

Senate Republican Office

Oregon State Capitol
900 Court Street NE, S-323
Salem, Oregon 97301

April 5, 2013
CONTACT: Michael Gay
(503) 986-1950
(503) 781-8559

Anemic PERS Lite forced from committee on party line vote

Salem, OR – Legislative Democrats shoved a deficient Public Employee Retirement System reform bill out of the budget committee Friday morning on a strictly partisan vote. Republicans said the bill leaves schools underfunded and local governments bearing the brunt of a grossly underfunded retirement system.

“We can do better, we have to do better,” said Senate Republican Leader Ted Ferrioli (R-John Day). “A broad coalition of Oregon’s governments, schools, editorial boards and citizens believe that we need bold PERS reform, and this falls short. This legislature has an opportunity to do something collaborative and visionary for PERS. This is more symbol than substance.”

Senate Bill 822, the bill Democrats forced from the Ways and Means Committee Friday morning, has become known as the “PERS Lite” bill because of the weak set of reforms it implements. Senate Bill 822 only reduces the \$14 billion deficit in the PERS system by saves 1/30th. Schools and local governments have forced more than \$2 billion in rate increases.

What’s more, Senate Bill 822 moves more than \$350 million in PERS payments from this budget cycle to the next. The bill effectively borrows money which will need to be repaid with interest. Republicans don’t believe going into more debt helps fix a retirement system already underwater.

“There is a better way,” said Senator Chuck Thomsen (R-Hood River). “Republicans stand ready to work with Democrats on a cooperative solution to the PERS problem, something that could provide real savings and long-term fixes to this fiscal crisis.”

Senate Republicans have proposed a menu of proposals that could achieve close to \$2 billion in savings. Republicans believe any budget or revenue discussions are premature until there has been significant PERS reforms enacted.

###