

Retirement Hearing Update:

Yesterday, Circuit Court Judge Jackie Fulford heard oral arguments in the retirement lawsuit filed by the Florida Education Association. The FEA is seeking to stop the 3 percent pay cut on teachers, school employees and other workers imposed by the Florida Legislature and signed by Gov. Rick Scott.

Our lawyers, led by Ron Meyer, told the judge that lawmakers did not have the authority to make fundamental changes to pensions of current state employees, arguing that the changes break a contract with state employees and violate their constitutional right to collective bargaining. The lawsuit further contends that the actions by the Legislature to reduce the cost-of-living benefits of those employees were also unconstitutional.

During the hearing, Judge Fulford said the decision to cut state and local government workers pay 3 percent and shift the money to the state's pension fund broke the state's contract with employees. What remains at issue in the case is whether that broken contract is illegal.

The state legal team argued that the legislature was entitled to make the changes, which it termed "modifications," under its budgetary authority and they denied the changes violated the collective bargaining rights of state workers when it made the changes without renegotiating employee contracts.

The state team faced a number of pointed questions from the Judge about the cuts made to the cost of living adjustment (known as COLA) and about the requirement that employees contribute 3 percent of their salaries.

At one point, Judge Fulford, in an unusual move, came down from the bench to better view and ultimately challenge the state's interpretation of a spreadsheet that it said shows that benefits accrued by one of the plaintiffs before the new law took effect would not change. Contrary to the state's arguments, Judge Fulford stated the sheets showed that under the changes, the worker would have to pay more in contributions and receive less money when he retired. She also stated that workers already in the system were counting on the benefits promised by the retirement system at the time they were hired.

Ron Meyer argued the changes at issue in the case "are systemic, substantive changes, and to try and characterize that as simply changing a benefit prospectively just does violence to English language."

Judge Fulford did not indicate when she intends to issue a ruling on the case. We will continue to keep you updated on our multiple legal challenges.