

**REMARKS**  
**NEA SECRETARY PRINCESS MOSS**  
**NATIONAL COUNCIL ON TEACHER RETIREMENT**  
**THEME: *PARTNERS IN EXCELLENCE***  
**OCTOBER 10, 2017**

**I. INTRODUCTION**

Thank you and congratulations to NCTR for your ***95<sup>th</sup> annual Conference.***

I am honored to be here on behalf of the 3 million teachers and education support professionals; the members of the largest labor union in this country, the National Education Association.

I'd like to begin by thanking the National Council on Teacher Retirement, your president, Jill Bacchus and your Executive Director, Meredith Williams, for the invitation to spend some time with you today.

Meredith, I know that you will retire very soon. It will be hard to see you go. But congratulations and thank you for your amazing service and undying advocacy to safeguard the integrity of our nation's public retirement systems.

Over the last two decades, I have learned how difficult leadership can be. But the one thing I know for sure is that leadership isn't necessarily only established through talent or brilliance. It is also established through courage.

What sets leaders apart is the courage to act and to speak up when everyone else is silent. So, thank you Meredith for always taking action. For never remaining silent.

And we at NEA look forward to working with you Maureen, as the new executive director. I know that we will continue to have a strong partnership and build on the almost century old work and vision of NCTR.

I also want to acknowledge my fellow NEA and AFT pension fund trustees here today. I can't thank you enough for taking on the critical role of protecting our members' pensions. For the vast majority of career educators, their pensions are the largest financial asset they will have in their lifetime.

I know from experience that the role of a pension trustee is extremely important. It's also very challenging. Being an effective trustee requires preparation—kind of like being a good educator, or anything else!

So, it's great to see you at this conference, learning, growing, and sharing to become more effective “partners in excellence.”

When it comes to being a trustee, I've had a variety of experiences ranging from serving as a trustee of the Virginia Education Association Staff Retirement Plan ... to my current status as a trustee of the Employees Retirement Plan of the NEA as well as the NEA Members Insurance Trust.

There's tremendous power in our pensions. No pressure at all, but the retirement security of so many public employees depends upon what you say, and more importantly, what you do. Collectively, our pensions also help shape some other industries.

So, don't be afraid to ask tough questions of your plan's staff and consultants. Trust your good ol' fashioned common sense! And, don't believe the story that you have to leave your core values outside the boardroom.

Often, a single, educated question can change the tenor of a discussion. It can create better outcomes for your plan and for fellow participants.

Last but not least, I'd also like to acknowledge our:

- **State and local pension plan Executive Directors and staff**
- **Investment Consultants**
- **Fund managers**
- **Actuaries**
- And of course our **Attorneys...**

It truly does take a village to protect and defend the integrity and power of public retirement systems in our nation. All of you can take pride in knowing that the work you do every day enables millions of educators to retire with dignity.

As a former state president, every day the Virginia General Assembly was in session, I fought for the right of our members to retire with dignity – that's one thing, I told our legislators, that our educators could count on and I'll be damned if I'll let you take that away from them. Every year it was a different fight ... either fighting off legislators with lofty ideas about borrowing from the Retirement System's funds or

fighting off those wanting to turn the Virginia Retirement System from a DB Plan into a DC Plan. Educators work a lifetime for far less than their worth BUT the one thing they can count on when they retire is a pension. So, don't mess with our retirement security.

I have been fighting this issue for a very long time.

You are engaged in work that is truly life-changing. With you protecting the integrity of public retirement systems, I have no doubt that public school educators are in good hands.

## **II. Impact on the Classroom, the Profession, the Community**

By a show of hands, how many of you are classroom teachers or education support professionals?

Each of us in this room knows that each and every student deserves to have dedicated, highly qualified teachers in the classroom. Parents must know that their children are getting to school safely. They must be confident that those schools are well maintained. That they serve nutritious food. And that they give all students a true and equal

opportunity to learn. The nation requires this of us and we demand it of ourselves.

But when good people—those who can make those things I outline a reality—no longer want to become educators, that poses a risk to the education of all students.

