

Jay Thatcher

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Dear friends on the Senate Rules Committee

I am an active Oregon teacher. I am planning on retiring this spring. My retirement will be modest. I've worked part-time for 25 years, faithfully for the same district. If SB 822 is enacted, I won't fall under any new COLA limits after the first year at 1.5%. The proposed limits figure to affect me when I'm in my 70's and 80's. Is that whom the state wishes to take money from?

I wish to warn you of some risks you will take with limiting Cost of Living Adjustments:

- The \$400 to \$800 million in savings is leveraged on many future years of limited COLA's. If they are found not legal or are changed, what will the state, districts and municipalities do to repay the retirement system for all the money saved in the first few years?
- The money will be taken from the incomes of people who spend all that they receive. This will be a more severe drain on the Oregon economy than closing tax loopholes on wealthy individuals and large corporations, who spend only part of their incomes.
- The risk of reducing the contributions of municipalities and districts is that they will return in two years, as they have every two years for over a decade, asking for still more money. When will the promises made to our citizens and our public servants mean more than the needs of the bureaucrats?
- These are many broken promises to the people Oregon depends on to provided services we all need. What will the public employers do when the quality of their workforce erodes?

Do not balance the budget for all Oregonians on the backs of a relative few, with limited income. This would be a permanent solution to a problem that already was solved in 2003.

Limit no COLA's. Fulfill the promises you've made to those who have served us all well.

Will you let this legislation lay on the table?

Sincerely

Jay Thatcher