

June 28, 2013

To: Senate Committee on Finance and Revenue

From: Bruce Powers, PERS retiree

Re: SB 857 amendments – PERS Cost of Living Adjustments

Chair Burdick, Vice Chair George, and members of the committee,

The average PERS retiree has a pension of less than 26k. Whether one is in Tier one no longer makes much difference since funds have not been added to accounts since 2003, and Money Match is no longer available for the vast majority of retirees. By reducing COLAs to such a low rate of 1.25%, you are exposing retirees to inflation without any protection and so the loss of their life savings. Many retirees like me planned a retirement based on State of Oregon contract promises which includes the full COLA.

I am pretty sure that reducing their COLAs will be judged to be illegal by the courts. And that will leave the schools in a mess and the legislature in a worse budget situation. In any case, it is an especially cruel and vicious thing to do to Oregon PERS seniors on a fixed budget. When inflation hits, their retirements lose value fast.

Please do not send this bill to the House and Senate floors for a vote.

Sincerely,



Bruce Powers

Oregon PERS retiree

Beaverton, Oregon