The fact of the matter is this: Constant attacks from privatizers damage our ability to attract those good people and make sure students are served well.

Just look at one organization: The Arnold Foundation. They have spent more than sixty million dollars trying to take away pensions from educators and other public employees. But, it doesn't end there.

The same organization has spent more than two hundred million dollars on what they call *Education Reform*. Well, that basically boils down to privatization. And the Arnold Foundation isn't alone. Many more groups and organizations spend enormous sums of money to privatize public services.

In my view, the constant attempts to destroy educators' pensions, and the efforts to privatize public services are very much connected.

Yes, I am a conspiracy theorist.

You see, to sell privatization, those who promote so-called education reform must convince people that our schools are no good. And they have been working hard to do just that.

Most people today believe "our schools are struggling," even though an overwhelming majority of people think very highly of their schools—the schools with which they have direct experience.

But, when opponents of public schools blow enough smoke, there is a consequence: People start to believe there is a fire.

As a result, it becomes more difficult to attract and retain good teachers. That means the number of well-trained teachers will go down. Class sizes will go up, and states will likely lower teaching standards. And the result of a constricted teacher pipeline is that the educational gains that our principals, teachers and students worked so hard to achieve will be jeopardized.

*The Chronicle of Higher Education* surveys freshmen about what they plan to study. In decades past, about 1-in-10 students went to college so that they could work in education. Since the 2008 recession, interest has plummeted. By 2015, only 4.2 percent of students entering college planned to major in education.

At the very time that the need for teachers is on the rise, the number of teachers in the pipeline is falling.

And here's more to be concerned about: Department of Education data show that the number of students enrolled in education-related degree programs fell by 42 percent in the 5 years following the recession.

Whether they intend to or not, those who criticize teachers loudly are creating a shortage of well-trained teachers.

It's obvious that taking pensions away from future educators only exacerbates the teacher shortage problem; talented young people want financial security as well as a challenging career. Fixing a workforce shortage by cutting any form of compensation just isn't practical. Do we honestly believe 18 year-olds are saying, "I'd love to

teach, but I'd be forced to have a pension?" I know, it's simply bananas. But, that is now the story the smoke blowers are selling!

Imagine being a young adult considering a career in education and having to weigh your desire for public service against low and stagnant salaries, the enormous debt burden on college graduates, over-testing and the lack of autonomy, and the constant drumbeat of teacher bashing.

### ***Kentucky story***

Let's talk for a moment about what is happening in Kentucky, right now. If the state went to a 401K plan for teachers, most teachers would not have enough retirement income on which to live. Inevitably, this would create a greater reliance on social programs. Or, Kentucky educators would have to continue working well into their senior years. This will have serious consequences for Kentucky's communities and their schools. My friend, Luke English, President of the Marshall County Education Association in Kentucky, sent me a #apensionisapromise tshirt. Yes, indeed, **a pension IS a promise.**

Different people have different ideas about retirement. Some want to sit on the porch and tell stories to their grandchildren. Others want to fish. Some travel, others volunteer.

But there is one thing that every person wants in their retirement story.

And that's **security**—in Kentucky, and in every state across our nation.

I can't think of a more important time than right now for us to be "partners in excellence." So, I am here today to agree that pensions absolutely have the power to provide a secure retirement, but I am also here because I want you to know pensions have power in the classroom.

We know that once an educator is vested in a pension plan, retention rates increase dramatically. A study by Nari Rhee, who leads the Retirement Security Program at the UC Berkeley Center for Labor Research and Education says this: "Early career turnover is a serious policy concern for public education... Our study confirms that most teachers working in California schools today are here for the long haul, and are better off with a DB pension than with a 401(k)-type plan."

So, pensions also have the power to create stability in our schools, which means more stability for children! We can't take this for granted. Just think about those conversations that just about every parent has had. "Oh, Joey has Mrs. Jones this year. Didn't your son have her in third grade?" Whether it's a neighbor's child, an older sibling, or sometimes even a child's parents, it's not uncommon for students to have been taught by the same teacher.

Pension stability can create that sort of stability for educators, who in turn create stability for students.

