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Sent: Wednesday, July 8, 2015 7:09 AM

To: Bailey, Sen. Barbara; Ormsby, Rep. Timm

Cc: Gutierrez, Aaron

Subject: Suggested SCPP Agenda Item

Dear Senator Bailey and Representative Ormsby,

Please continue working on the early retiree/substitute issue before the committee.

As you know, the SCPP has been learning about the restrictions on PERS/SRS/and TRS Plans 2/3 members choosing to retire under the ERF provisions granted in 2008. The committee commissioned a survey of school districts, and although it had a quick turnaround with only 74 school districts responding, they represented over 40% of the total school aged population in the state. They clearly stated a need to expand the pool of available certificated and classified substitutes.

As you may remember, if member retires at age 62 with 30 years, he or she is forbidden to return to work with any employer covered by DRS retirement plans until he/she is 65 years of age. That work restriction includes substitute work as a teacher, substitute work as a classified position such as a school bus driver, janitor, etc ,any personal service contract work, service as a project or temporary employee "or any other similar compensated relationship".

There continue to be major concerns with this present restriction as many districts did and will continue to discontinue professional growth leaves by staff due to the unavailability of substitutes.

Another concern expressed by the SCPP own staff (Aaron Gutierrez) is that this restriction is an exception to the general policy that retire-rehire is available for early retirees. For example, Plan 1 retirees have no such restriction although they have to wait 30 days and are limited to a maximum number of hours. As Mr. Gutierrez stated before the SCPP last month, "The Legislature has expressed a general goal of providing similar benefit...some policy makers may wish to consider whether or not consistency should be restored."

During the recent legislative session bills in both the Senate and House were proposed to address the concern. Although one that was modified passed the House there was no action taken in the Senate. Senator Schoesler indicated that he thought the legislation was an end run around the SCPP which took no action/position on the issue. I am writing to request continued attention by the SCPP on this issue and a formal position taken prior to the start of the next legislative session.

Speaking on behalf of the school administrators (WASA) and principals (AWSP) (and as an aside, smaller cities and counties) we would like to see this restriction removed. Its impact is detrimental to schools and to smaller cities and counties wishing to contract with retirees for short-term, more affordable projects.

Thank you.

Sincerely,

Fred Yancey

The Nexus Group