVIN'S PENSION BILL

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The governor's pension bill (17 SS BR10) finally became public on Friday. As we expected, the provisions of that bill are very concerning to us, and several provisions are worse than advertised.

The Kentucky Education Action Team (KEAT) partners listed below, who collectively represent more than 130,000 public education employees and retirees, stand shoulder-to-shoulder with one another and with all the public employees and retirees who will be permanently adversely affected by BR 10, should it become law. We have always believed, and continue to believe, that public employees serve for the benefit of all citizens of the Commonwealth. We, too, are taxpayers. We, too, have children in the public schools. We, too, benefit from public services.

The preamble to the bill states that it is intended to create a "more attractive business climate" in Kentucky. However, for years we've been told by previous governors, successive legislatures and the current administration that high quality public education is what matters most to businesses looking to locate or expand operations in Kentucky. Nothing in this bill will make the Commonwealth a more attractive place to do business, unless you're already wealthy and do not need a secure retirement income, health care or quality public education for your children. The KEAT partners believe that the current public pension systems must be strengthened, not abandoned. Reforming the tax code to create additional revenue we need to bring our financial house into order, which is something the rating agencies tell us time and again is critical, must be addressed before the government begins cutting benefits and services to its citizens.

One disturbing aspect of this bill is that it creates the new "Public Employees Retirement System" (PERS), which consolidates all the future defined contribution assets under the control of one appointed board. The PERS board will consist of the Secretary of the Finance and Administration and Personnel Cabinets; the State Controller; and eight at-large members appointed by the governor. This means the entire board of PERS will be employed by or appointed by the governor. Very soon, this board will have an

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enormous amount of money, billions upon billions of dollars, under its control. It will not be subject to oversight or audit by the Public Pension Oversight Board, which currently exercises authority over all the existing retirement plans. This consolidation of power under the governor's office is very troubling to all of us, no matter who holds that high office now or any time in the future.

Despite Governor Bevin's protestations to the contrary, he has politicized this issue. Beginning with his first Facebook post weeks ago and continuing through his latest video posted last Friday, he has consistently called out individuals who disagree with him, personalizing the debate and working to separate teachers and school leaders from the students and parents they serve. Now he offers as his "fix" to the underfunded pensions a board comprised solely of political appointees.

We encourage all public employees, retirees, parents, and public school advocates to make your voices heard in this critical debate, the results of which will affect the financial livelihood of hard-working public servants for generations to come. Watch what your government is doing. Make your senators and representatives take your concerns into account before they vote. **Call your legislators at 1-800-372-7181 every day between now and the special session and tell them to vote "no" on this bill. Please also call the Governor at 502-564-2611 and let him know that his proposed legislation will hurt hundreds of thousands of taxpaying, voting, families across the Commonwealth. Despite what you may have heard, there are other options, and other proposals for reforms that would strengthen the pension funds which have been submitted by various groups. Each of these proposals demands consideration.**

**Form a plan now to be physically present at the Capitol at least one day during the special session, whenever that may be called.** Exercise your constitutional right to assemble and voice your opposition to these damaging policy proposals now and throughout the entire special session. Hold all your elected leaders responsible for the decisions they make that affect you, your own family, and the families of your neighborhood, church, and community. Remember everyone: we are Kentucky!

KEAT partners:

*Kentucky Association of School Administrators (KASA)*  
*Kentucky Association of School Superintendents (KASS)*  
*Kentucky Association of School Councils (KASC)*  
*Kentucky Education Association (KEA)*  
*Kentucky Parent Teacher Association (KY PTA)*  
*Kentucky Retired Teachers' Association (KRTA)*  
*Kentucky School Boards Association (KSBA)*