Nationwide, our members volunteer at community events. They coach teams for very little pay. They help in other school-related events.

Why? Because they are a part of that community.

And who benefits from these relationships? The community. That's something that won't show up on standardized tests. But when parents stop to think about it, they recognize the value.

It's not a given that schools will work this way forever. We're often told that "in today's economy" people will move around a lot more. But, we're not seeing that in our schools. Long careers within a school district remains commonplace.

Yet, privatizers demand we follow the policies of the very industries that can't (or don't want to) keep their employees. They simply don't know what's best for schools. Running a computer company or a hedge fund is impressive, but it doesn't teach you about education. Ours is a human endeavor, not a financial one.

Clearly, efforts to upend retirement policy in public schools appear to be aimed more at transforming the teaching profession into a short-term gig, rather than attracting quality educators. And because communities know they won't benefit from drive-thru teachers, these attacks seem almost like a work-around strategy. A strategy aimed at implementing an unpopular idea, rather than a serious proposal to address the constricting teacher pipeline.

That is one of the reasons it was truly gratifying to see nationwide outrage from parents against Betsy DeVos's nomination to become Education secretary. Betsy DeVos is the most unqualified Secretary of Education our country has ever had. I suppose it's no surprise that the person who sat at the helm of Trump University would choose her. In Michigan, DeVos and her network helped to create an environment so

poorly regulated that Trump University would likely be eligible for money that should be going to public schools.

**Scam and profit.** Worry about the kids later. That's really the enemy we fight today. Perhaps it explains why privatizers' paid advocates have the nerve to claim young people won't teach because they offer a pension. They'll simply say anything.

The good news is that even newly hired educators in 49 of 50 states have access to a defined benefit plan. [One – Kansas—is a cash balance, which is technically a DB plan.] We fight to keep it this way every day at NEA, and we greatly appreciate your efforts on this front. Thank you!

Thanks to NIRS, we also know that educators prefer pensions: When new educators have a choice between a real defined benefit pension and a savings account-based plan, [they overwhelmingly choose a real pension.](#)

### **III. Charters and Pensions**

We also need good policies surrounding charter schools participating in our pensions.

We know educators at charter schools need to retire, too.

We know that excluding charters from our pensions creates risk for our plans. Excluding them worsens demographics and creates more contribution volatility.

We also know that if charter schools are excluded from our systems, and mostly located in a few parts of the state, this can shift the responsibility of paying legacy costs from various parts of your state.

Look at New Orleans—a state that is served mostly by charter schools. Those in rural areas are picking up the unfunded liabilities for the legacy costs accrued in New Orleans, because the charters sure are not paying it. Not when the charter law was designed to please the charter school industry.

It seems pretty clear that charter and pension policy must be taken together. I encourage you to make these dynamics known upfront,

when charter bills are discussed. Or, you'll be dealing with surprised legislators later.

#### **IV. Moral Issues of Pensions**

Pensions hold power in other ways, too. With the massive resources put aside, our retirements build and manage things, and even help shape the finance industry.

For starters, women and minorities remain basically shut out of a \$71 trillion money management industry. This is a very lucrative industry, one in which our funds are valued clients, and only 1.1 percent of the funds are managed by women or minority-owned firms. Folks, it is *2017*.

Do you know how your fund stacks up in terms of diversity? It's not a violation of fiduciary standards to ask that simple question.

It's not a violation of fiduciary standards to require your investment consultants to provide you with investment options run by women or minority-owned firms.

Think about the NFL's "Rooney Rule." The regulation requires league teams to interview minority candidates for head coaching and senior football operations jobs. If the candidates aren't there, teams aren't required to pick a person of color. But, I guarantee you this: If you don't even know a candidate exists, if you never see or hear them, you can't possibly pick them.

So, along with your skill and your commitment, I urge you to bring your values with you to this job, and make sure women and minority-owned firms are at the table.

**Bring your values with you to this job.**

I said before that this is a very lucrative industry. Some would say it is far too lucrative. Many of you have helped move us away from the 2&20 fee model for alternative investments. All investors owe you a debt of gratitude for that.

