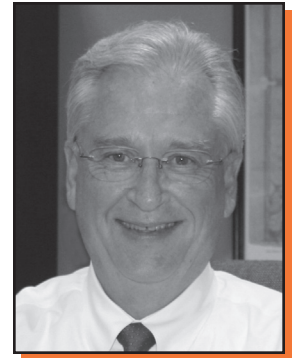


REPORT OF AURA LEGISLATIVE AFFAIRS COMMITTEE

from Gerald Johnson, Ph.D.

Auburn University Emeritus Professor of Political Science



THOUGHTS ON THE 2014 LEGISLATIVE SESSION

WHAT ARE THE FACTS?

The 2014 Regular Session of the Alabama Legislature, the last regular session before the 2014 elections, convened at noon, Tuesday, January 14, 2014.

Governor Robert Bentley addressed the Legislature in its opening session and stated the following.

“Everyone in this room knows Alabama is one of the poorest states in America, where one in four children live in poverty. Nearly one million of our fellow Alabamians are dependent on food stamps. The statistics are sobering. The facts are indisputable.”

He further stated, “Alabama has seen remarkable job growth since I took office in 2011. Between January 2011 and last November, Alabama saw an increase of 59,400 jobs. That is in addition to those 40-thousand new future jobs we’ve created.” And, he stated, “Last year, Alabama teachers received a 2 percent increase in pay. This year, I am proposing another 2 percent increase for teachers and support personnel.”

The Governor included in his address a series of statements critical of the federal government and supporting state’s rights, specifically attacking the Affordable Health Care Act and opposing the expansion of Medicaid.

“The Facts are Indisputable”

The facts are indisputable and pose a substantial challenge for the 2014 Legislature.

The fact is:

Last year Alabama ranked 49th, only behind Alaska, in job growth. Industrial incentives and subsidies for job recruitment came, in part, from the ETF.

Alabama ranked first in cuts in public school funding.

Alabama’s economy remains stable at a greatly reduced level following the “great recession” which translates into a no-growth GENERAL FUND (GF) budget and a modest growth in the EDUCATION TRUST FUND (ETF) budget, with substantial cost increases.

According to the Alabama Legislative Fiscal Office (LFO), at it relates to the GF, “Without significant new revenues, many services could face deep funding cuts.”

With respect to the ETF: “It is also \$1.36 billion, or 18.7 percent, less than Alabama spent through the ETF in 2008, adjusted for inflation.”

Alabama school teachers received a 2.5% cut in pay last year before they received a 2% pay raise. A 2% pay raise this year may well be offset by increases in health and retirement costs.

Education retirees have not received a Cost-of-Living

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IN MEMORIAM

Robert Hall “Bob” Couch, 76, died on December 7, 2013. He will be missed in the lives of the many who knew him. With his many skills, his service to the State of Alabama, to Auburn University and to the discipline of vocational rehabilitation was outstanding. Bob was loved by his family, respected by his colleagues and faithful in his friendships. His presence and his work with the AURA Board will be missed. The Board of Directors is appreciative of his efforts for Auburn University retirees. Our sincere condolences are offered to Bob’s wife, Gibbs. *Editor*

REPORT OF AURA LEGISLATIVE AFFAIRS COMMITTEE *continued...*

Adjustment (COLA) since 2006—eight years—and the Governor did not mention a COLA for FY 2015 for this group.

The Rolling Reserve Act passed in 2011 caps the ETF budget at “great recession” levels and requires the Legislature to set aside ETF growth dollars that could be appropriated for pay increases, COLAs, more teachers, health insurance funding and other needed education programs.

The Governor and the Legislature adopted the Accountability Act that takes taxpayer dollars from the ETF to give parents a \$3,500 annual tax credit to send their child to a private school. Public opinion data show that 65% of voters oppose the substance of the Act and 76% oppose the process through which it was enacted.

The FY 2015 General Fund and Education Trust Fund Budgets

It will not be possible for the Legislature to design budgets that make up the ground lost since 2008, the year before the Great Recession hammered state finances, LFO director Norris Green said, “We are out of the negative numbers but are in the low positives.” Green told lawmakers, “Costs go up, revenue stays flat.”

