

**Senator Tim Knopp  
Senate District 27**



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**Senate Democrats Reject PERS Solution, Pass New Mandate on Small Business**

Salem, OR-Today, Senate Democrats rejected an amendment to HB 2960, their mandatory retirement savings bill, that would have fixed the looming PERS cliff before implementing a new retirement plan for Oregonians. The amendment, moved on the Senate floor by Senator Tim Knopp (R-Bend), failed on a party-line vote.

"Before creating a new, unworkable state-run retirement system for private sector employees that adds more costs to small businesses, we must fix Oregon's broken PERS system," said Senator Knopp. "We're facing a multi-billion looming PERS cliff, and it's time to stop pretending we can wait another two years to deal with it. Oregonians deserve better from their leaders."

Earlier this session, Senate Republicans introduced two constitutional PERS reforms following the Oregon Supreme Court's decision to strike down the legislature's 2013 PERS reforms. The -A16 amendment to HB 2960 would have implemented those reforms, redirecting the 6% IAP member contributions and using a market rate for money match annuities. In contrast, the House and Senate Democrat majorities have refused to hold even a single hearing on the impact of an additional \$5 billion in PERS liabilities cause by the Moro decision.

"We can't wait to fix PERS when in two years, Oregonians will have to pay over \$1 billion for PERS liabilities-on top of increased health care costs due to reduced

Medicaid reimbursements and a 'Cadillac tax' on public employee healthcare plans coming in 2018," explained Knopp. "Let's fix PERS now, reduce our unfunded liability and create a sustainable, long-term PERS system that doesn't cripple Oregon's economy."

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