

September 20, 2016

Sen. Betsy Johnson  
Sen. Tim Knopp  
900 Court St. NE  
Salem, OR 97301

Senators Johnson and Knopp,

While we appreciate your invitation to participate in the Bipartisan PERS Solutions Workgroup, we are deeply skeptical that this effort is about finding "solutions" or taking a broader look at all the budgetary challenges the state faces, and is instead an effort to further cut the hard-earned benefits of public employees and retirees. It is being led by many of the same individuals who called for PERS "reforms" in previous legislative sessions but then ran election year attack ads in 2014 against lawmakers who voted for the same so-called reforms.

For more than a decade, teachers, firefighters, nurses and other public servants have been working under reduced benefits from those hired before them. Their retirements will be less secure than their colleagues. And now, after two lengthy, expensive, and divisive PERS lawsuits, the Oregon Supreme Court has been clear: a deal is a deal. You cannot further break your commitment to public employees.

We urge you to heed the advice of your legislative counsel, the perspective of professional staff at PERS, and lessons learned from the recent experience of passing illegal reforms and start to plan how to fund the benefits of hard working Oregonians. A careful and honest reading of your recently released legislative counsel opinion underlines the extent to which many of your proposed "solutions" are unlikely to withstand legal challenge. Furthermore, the legal guidance you received highlights that while there might be narrow versions of these "solutions" that could be crafted to increase the odds of withstanding legal challenge, the result of this narrowing would be to dramatically minimize any of the hoped for budget savings.

Your proposed "solutions," therefore, are not fair, legal, nor likely to impact future PERS rates. In fact, they could make things worse. They represent an expensive, legally risky effort to break a contract between the State and its dedicated public servants. Further, the state has been ordered by the court to pay what it owes retirees. These proposals are an effort to dodge that responsibility and shift the burden of payment to current employees.

Instead of going down the path of breaking promises to workers and retirees, the Legislature should roll up its sleeves and do the hard budgetary work Oregonians expect, which is to find the resources within the existing budget to meet its obligation to the states educators, public safety workers and others who are on the front lines every day teaching and protecting our children, keeping us safe, and doing the hard work to keep our communities working. We welcome that discussion, and believe that we can work with you and Legislative leaders to deal with the short-term budget gaps while we keep our long term commitment. Additionally, we would hope that you would start to look at many different issues we have with the budget such as bloated administrative layers, corporate tax breaks, overly generous profits being generated by hospitals, or out of control health care costs stemming from runaway prescription drug prices.



**Bob Livingston**, President  
Oregon State Fire Fighters Council



**David Rives**, President  
AFT-Oregon



**Trent Lutz**, Asst Executive  
Director for Public Affairs  
Oregon Education Association



**Melissa Unger**, Political Director  
SEIU Local 503, OPEU



**Joe Baessler**, Political Director  
Oregon AFSCME