

MRTA HISTORY

BRIEF BACKGROUND OF EDUCATION IN MISSOURI DEVELOPMENT OF THE PUBLIC SCHOOL RETIREMENT SYSTEM AND MISSOURI RETIRED TEACHERS ASSOCIATION

1960 to 2022

Missouri public schools have a long and interesting history.

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The history of education in Missouri deals with schooling over two centuries, from the settlements in the early 19th century to the present. It covers students, teachers, schools, and educational policies. The small historically French settlements that became part of the United States in 1803 had limited schooling. The first public school in the state was established in 1817 in St. Louis. This school, known as the St. Louis Academy, was set up by the city fathers to provide an education for children of all backgrounds and abilities.

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Schools were established in several Missouri towns; by 1821, they existed in the towns of St. Louis, St. Charles, Ste. Genevieve, Florissant, Cape Girardeau, Franklin, Potosi, Jackson, and Herculaneum, and in rural areas in both Cooper and Howard counties. They were proprietary schools run by migrant teachers who catered to boys of families who could pay small stipends, and usually provide room and board for the teacher. A few coeducational schools existed in some rural areas by the 1830s. Eleven schools for girls also operated during the territorial period, but these focused on basic literacy and homemaking practices.

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Before the Civil War, Missouri followed the southern pattern that downplayed public schooling, as well-to-do families patronized local private academies. Ambitious but poor parents pooled their resources to hire part-time teachers for their children. During Reconstruction in the 1860s, the Republicans in power strongly favored modernization through the rapid growth in public schools. Their 1865 Constitution, and numerous state laws, called for a large network of public schools, including ones for black children. The plan was to require four months terms of schooling every year for children. Under the aggressive leadership of state superintendent of schools Thomas A. Parker, the number of public schools jumped from 48,000 in 1867 to 75,000 in 1870, as enrollment grew from 169,000 to 280,000. The 1870 totals included 9100 black students. About 59 percent of the eligible white children attended school annually in 1870, along with 21 percent of the eligible black children. Parker built up organizations of teachers at the county level, as well as the state level, holding numerous clinics to provide the education the teachers lacked. New normal schools, to train teachers, were opened at Kirksville and Warrensburg in 1870. A new state university was founded in Columbia, with land-grant federal aid. However, it had to share some of that aid with the new school of Mines at Rolla. Now, known as Missouri University of Science and Technology.

The public school system across the state was heavily oriented toward providing the three Rs of elementary education. High schools were rare outside the major cities. Families that could afford to have children attend school rather than hold a paying job patronized 45 academies in 1870, most of which were attached to the 37 small private colleges. Most were run by religious denominations. St. Louis, under the leadership of William Torrey Harris as superintendent of schools 1868–1880, developed one of the nation's outstanding public school systems, complete with the first public kindergartens. Once the conservatives returned to power in 1872, however, public schooling became again a low priority matter in rural Missouri.

For the past 41 years, the only source of funding for Missouri schools as a territory and as a state was from the Federal Grant through a land grant (no deed, no patent). Much work went on to even get that grant. One example: In 1804, a Mr. Thomas Reddick from St. Louis rode horseback to Washington D.C. (at his own expense) to plead for passage of the Act granting land for schools.

And it was 52 years before local funds could be levied for schools. Then, 670 years (1887 to 1956) only 1/3 of the ordinary revenue was used for schools.

So much background and work has been done on the development of education for schools in Missouri. During the great depression, teachers sometimes were not paid for the last two months of school.

In the early 1900s, the state began to provide more funding for public schools. The state legislature passed laws establishing a State Board of Education, which was responsible for setting curriculum and other policy.

In the 1950s, the state created a system of regional school districts, which allowed for greater local control of public schools.

A Few Highlights:

The development and adoption of the fourth Missouri Constitution in 1945 was very important to education. A significant change was the establishment of an appointed State Board of Education which was then given the power to appoint a Commissioner of Education.

Superintendent Hubert Wheeler of Marshall, Missouri, was appointed the first Commissioner of Education. The maximum salary was \$5,000. Consolidation of schools was implemented during his leadership in 1949. As a result of this reorganization, the County Superintendent of Schools was abolished.

