From: Tony

To: <u>JWMCC Exhibits</u>

Cc: Subject:

SB 1049 written testimony

Date: Monday, May 13, 2019 9:38:07 PM

To The Esteemed Members of the Joint Ways and Means Committee,

My name is Tony Brown and in addition to having two young children nearing their entry into public schools, I myself am a veteran teacher of 16 years. I really wanted to be able to testify in-person, as I have done before some of you in the past, but my teaching schedule and long distance from Salem prevents me from doing so.

As a teacher, I have never expected to become wealthy. That is not why I entered into the profession. I entered it to make a change in the lives of the students entrusted to me on a daily basis. In exchange for the lower than private industry wages, the one thing I knew I could count on is a stable, secure, yet modest pension waiting for me when I completed my 30 years of teaching. Sure my Tier 2 plan wasn't as great as Tier 1, but it was a solid selling point when I decided to leave the tourism and sports industries. But now SB 1049 demands that I pay for a "problem" that I did not cause. In-fact, according to PERS By The Numbers, October 2018, as a working Tier 2 member, people like me only account for 9% of the UAL. It is patently unfair to ask those of us who such a small part of the UAL to shoulder so much of the burden.

Many people have said that those of us with PERS need to step-up and help out. As teachers and public servants, we have helped, and helped, and helped. For example, during the great recession in 2009 I voted with my union to permanently gave up cost-of-living increases that we had bargained in order to keep students in the classroom and teachers employed. Giving those up total around 5% each year in lost income. This equates to me losing more than \$60,000 over the rest of my career and an additional \$40,000 in retirement for a grand total of over \$100,000 in lost wages over the course of my life. To anyone who would say I need to give more, I'd ask, "What have <u>you</u> given to help solve this?" SB 1049 would personally reduce my IAP balance by approximately \$38,500 (over 10% loss) at the time of my retirement, bringing my lifetime sacrifices to nearly \$140,000 or two years wages! When is enough, enough?

Many teachers I know are considering leaving the profession because of the constant attacks on our retirement benefits. Personally, I am one of them. As a commercial rated pilot and flight instructor the airlines want to hire me and are offering ever increasingly attractive salary and benefit packages to do so. One of the reasons I have elected to stay in education, aside from my passion for seeing students succeed, is knowing I will have that stable retirement waiting for me in 14 years. Historically, I have continued to choose to stay in education, although lately due to all the attacks on my retirement, I am now strongly considering making the move to the airlines.

I want to finish my career by serving my students and community for another 14 years, but I need to know that I can count on that retirement. I already <u>work three jobs</u> to make ends meet for me and my family and asking me to pay more into my pension plan is nothing short of an unfair income tax on me and my fellow public servants. It is one that few of us can afford.

For those who want to talk about the 6% I have two points. 1) I pay my own 6% and re-directing it is nothing short of unfairly taking my pay to pay down the UAL for someone else. 2) For those who have their 6% "picked-up" by their employers, please remember that this was done to <u>save the state money</u> when it was unable to give cost of living increases. Re-directing their benefits to pay the UAL is also grossly unfair.

I understand the immense political pressure to "do something about PERS." I content that <u>much</u> has been done over the years and we can see that through the dozens of reforms we've seen in the past 20+ years. I'd also like to remind the committee that while yes, the rates are and will be burdensome, if we stick to the existing structure we should be fully funded by 2035 (Milliman, December 2018). If we pass SB 1049, we would still have a \$10+ billion shortfall. Not only is SB 1049 unfair, it actually makes the problem worse in the long run.

Lastly, I call on everyone to really step up their PR game. Far too many people have really bad "information" on PERS and have not even the slightest of clues as to how it works. When I have conversations with people and set them straight with facts, the vast majority of them are supportive of PERS and my future benefits. The PERS Board, government, and my union all need to do a much better job in getting out the truth to counter all the fact less rhetoric.

I appreciate your time and your service to our community. Please remember, I stand up for my students day in and day out. Public employees like me count on you to stand up for us. Vote NO on this unfair bill.

Sincerely, Mr. Anthony Brown