The GF will have \$1.7 billion available for 2015, Green said. That amount is \$83.3 million, or 4.7 percent, less than this year’s allocations. It also is nearly \$287 million, or 14.4 percent, below pre-recession GF spending in 2008, adjusted for inflation.

According to policy analysts, while ETF funding is expected to increase next year, the growth will not come close to offsetting recession-era declines. Spending in the ETF budget will

be capped at \$5.9 billion next year under the Rolling Reserve Act. That amount is \$134 million, or 2.3 percent, more than this year’s appropriations. It is also \$1.36 billion, or 18.7 percent, less than Alabama spent through the ETF in 2008, adjusted for inflation. The state is projected to bring in more than \$6 billion in ETF revenues next year, Green said, with much of the money that exceeds the spending cap going to repay the ETF’s rainy day fund.

The 2014 Legislative Challenges

The “indisputable facts” pose serious challenges for the 2014 legislative session. With limited economic growth and revenue growth use restricted by the rolling reserve budget requirements, the challenge to fund adequately state government and public education is substantial. The challenge to fund PEEHIP, the retirees and public employee’s education health insurance program, and the retirement program, avoiding increased out-of-pocket costs or decreased services, will be difficult.

The Alabama Education Association (AEA), the Alabama Education Retirees Association (AERA) and the Auburn University Retirees Association (AURA) exist to advocate for the welfare of their members. This includes protection of ETF revenues, funding of PEEHIP and RSA, and promotion of a pay raise for all education employees and a COLA for retired education personnel. These will be the primary interests of AEA and AERA in the remaining days of the current legislative session. To be successful, the support of AURA members, and all education retirees, in these efforts will be essential. ♦

Information and Request from the Alabama Education Retirees Association (AERA)

Janice Charlesworth, Executive Director of AERA

PROPOSED BY-LAWS CHANGE

During the October 22, 2013 AERA Board of Directors' meeting, the Board approved the following change, which was submitted to the Constitution and Bylaw Committee in a timely fashion.

Article IV ORGANIZATION, Section 2

Ten (10) District Directors (one representing each of the nine AERA districts and one representing all higher education retirees) shall coordinate and encourage the work of local units, involving membership promotion and participation in state programs and services.

Rational: With the formation of higher education local units, the Board believes it would be in the best interest of the association to provide one voting member to represent the concerns of higher education retirees.

COMMENTS ON HISTORY OF AERA AND THE CURRENT ISSUE OF INTEREST

April 1 is known as April Fool's Day, a day full of pranks and hoaxes. However, for me April 1 has a special meaning as it was the day I took over the reins as Executive Secretary of the then Alabama Retired Teachers Association (ARTA) in 2001. A lot has changed since April 1, 2001.

The first change was when members approved a name change from ARTA to the Alabama Education Retirees Association. The name change offers a more inclusive overview of who we are and demonstrates that we are the retired division of AEA. The name change opened the door to all retirees receiving benefits from the TRS. Many who received a letter to join ARTA thought it didn't include them. AERA has experienced membership growth since the name change.

In an effort to keep up with technology, AERA has created a website, joined Facebook and utilizes email alerts for immediate contact

with members. To conduct AERA elections in a more efficient manner, AERA purchased the same computerized ballot scanning system that AEA utilizes. This has increased the efficiency of our election process. Overall the association has embraced technological advancement to enhance the association.

Another step forward was the formation of Higher Education local units. I am proud to say Alabama is the only state that has organized higher education retirees from the public four year universities. I believe the higher education local units have strengthened our organization. While working for public universities, employees did not have an association who represented them and their interests. AERA is a new concept introduced to university retirees upon retirement.

This overview all leads up to the next improvement for the Alabama Education Retirees Association – a bylaw change proposed by the AERA Board of Directors. This proposal creates a tenth District Director's position on the Board. Currently the AERA Board has nine District Directors who represent a portion of the state utilizing an old Congressional map to create each district. The new position would be elected by higher education retirees to be their voice on the board.

