From: William B Thomas
To: Malone Debbie

Cc: SWF Exhibits; Sen Taylor; Sen Knopp

Subject: Removing Emergency Clause from SB 559 and SB 560

**Date:** Monday, April 17, 2017 10:07:59 AM

Chair Taylor, Vice-Chair Knopp and Members of the Senate Committee on Workforce

As a PERS member with over 30 years of public service as a county employee, I urge the Committee today to adopt proposed amendments removing the Emergency Clause from SB 559 and SB 560.

However, removing the Emergency Clause from SB 560 will not resolve uncertainties related to the effective dates of the various amendments to SB 560, since all of the proposed amendments to SB 560 that move with the bill (except for -15) contain a similar Emergency Clause.

Further, as James Maylie noted in this written testimony, in Sections 10 and 11 of the -10 amendment the effective date for implementation of changes to the assumed rate for valuing annuities is established for retirements that occur "...on or after the effective date of this 2017 Act," rather than a date certain. Similarly, Section 2 of the -3 amendment establishes the implementation date of new actuarial tables incorporating a 3.5% assumed rate for retirements that occur "... on or after the effective date of this 2017 Act but before January 1, 2018," rather than a date certain.

Consequently, in sending SB 559 and SB 560 to the Senate President's Office for referral to the Joint Committee on Ways and Means without recommendation, I believe it would be appropriate if the Senate Committee on Workforce included a unanimous recommendation to the Senate President and Ways and Means Committee that any further amendments for changes in future PERS benefits not become effective until January 1, 2018.

This recommendation by the Committee would reduce uncertainties for PERS members considering retirement. Moreover, it would enable these PERS members to make an orderly decision to retire by December 1, 2017, rather than force hurried and premature retirement decisions, which could have adverse impact on their public employers and disrupt services to the public.

Finally, such a recommendation to the Ways and Means Committee would be fully consistent with statements made by Chair Taylor as well as Vice-Chair Knopp as chief sponsor of SB 559 and SB 560, that it is their intent for any changes in future PERS benefits to occur on a date certain, like January 1, 2018.

Thank you for your consideration.

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