

WVEA

Standing Together for Public Schools

WEST VIRGINIA EDUCATION ASSOCIATION

AN NEA AFFILIATE

LEGISLATIVE UPDATE

Update #1 - January 11, 2019

This week saw a couple of notable events occur that will impact education employees and our public schools – the governor’s State of the State Address and a meeting of the PEIA Task Force.

Governor Justice’s State of the State Address

Wednesday, January 9 saw the opening of the 2019 Legislative Session and the Governor’s State of the State Address. During his speech, the governor pledged to make education the centerpiece of his agenda and then proceeded to outline some of his proposals for the session.

He reiterated his earlier call for a 5% salary increase for all education and public employees and placing additional money into PEIA. His initial pledge of \$100 million to PEIA was increased to \$150 million in his speech.

From our initial conversations with the governor’s staff, their intent is for the salary increase to be the same as the one approved in 2018 – 5% of the average salary of teachers and service professionals in the state. That translates to an additional \$2,120 for teachers and \$1,150 for service professionals.

He also stated several other things he wants to do including challenging the Department of Education to improve math scores, lower absenteeism, have computer science classes in every high school, and revisit the school aid formula.

He then listed a series of items he would like to do: increase salaries of math, science and special education teachers in order to improve student performance; bank sick leave days; allow the Promise Scholarship to be used for vocational education; and put \$5 million in the budget to expand the Communities In Schools program.

Without specific language or details it is difficult to evaluate how any of his proposals will actually work or impact our schools. Hopefully, the bills to go with his initiatives will be introduced soon and we will analyze and report the details when that happens.

We do know that the governor’s pronouncement of ‘no new taxes’ and his intent to eliminate the business inventory tax are not good news for getting much needed revenue put back into our public schools.

While the \$150 million is a band aid for PEIA a dedicated funding source still needs to be found and it will most likely need to come through a tax increase or a new source of revenue.

The business inventory tax provides much needed revenue for our schools and local governments. Without a replacement source of revenue both our schools and county governments will be faced with significant cutbacks.

We also know the Republican leadership in the Legislature will be running bills to create charter schools, education savings accounts and other items that would harm our students and public schools.

We will notify you as those bills become available, but you should already be contacting your legislators to voice your opposition to them.

PEIA Task Force recommends changes in the 80/20 statute

On Tuesday, January 8 at the PEIA Task Force committee meeting, the committee took the first step towards the long-term stabilization of PEIA by proposing a series of changes in the 80/20 statute for any new costs incurred by the plan.

Remember, WV Code requires the state to pay 80% of the premium costs for the plan and the participants to pay 20%. Currently there is no flexibility in the statute and the 20% can only be in participant premiums.

The PEIA Task Force took a series of steps to change the 80/20 language in order to ensure the state contributes new money to the plan each year there is an increase in the plan’s cost, adds flexibility in the 80/20 division and allows participants to meet their 20% requirement with items other than just premium increases.

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The first step was to suggest language changes removing the hard 80/20 requirement and have the state pay *at least* 80% and the employees pay *no more than* 20%. This means the state could contribute 100% of the new money needed. Under the current statute that is not an option because the hard 80/20 split would be out of proportion.

A second proposal allows for deductibles, copays, out-of-pocket maximums, etc. to count toward the calculation of the employee's 20% share. Currently the 20% must be in the form of premiums and the new proposal provides alternatives to use in that calculation.

And finally, since we are already at the 80/20 statutory requirement in the plan, the two previous proposals will only be used when calculating the growth in the plan. The final proposal requires that each year there is an increase in the projected expenditures of PEIA that the Legislature must be responsible for appropriating and funding *at least* 80% of that growth.

This final proposal would force the Legislature to increase appropriations to PEIA as the cost of the plan grows. They would no longer be able to go years without adding additional money and passing the cost on to employees as they have done in the past.

As recently as 2017 the Legislature appropriated no additional money and participants had to make up the entire \$46 million shortfall in the plan. The burden fell totally to plan participants and resulted in significant additional spending by them on their medical care.

As Perry Bryant, former executive director for WV's for Affordable Health Care, stated "...these changes are going to provide a much more stable, secure health insurance benefit than we've had in the past. These proposals are significant and starts getting us to the fix of PEIA and a long-term funding solution."

Keep in mind these are just proposals to the Legislature at this point. A bill will have to be drafted that incorporates those changes and then must be passed by the Legislature. We will certainly let you know when that bill is drafted and the exact language it contains.

Keep Informed and Engaged during the Legislative Session

During the Legislative Session it is vital to stay informed on the issues and track legislation moving through committees. WVEA has multiple platforms designed to make sure you are up to date with Legislative happenings.

WVEA Website. The WVEA website, www.wvea.org, has been updated with contact information for each legislator – phone, email and office. We also have talking points posted for the topics that are most likely to impact our schools and on bills that will move through committees.

We use the website to post daily and weekly updates that impact education employees. Our daily report (*Lobbyline*) is posted each evening and gives a recap of the day's events. We generally have it posted by 6 pm each weekday. On Friday, we produce a recap of the week's activities and a look ahead. That *Legislative Update* is posted each Friday afternoon and emailed to our members.

Social media. WVEA also uses Facebook and Twitter to keep you informed during the session. We post notification of our daily and weekly updates to social media and will often use the platforms to ask you to respond to a quick moving piece of legislation by contacting your legislators.

WVEA's official Facebook page is Dedicated Teachers (www.facebook.com/dedicatedteachers). Our Twitter account is (www.twitter.com/WVEAnews). Make sure you follow each of those pages throughout the legislative session.

In addition to social media, WVEA will also post occasional videos to keep you updated and informed. You will be able to find those videos on the WVEA website, on Dedicated Teachers and on our YouTube channel (www.youtube.com/WVEAUpdate).

E-mails and text alerts. Legislation often moves quickly and requires action; so during the session we frequently send emails and text alerts if immediate action is required. We try not to overload you with texts and emails but there are times when we need to send out calls for action.

In order to make sure we have your accurate personal email and current cell phone listed in our membership database we need your help. You may update your personal information in our database in a couple of ways: 1) log into the NEA Member Portal and update the information on your own by going to MYNEA360.org and following the prompts; or 2) go to the WVEA website and go to the 'Update Membership Info' under the 'Membership' tab in the navigation menu – <http://wvea.org/content/update-membership-info> – to send the correct information to us.