If you have attended an AERA training meeting, you have heard Dr. Mabry, AEA Executive Secretary refer to AEA and AERA members as all part of the "education family". All family members want a seat at the table, and it is time to offer Higher Education Retirees a seat at the table and a vote. I urge our membership to stand with the Board of Directors and vote **YES** on the upcoming bylaw change. By creating this position we are building a stronger foundation for the association that has experienced many changes since its formation in 1955. *Be a part of history as a delegate at the 2014 Annual Meeting on April 1 VOTE YES!* ♦





AURA ANNUAL BARBEQUE 2013

This year the annual barbeque was held at the RED BARN at Auburn. We decided that we would not have a speaker this year in order to allow more time for people to mingle and talk. The attendees seemed to enjoy themselves. For the future would you prefer not to have a speaker (at least on some occasions), or should there always be a speaker at this event? Let me know: lmullins@aum.edu.

Thanks. Larry Mullins, Editor

CONFUCIUS INSTITUTE AT AUBURN UNIVERSITY MONTGOMERY

Hong Wang, Deputy Dean • Doris Willis, Senior Program Associate

The Confucius Institute at AUM offers a bridge from Alabama to China.

It wasn't the kind of day normally spent in a garden, but despite the brown hues of autumn, the crowd that gathered could feel the new beginnings usually ushered in by spring through the tones of Chinese song as Confucius looked on.

On Nov. 8 in that fledgling garden, Auburn Montgomery celebrated the one-year anniversary of the arrival of the Confucius Institute on campus. In one short year, the institute's impact has been felt throughout the university and the community.

In 2013, the institute offered 46 Chinese classes to more than 650 students and hosted or participated in almost 30 cultural events that touched 10,000 people, including opening Montgomery's largest outdoor event, the Dragon Boat Race and Festival. The Institute's mission is to promote Chinese language learning in Alabama, to cultivate friendship with the local community, and to develop a multicultural world. Programs in local schools introduce American students to Chinese history, handicraft, operas and calligraphy. In May 2013, the city of Montgomery and the Montgomery Education Foundation jointly awarded an "Education Partner" certificate to AUM's Confucius Institute commending it for its contribution to public education.

Confucius Institute professors and Chinese students at Auburn Montgomery who hold master's or bach-

elor's degrees in either business or education teach all of the institute's classes. The Confucius Institute's teaching staff members use books donated by the Office of Chinese Language Council International, or the Hanban, as well as self-prepared teaching materials that serve the needs of students. Online videos on Chinese cooking are currently being developed, as well.

In 2014, the Confucius Institute will continue to provide free weekend classes for adults and children. They will also provide private lessons to individuals, small groups and businesses for a minimal fee. The institute future plans include applying for core-teacher positions.

The Dragon Boat Festival is an ideal platform for the Confucius Institute to promote Chinese culture. The institute served as one of the sponsors for the 2013 Dragon Boat Festival Reception hosted by the Central Alabama Association of Chinese. More than a hundred guests representing different walks of life in Montgomery attended the reception, where a slide show on the origins of the Chinese Dragon Boat Race was presented. As a special guest, Zhang Chuanbin, Deputy Consul General from the PRC Consulate General in Houston, spoke on the importance of the Sino-American relationship. Chinese students from the Confucius Institute performed on traditional Chinese musical in-

struments, winning rounds of applause from the audience.

In addition, the Dragon Boat sponsored by the Confucius Institute performed well in the race. The enthusiasm and teamwork

demonstrated by the paddlers left a strong impression on American spectators, and the institute's telephone was ringing off the hook with requests to sign up for Chinese classes.

Auburn Montgomery reached an agreement with the

Hanban in March 2012 to establish the Confucius Institute on campus. When it officially opened its doors the following November, the institute became one of just two in Alabama (*the other is at Troy University*) and more than 300 worldwide committed to promoting Chinese language and culture. AUM's academic partner in the Confucius Institute is Hubei University of Economics.

