

# MARSP History of Advocacy

We've been at it since 1951. Each member since our establishment has played a part in making us the respected voice in Lansing that we are today.



- 1951** ● On December 15, 1951, 11 public school retirees and two representatives of the Michigan Educators Association (MEA) founded the Michigan Retired Public School Employees Association (MRPSEA). They did so with help from the National Retired Teachers Association (NRTA), which was founded in 1947 by longtime educator and elder rights activist Dr. Ethel Percy Andrus. While volunteering on behalf of the California Teacher's Association, Andrus encountered a former teacher who could not afford housing on her fixed retirement income and was living in a chicken coop.

In a time of high inflation, mandatory retirement, meager pensions, and with many companies unwilling to provide affordable health policies to older Americans, MRPSEA magnified NRTA's mission to secure dignity in retirement for public educators in Michigan.
- 1956** ● MRPSEA held a rally at the Capitol Building to give retired public school employees a better annuity.
- 1957** ● MRPSEA endorsed the NRTA's resolution to increase tax exemption on retirement income and provide Social Security for retired teachers over age 65. At this time, annual income taxes were leaving many retired teachers without enough money to cover basic living expenses.

Legislation was also introduced to raise the minimum retirement benefits of public school employees to \$1,800 but died in committee. MRPSEA would fight to raise minimum retirement benefits for the next eight years.
- 1959** ● Until the 1950s, both health insurance and skilled nursing were rare and pricey for those over 65. The NRTA, which helped found MRPSEA, led the national conversation around adequate income and health coverage for retirees.

In 1959, MRPSEA representatives testified at Michigan hearings for U.S. Senate Subcommittee on Problems for the Aged and Aging. The committee was headed by Sen. Pat McNamara (D) of Detroit and sought to investigate issues faced by aging Americans. Some notable findings included 1.) 65% of those over 65 did not have hospital or surgical insurance. 2.) The days of hospital care used by those 65 and over were two to two-and-a-half times as much as those by people under 65 and 3.) Aged widows had the lowest income, with social security benefits in March of 1959 averaging at around \$61 a month.

After the hearings, McNamara stated, "We are talking about the vast majority of older people who suffer from the lack of one or more of the following requirements of a decent human existence: sufficient money, sound health, comfortable, suitable housing, recognition in the eyes of others – dignity, meaningful activities in retirement."

According to the U.S. Census Bureau, the poverty rate among seniors fell from 35% to 15% between 1959 and 1974, largely due to increased social security benefits.
- 1963** ● MRSPEA President Edwin L. Clark helped prepare a bill to increase pensions for retired public school employees. The bill was defeated by only one vote.
- 1965** ● After a nine-year effort by MRSPEA, SB 432 passed granting an increase of minimum retirement benefits to \$1,800. MRPSEA Secretary is appointed to Study Commission on Property Tax Relief for the Aging.

  - The Older Americans Act passed and established the Administration on Aging in the Department of Health, Education and Welfare.
  - MRSPEA's name changed to Michigan Retired Teachers Association (MRTA).
- 1969** ● MRTA began answering member questions regarding health insurance coverage in VANGUARD.
- 1970** ● MRTA developed a retirement handbook for Michigan's public school employees.
- 1971** ● After a six-year push by MRSPEA, the State Aid Bill was passed to increase retired teachers' minimum pension.

- 1973 ● MRTA supported property tax relief for retirees.
- 1974 ● MRTA becomes Michigan Association of Retired School Personnel (MARSP) to include all public school retirees.
- 1975 ● MARSP successfully advocated to delete part of a bill that would have forced state income tax on pensions.
- 1976 ● In 1975, the State of Michigan appropriated \$70,000,000 of the amount required to match the pension fund. In 1976, MARSP supported the RCC suit against the State of Michigan for violating the state constitution through this appropriation.
- 1985 ● MARSP hired a legal firm to assist with the lobbying affairs of the organization.
- 1992 ● MARSP established the Voluntary Benefit Defense Fund (VDBF) to initiate and participate in legal battles necessary to protect Michigan school retirees' benefits.
- 1993 ● MARSP sponsored a capitol rally to protest Defined Contribution legislation. Over 1,500 retirees attended.
- MPSERS members rated MARSP as the most important source of information for retirees and VANGUARD as the most used publication by public school retirees.
- 1999 ● Concerned with drastic increases in retirees' out-of-pocket expenses, MARSP convinced the MPSERS Board to look at pension increases. The Board established a Feasibility Study Taskforce. Studies indicated that all retirees whose effective date of retirement was before 1992 had lost at least 10% of the purchasing power of their pensions.
- 2000 ● MARSP took action after drastic changes were made to MPSERS retiree health care plans. Members contacted their legislators to educate them on the changes and their harmful impact. MARSP also sponsored a capitol rally to protest the prescription copay increase with over 2,000 members attending.
- 2005 ● MARSP launched its first Legislative Outreach Day at the Michigan State Capitol, helping members build relationships with legislators and raise awareness of public school retiree concerns.
- 2006 ● MARSP-sponsored Senate Bill 1017 passed, allowing remarried retirees to name a new spouse as beneficiary under certain circumstances. This became Public Act 617 of 2006.
- 2007 ● MARSP added software to the website so that members could communicate with their legislators. MARSP established the Legislative Ambassadors, who act as a liaison between MARSP and Michigan legislators. Legislative Ambassadors represent the concerns of the MARSP organization concerning legislative matters.
- 2010 ● The Legislature passed two bills that made many changes to the school employees' retirement law. MARSP took action by presenting seminars all over the state to help employees make their retirement plan selections.
- 2011 ● In May, legislation was passed that subjected a portion of the pension received by those born between 1946 and 1952 to Michigan income tax, and all pension for those born after 1952 to Michigan income tax. It also eliminated many other exemptions previously provided on the Michigan income tax return. MARSP began efforts to repeal this legislation, holding its first Legislative Outreach Day in Lansing in October 2011.
- 2012 ● As proposals advanced to increase MPSERS retiree health insurance costs, MARSP advocacy helped secure a provision in Public Act 300 preserving the 90/10 cost share for retirees age 65 and older as of January 1, 2013.
- MARSP successfully opposed efforts to close MPSERS defined benefit plan to new public school employees. The Legislature ultimately adopted the Pension Plus hybrid plan rather than a defined contribution-only system.
- MARSP VANGUARD won the MSAE award for print newsletters in September 2012.
- 2014 ● MARSP opposed Senate Bill 727 of 2014, which sought to close MPSERS to new employees and replace pensions with a defined contribution-only system. The bill did not pass.