Many improvements in education have been made. Some of those improvements were that state aid became available. The foundation program and cigarette tax were of much benefit to education, with the formula being increased several times.

Special Education became an area of need. For the handicapped, area schools for the trainable were established in 1957. Important programs for all handicapped, including home instruction and transportation, were attained in 1959. Programs for the emotionally disturbed came in 1968 and compensatory education in 1969.

Beginning of the PSRS of Missouri

August 7, 1945 - The Public School Retirement Act of Missouri became effective after approval of the legislation and signed by Governor Forrest C. Donnell.

July 1, 1946 - the PSRS of Missouri was created. Missouri was the 47th state to adopt legislation leading to a state teachers' retirement system.

Mr. Everett Keith was instrumental in setting up the PSRS system. Teachers were permitted to vote at that time whether to receive Social Security or straight retirement. They voted to receive straight retirement.

August 1, 1947 - the first benefit check in the amount of \$31.45 was issued to 75-year-old Benjamin Rea of Buffalo, MO.

October 13, 1965 - the forerunner of PEERS, the Non-Teacher School employee Retirement

System of Missouri (NTRS) was created with the adoption of HB 88.

MRTA History

Many retired teacher groups had organized over the state. The Missouri Retired Teachers Association and Public School Personnel was organized in December 1960 by a group of eleven retired teachers meeting in Jefferson City, Missouri at the Governor Hotel. Five school system areas represented were: St. Louis City, St. Louis County, Columbia, Lebanon and Springfield.

Mr. Thomas Babb, a retired teacher from Springfield was elected president.

- Constitution was drawn and approved by the initial members.
- Dues were established at \$1 a year due January 1st.
- A question arose, “Should we be bonded???”

In 1964, Mr. Babb was appointed the National Retired Teachers Association Director of Missouri. Dr. Ethel Andrus was the President of the NRTA at the time. A quote from Dr. Andrus, “Do something outside yourself. Make life richer with your efforts and ideas. As teachers, we have the most marvelous experience in the world.”

Minutes of the March 1962 State Meeting showed 2,549 retired teachers in Missouri. This did not include St. Louis and Kansas City. MRTA membership at the time showed 649 members.

In 1972, a very important legislative change was made in that final average salary would be determined based on total earnings for the 5 consecutive years instead of 10 consecutive years.

In 1980, MRTA was incorporated as a 501(c)(4) not-for-profit corporation.

MRTA is Missouri’s largest and only Education Association where the Public School Retiree is the #1 priority.

Our motto is: “To Serve, Not to be Served.”

MRTA is an affiliate of NRTA (National Retired Teachers Association, AARP’s Education Community).

SINCE 1975 - THINGS MRTA HAS BEEN INSTRUMENTAL IN PASSING:

- 1975** - First COLA (Cost of Living Adjustment). Retirees and beneficiaries of PSRS of Missouri who retired prior to 9/1/72 an increase in benefits amounting to 2% per year.
- 1980** - Increased the maximum annual COLA from 2% to 4%.
- 1981** - MRTA supported legislation, which gave COLA to certain persons receiving benefits from the Kansas City and St. Louis Retirement Systems.
- 1983** - A very important passage of legislation made it possible for retired teacher members and retired members of the non-teacher employees to vote for members of the Board of Trustees.
- 1984** - COLA ceiling raised from 24% to 32% for members of the PSRS of Missouri.
- 1986** - Increased lifetime COLA from 32% to 40% for retired members of the PSRS of Missouri.
- 1987** - Retirement benefit of \$300 per month by PSRS of Missouri if member had 20 years of creditable service. Teacher retirees have a right to participate in health insurance.
- 1989** - Increased lifetime COLA from 49% to 52% for teacher retirees. \$300 minimum Regular Retirement benefit for at least 20 years of credit.
- 1990** - Increased the monthly minimum to \$600 per month with a minimum of 20 years of service and increased the lifetime COLA cap from 52% to 56%. Also increased the lifetime COLA for non-teacher retirees from 32% to 44%.
- 1991** - Annual COLA cap increased to 5%. \$600 minimum Regular Retirement benefit for at least 20 years of credit. Full formula factor used for members at least age 55 with at least 25 years of credit. Survivor benefit payments increased.
- 1992** - Sponsored Retired Teachers Day which is celebrated the 2nd Wednesday in June. Legislation was also passed to change the COLA increase from 56% to 65% for members of PSRS effective 1995.
- 1993** - Pop-Up Provision for PSRS and improvements for non-teacher retirees: 55-25 and out, COLA from 4%-5%, and lifetime COLA increased from 44% to 56%, and improvements in Kansas City and St. Louis retirement systems.
- 1994** - \$800 per month for teachers with 25 years of creditable service. Full formula factor increased to 65% to become effective January 1995. Part-time or temporary substitute hours allowed for retirees increased to 550.
- 1995** - 25 and out modified formula factors initiated through July 1, 1998. \$600 minimum Regular Retirement benefit for at least 15 years of credit.