Some of the people who charge 2&20 amass enormous fortunes. And some of them have spent those fortunes on initiatives designed to harm our schools and educators. Your members and ours.

I'll say it again. **Bring your values with you to this job.**

In other cases, we are major investors in large scale construction projects. Often these go well, but there are cases where these projects create very dangerous situations for workers. We have standards for a reason. Shortcuts cost you much more money down the road anyway. Do you have a policy for fair contracting standards?

**Bring your values with you to this job.**

**V. Call to Action - A Moral Crusade – A Fight Against the Enemies of Pensions**

Retirement security is out of reach for an alarming number of Americans. That's a crisis that is as real and as frightening as any policy problem facing the U.S. today.

For years we have seen attacks on our members' pensions. We all know 401k plans are creating a disaster. Inefficiencies. Early withdrawals. Poor participation. And a lack of proper guidance, leading to a massive gap in savings.

We've seen too many private sector pensions closed—usually to younger workers. But, we haven't yet experienced the pain that will come from those decisions, as many retirees today are still receiving benefits from those same plans.

Some people point to this crisis as something to emulate.

This isn't just a conversation about arithmetic. This is a conversation about the principles and values we all hold dear. This is about the dignity of every educator. This conversation is about creating stability in the lives of children.

It's about having experienced educators in the classroom. And, it's about using our combined power to create a more just world.

Everyone in this room has a vested interest in the success of everyone else who is here today.

And because we know that is true, this is really—at its core—a conversation about who we are as a country and who we are as a people. We cannot build a successful future by first deciding who gets kicked to the curb. We build a successful future by figuring out how to

protect and defend a system everyone can rely on—our retirees, and those who want to become educators.

So, I am going to ask you to do a few things for me, because we must ensure that the truth prevails.

That means **we must** continue to expose ideologues like Enron billionaire John Arnold. He has spent over sixty million dollars of his own fortune on a nationwide effort to gut retirement security.

If organizations like the Laura and Arnold Foundation win, there will be more privatization, more reliance on social programs and a dangerous future for the majority of Americans.

We can't let that happen. **Truth must prevail.**

We know we are up against forces with vast resources. We realize that we are no financial match for people and organizations who are determined to destroy everything we believe in. But we have something even more important. We have our values. We have our principles. And we have an undying belief that all Americans have the right to live with dignity.

We must never forget that power comes from one of two places: Organized money or organized people. We can't compete with vast sums of money. We know that. But using the power that comes from people who are determined, I know we can **win**.

**Truth must prevail.**

We cannot allow charter school policies to destroy our pension systems. We must be advocates for fair policies when these bills are being debated.

We must strive for economic fairness. We must know who manages the money, how much they take in fees, and how our contractors behave.

**Truth must prevail.**

I encourage you to keep speaking up for what is right for our communities, for our educators, schools and students.

Keep finding new ways to connect, collaborate and “partner with excellence.”

Our adversaries will go the distance. That much is clear. Likewise, we must be prepared to go the distance to defend our values. We must be ready to do what we know is best for the future of this nation.

We will have to push through some tough moments...scratching and clawing for each victory. But whatever it takes, we cannot allow public employees' dreams of a secure retirement slip away.

**Truth must prevail.**

I close by talking about my beloved parents, who didn't have the opportunity to be a part of the VA Retirement system. My parents were public school bus drivers in Spotsylvania County, VA, and at a time when pensions were not available to Education Support Staff. When they retired, all they had was their social security and between the two of them and their prescription medications, they could barely make ends meet. Their children supplemented their income so they could live with dignity. I am sure that my parents' story is not the only story. If nothing else, we MUST fight for the dignity of the people who have entrusted their lives to us as trustees. If nothing else, we have a moral obligation to stand up!

This is a time to demand what's right, just like Mother Jones, that great labor organizer, who many called the most dangerous woman in America, because she defiantly proclaimed: ***I'm not afraid of the pen, or the scaffold, or the sword. I will tell the truth wherever I please.***

**Let's tell the truth** wherever we please. Let's continue to speak out against anything or anyone who seeks to undermine our retirement system.

**Truth must prevail.**

Thank you for all you do and never give up!