

Testimony in Favor of SB 2239

Sparb Collins

Mr. Chairman, members of the committee my name is Sparb Collins. I am a retiree in the PERS Defined Benefit/hybrid plan. I support SB 2239. This bill will return the PERS plan to 100% funded status and assure the benefits for all existing retirees and future retirees. The PERS plan had a strong funded position before the 2008 financial crisis and was 90-100% funded based upon actuarial value or market value of assets.

If this bill is adopted by the legislature, the actuary has confirmed it will put the plan on a course to returning to 100% funded status thereby assuring the members of the plan that it will return to its strong financial position to pay all benefits and remove this liability from employer financial statements. This would be a significant accomplishment since while many proposals to return the plan to 100% have considered during the last decade, non-have been adopted consequently the plans existing financial position. This plan is also offering a path to 100% with a cost-effective approach.

Thank you to the sponsors of this bill for developing this plan and thank you to this committee for giving it your careful consideration. I am hopeful that you will give this bill a favorable recommendation so we can get the plan back to 100% with a cost effective plan, assure retirees and all members of the plan that it will be able to pay its benefits, eliminate it from employer financial statements and finally overcome the effects of the market collapse in 2008.