Established in 2004 to promote the teaching of Chinese culture and language abroad, Confucius Institutes are nonprofit public organizations aligned with the Chinese government through the Chinese Ministry of Education. They are named in honor of Confucius, a Chinese teacher and philosopher who lived 551-479 B.C.



Editor's Note. The first pilot Confucius Institute was in Tashkent, Uzbekistan in 2004. Later in 2004, the first actual institute was opened in Seoul, South Korea. In July of 2013 there were 327 Confucius Institutes in 93 countries and regions. ♦



NOTE *from* the EDITOR

— LARRY C. MULLINS —

As we move forward, please give thought to what you would like to contribute to our newsletter, or what topics you feel would be interesting to our members. I look forward to hearing from you. Please contact me at LMULLINS@AUM.EDU or at 334-478-4466, or contact either of the members of the Publication Committee: Bert Hitchcock (HITCHWB@AUBURN.EDU) and Alan Hackel (AHACKEL@ELMORE.RR.COM).

REMINDER!

Auburn University Retirees: If you have not joined, JOIN TODAY!

You may have already paid your 2013-2014 dues to join AURA. If so, you will find “(p)” after your name on the address label on this newsletter. If not, you will find “(n).”

*Thank You,
Monarch Estates!*

Monarch Estates, known for “Gracious Retirement Living,” located at 1550 E. University Drive in Auburn, has generously allowed the AURA Board of Directors to use its Eagles Nest Meeting Room for their monthly meetings for several years.

We would like to acknowledge this donation from Monarch and encourage anyone considering moving from their home to visit Monarch for a tour.

AU-AUM Retiree AURA Enrollment Form

Name _____ AU _____ AUM _____

Address _____

Phone _____ Email _____

____ Single Retiree \$25.00 ____ Surviving Spouse \$10.00

____ Retiree and Spouse \$25.00 ____ Sponsor \$25.00

____ Retiree & Retiree Spouse.. \$25.00

\$ _____ Scholarship Contribution

If you have any questions, please contact Sonny Dawsey at sonnypapa@gmail.com; Gail McCullers at gailandrichard@charter.net; or Don Seay at seay551@bellsouth.net.

Please make check payable to Auburn University Retiree Association or AURA and mail to the address below:



AURA
P.O. Box 1436
Auburn, AL 36831-1436

HOW AURA GOT STARTED

by Charlotte Ward

I retired from the Auburn University faculty in the spring of 1994. Late that summer in 1994, I received a phone call, I think from Mrs. Gay, who had run the office of temporary services. She said that the trustees were considering a change in retirement benefits that would affect us all, and that some retirees were going to meet to consider what might be done about it. I agreed to attend the meeting. Nineteen and a half years is a long time, and I don't remember all who were there, except for some people who became leaders in AURA, the organization that grew out of those early gatherings: Wilford Bailey, Jim Warman, Frances Stevenson, and Leah Rawls Atkins.

After a few meetings, we decided an ongoing organization was needed. I agreed to be the first President because somebody had to and nobody else wanted to. I didn't really want to, either, but I've made something of a habit of doing unpopular things, because in general I never have anything to lose, like pay or reputation or friends. I figured if I helped get things going, people would see the value of an organization to keep an eye on retirees' interests, and so they did.

The organization was immediately effective, thanks to President Muse's support. The proposed cuts were not implemented, at least not retroactively. I believe some new regulations were adopted for future retirees, but they would know and prepare accordingly. Those who came later know more about that than I do.

AURA has flourished under my successors and broadened its scope as a social organization as well. I am no longer active, as I don't get around easily any more or enjoy social activities, but I'm glad to keep up my membership, knowing AURA will be there to stand up for the interests of Auburn University retirees for the years to come.

Editor's Note. The AURA board has been discussing the current role and scope of AURA. Professor Ward's article informs us that AURA was formed in a crucible of political necessity. Thanks to efforts of people like Professor Ward and the other early leaders of AURA, we, as Auburn University retirees, have benefitted in our retirements. AURA was the first advocacy organization for university retirees in the State of Alabama.



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