\$800 minimum Regular Retirement benefit for at least 20 years of credit.
\$1000 minimum Regular Retirement benefit for at least 25 years of credit.
\$1100 minimum Regular Retirement benefit for at least 30 years of credit.
\$2 times years of credit (maximum \$60) increase for all retirees. Jointand Survivor Options revised and Term Certain Options initiated.

1996 - Increased lifetime COLA cap to 75% for PSRS, removed the \$24,000 salary cap for supplemental benefits, and increased minimum benefits for 30- year PSRS members to \$1,200. **Supported amendments to St. Louis RetirementSystem.**

1997 - Changed retiree payment date to last working day of the month.

1998 - A Coalition was formed made up of the following groups: MRTA, NEA, MSTA, MAAS, MAESP, MASSP, AFT, and MACC. An actuarial study was made.

Legislation provided 8.7% increase to all teacher retirees and beneficiaries. Increased non-teacher lifetime COLA from 65% to 75%. Full formula factor increased to 2.5%. 25 & out window extended through July 1, 2000. 25 & out formula factors increased.

1999 - Legislation provided monthly benefit of \$5 times the number of years of service to those who retired prior to July 1, 1999, and created a new \$5,000 death benefit. Also provided a 7.4% increase for non-teacher retirees. Final Average Salary changed to 3 years. Rule of 80 implemented. \$5000 death benefit implemented. \$5 times years of credit increase for all retirees. Survivor benefit payments increased. 50% earnings limitation included for working after retirement. Special vesting initiated for a retiree with one year of credit.

2000 - Legislation passed which included a 3.5% increase in retirement benefits for all teacher retirees and beneficiaries and increased the COLA from 75% to 80%. Also provided a 3.4% increase for all non-teacher retirees. 25 & out window extended through July 1, 2003. Lifetime COLA cap increased to 80%. COLA effective on 3rd January after retirement. An important change for MRTA-Appointment of delegates and delegate assembly. Each region elected their own vice president.

2001 - COLA effective on 2nd January after retirement. Formula factor of 2.55% initiated if at least 31 years of credit through June 30, 2008. \$3 times years of credit increase for all retirees.

2003 - PLSO initiated. 10.5% teacher contribution floor enacted meaning no retirement increases until teacher contributions are back to 10.5% or less.

2005 - 2.55% formula extended through July 1, 2008. 25 & out window extended through July 1, 2008. MRTA supported the name change of the NTRS to Public Education Employees Retirement System (PEERS).

2007 - 25 & out window extended through July 1, 2013. 2.55% formula factor extended through

July 1, 2013. MRTA sponsored “SPIKING” regulation enacted limiting FAS to no more than 10% per year for the last three years of employment.

2007 - **MAJOR LEGISLATION:** MRTA sponsored Missouri income tax exemptions for education retirees. HB444 had a six year phase in exempting 100% of \$32,500 of retirement income per person. Also MRTA sponsored 100% tax de-duction for education retirees of Long Term Care Insurance premiums and 100% deduction of any out-of-pocket health insurance premiums.

