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Bond: Social Security Administration Ruling Could Threaten Retirement Security for Missouri Public Schools Employees

WASHINGTON, DC, MO - U.S. Senator Kit Bond expressed concerns to the Social Security Administration that a new rule interpretation could endanger the retirement benefits of thousands of Missouri public school employees and damage the schools' ability to recruit employees.

Missouri public school districts were informed last month that because of a new interpretation of law too many public school employees have been exempt from paying Social Security taxes. In a letter to the Commissioner of Social Security, Bond stressed that this rule interpretation will be a dire hardship on Missouri's public schools and urged the federal agency for a meeting to discuss the ramifications on school districts and the retirement security of many education employees.

The full text of the letter follows.

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The Honorable Michael J. Astrue
Commissioner of Social Security

Dear Commissioner Astrue:

Recently my office was contacted by Missouri school board members, elementary and secondary school teachers, superintendents and school administrators regarding their concerns about what appears to be a new interpretation by the Social Security Administration (SSA) of Missouri's definition of "teacher" as it applies to Section 218 of the Social Security Act impacting employees under Missouri's Public School Retirement System. It appears that the new interpretation of this section will negatively impact the retirement benefits of thousands of education employees in Missouri and impact the school districts' ability to attract quality employees.

According to Missouri educators, most of the Section 218 agreements were initiated prior to 1984 when the Missouri statutory definition of "teacher" changed and the interpretation of the agreements made prior to 1984 appears to have remained the same for more than forty years. To change the interpretation of Section 218, making certain public school employees in Missouri now subject to Social Security, will cause a dire hardship on Missouri school districts and have significant ramifications on the retirement security of thousands of education employees in Missouri and might have the added effect of subjecting them to the Windfall Elimination Provision (WEP). Accordingly, I respectfully request a meeting to discuss the issue as well as a detailed explanation in writing of the SSA's rationale for this significant change to the Section 218 agreements.

Please contact my office at (202) 224-5721 with any questions and to schedule a meeting. I look forward to your prompt explanation of this extremely important matter.