- 2017 • Influential forces in the Michigan Legislature were again poised to close MPSERS defined benefits plan and eliminate the health care benefits. They believed closing the system would save money. Instead, it would have cost Michigan billions and extended the state's debts to 2057. MARSP was the only public school retiree association invited to provide input. Through those discussions, MARSP helped decision-makers see the pitfalls and additional costs such changes would have triggered.
- 2019 • MARSP counteracted a risky proposal to leverage funds from the Michigan Public School Employees Retirement System (MPSERS) for state projects.
- 2020 • The pandemic exacerbated the struggle to fill positions in Michigan's public schools. Retired school personnel – ideal candidates to fill critical shortage positions – were prevented from helping due to an outdated law. MARSP rallied around the cause and the law was amended. Districts could now hire those who had been retired for less than a year for critical shortage positions.
- 2021 • MARSP earned a significant victory when the Legislature passed a critical shortage bill that made it even easier for districts to rehire retirees.
- 2022 • MARSP successfully advocated to simplify the process and eliminate penalties for retirees who returned to work in their school district.
- MARSP leveraged software called OneClickPolitics to streamline advocacy efforts and involve members in impacting policies. Throughout 2022, members and supporters flooded legislators' inboxes with calls to repeal the tax on public school pensions.
- 2023 • After a 12-year push to keep the topic in front of legislators, MARSP celebrated the passing of Public Act 4, which phases out the 2011 tax on public school pensions over four years.
- Throughout 2023, MARSP assessed member satisfaction with the Michigan Public School Employees Retirement System's dental, vision, and hearing coverage. With these findings, MARSP was able to provide recommendations to the Office of Retirement Services on how to improve your health plan. The changes based on our recommendations will take effect in 2024!
- MARSP formally supported House Bill 5021 to change the default retirement plan for new public school employees to the Pension Plus 2 Hybrid Plan. The bill was signed into law in November. This plan combined Defined Contribution (a 401k, for example) and Defined Benefit (pension) components. Since 2018, employees who did not select a retirement plan within 75 days of their first paycheck were automatically enrolled in the Defined Contribution plan. Data from that period showed that 58% of new employees did not self-select a retirement plan within 75 days and were auto-enrolled in the Defined Contribution plan. 17% of employees selected the Defined Contribution plan and 25% selected the Defined Benefit plan.
- According to the National Institute on Retirement Security, Americans who have a three-legged retirement stool of a defined benefit (DB) pension, Social Security, and individual savings, such as a 401k-type plan, generally have the greatest opportunity to achieve financial security in retirement.
- 2024 • With retiree healthcare fully funded, legislators redirected the expected MPSERS healthcare payment. MARSP advocated to ensure retiree healthcare remains fully funded and that any future unfunded liabilities would be paid by the state rather than shifted onto the retirement system.
- 2025 • MARSP influenced improvements to retiree dental, vision, and hearing coverage. Recommendations based on a statewide member survey were incorporated into plan enhancement.

• **The work continues...**

2026 marks MARSP's 75th anniversary — a milestone that reflects not just longevity, but persistence. Over seven and a half decades, MARSP has helped secure minimum pension increases, preserve the defined benefit plan, and advocate for the repeal of the pension tax. Every victory was hard-won, earned by ordinary people who paid attention, organized, and refused to accept insecurity as the inevitable cost of retiring from public service.

That same determination carries us forward. The security Michigan's retired school personnel have earned will always require someone willing to defend it — and the more retirees MARSP represents, the stronger our voice.