2007 - MRTA sponsored major legislation for education retirees allowing for tax exemptions for retirement income and insurance premiums. Also FAS was regulated.

2010 – MRTA defeated the language of SB 1050 at three different times and once being in a special session of the Legislature. MRTA delivered over 200 MRTA members to the House Retirement Committee hearing in opposition to SB 1050. SB 1050, sponsored by Senator Jason Crowell (R - Cape Girardeau), proposed the creation of a State Investment Board/Company combining all public pension systems. This was a STATE TAKEOVER of Education’s \$30-plus billion funds!

2011 – MRTA defeated a proposal to put Educators into a 401K type retirement system.

2012 – MRTA defeated SB 842 – proposal to take away the decision process of the PSRS/PEERS Board of Trustees and put it in the hands of the Legislature.

2013 – MRTA organizes a signature petition campaign to stop the passage of four Senate Bills (SB 221, SB 475, SB476, and SB 477) introduced by Senator Lamping (R - St. Louis County). In 12 days, over 30,000 signatures were collected and delivered to the Senate Pensions Committee. These bills never came to a vote because of the concentrated efforts of MRTA.

2013- MRTA worked to pass 25 and Out and the 2.55% formula factor. The sunset provision on 25 and Out was removed permanently. The 2.55% formula factor with 31 years was extended for one year.

2014 – MRTA initiates a Call to Action encouraging members to contact their State Representatives/ Senators to vote “No” on HCS SCS SB 672, with an amendment requiring PSRS/PEERS to invest 2% to 5% of their assets in a venture capital firm that is organized or incorporated in Missouri or has its principal place of business in Missouri.

2019 - MRTA initiates a Call to Action encouraging members to contact their State Representatives / Senators to vote “No” on HB 864. HB 864 is a bill targeting educator pensions. Creating an “OPTION for all educators to get into a 401(k) plan. This is targeted to NEW HIRES. It would have had disastrous effects on PSRS/PEERS.

2020 – MRTA offers members Phone2Action option for contacting their elected officials.

2022 - MRTA initiates a Call to Action encouraging members to contact their State Representatives / Senators to vote “No” on HB 2825, which requires PSRS/PEERS to invest 5% of their assets in a venture capital firm and/or real estate that is organized or incorporated in Missouri or has its principal place of business in Missouri.

OTHER HISTORIC EVENTS AT MRTA

2001 - The MRTA Board of Directors decided to form a tax deductible corporation, 501(c)(3), called the Missouri Retired Teachers Foundation (MRTF). This is the fundraising arm of MRTA.

2003 - MRTA employed the first full-time Executive Director at MRTA. His name is Jim Kreider the former Speaker of the House from Nixa, Missouri.

2004 - MRTA Board of Directors decided to move the MRTA office from Columbia, MO to Jefferson City, MO home of the state capitol and the PSRS/PEERS retirement system.

2005 - MRTA and MRTF purchased property in a prime location for a future permanent office facility.

2006 - The MRTA Board of Directors decided to build the new permanent office facility.

2008 - MRTA elected the first PEERS retiree or support staff retiree as MRTA President, Maggie Elder of St Joseph, Missouri.

2009 – MRTA/MRTF move into permanent new office facility.

2010 - MRTA celebrated its 50th birthday!

2012 – Mortgage on Office Facility Paid in Full. Mortgage Burning Ceremony held at 2012 Annual Meeting.

2012 – In honor of his leadership and major fundraising efforts and by Proclamation of the MRTA and MRTF Board of Directors, the classroom center in the new office facility was officially named The Jim Kreider Classroom and Learning Center during the September 12, 2012, Annual Meeting in Jefferson City, Missouri.

2014 – MRTA members donate over \$100,000 in fundraising campaign to install an elevator in the MRTA-MRTF Office Facility. Official installation completed June 2014.

2020 - MRTA celebrated its 60th birthday!

2021 – MRTA named its first female, *acting* executive director, Sarah Hoeller.

2022 - MRTA hired its first full-time, female executive director. Maria Walden. Maria Walden was the Director of Legislation and Policy for PSRS/PEERS.

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