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Republicans holding PERS cuts against Democrats

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(Photo: DANIELLE PETERSON / Statesman Journal)

Republicans who insisted throughout September 2013 on cutting benefits provided by the Public Employees Retirement System are now attacking Democrats for going along with those cuts, and they're using a newly created committee to hide their involvement from voters.

The House and Senate Republicans have poured \$10,825 into the "A Promise is a Promise, A Contract is a Contract" political action committee. No one else has contributed anything: The committee is entirely paid for by the two caucuses and was created on Oct. 15.

It has sent out letters on behalf of seven candidates, according to campaign finance records, and it includes a list of nine candidates to oppose for their votes in favor of PERS cuts.

The letter presents the committee as bipartisan, but just one candidate listed for "support" is a Democrat. Rep. Brian Clem, D-Salem, did not show up for the final vote on PERS cuts and therefore did not vote in favor.

One of the candidates voters are told to oppose is Senate President Peter Courtney, D-Salem.

"He voted not once, but twice to cut our hard-earned and promised PERS benefits," the letter said. "In fact, he led the charge for the two bills that cut our benefits."

It encourages a vote in favor of Republican Patti Milne, the former Marion County Commissioner.

Milne did not return requests for comment.

The letters are signed by former Salem police officer Owen Hertzberg, but the committee has no apparent support from individuals, PERS retirees or public sector advocates.

The committee is run by Lee Vasche, who co-owns NW Market Research and is the executive director at Signature Gathering Company; which is owned by prolific lobbyist Mark Nelson.

Vasche's company has done \$77,165.50 worth of work for the Senate Republicans this year, and Vasche has done advertising work for the right-wing Oregonians for Immigration Reform in the past.

Michael Gay, spokesman for the Senate Republicans, said Hertzberg's perspective is valid for public-sector retirees who may be angry than lawmakers like Courtney voted to cut their benefits.

Even so, the letter misrepresents what happened last year.

Republicans and Gov. John Kitzhaber "led the charge" for PERS cuts, and Democrats only agreed to vote for the idea after Kitzhaber created a compromise that allowed each side to get some of what it wanted.

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Republicans got the PERS changes and a small business tax cut in the deal, while Democrats got a tax increase on cigarettes to help pay for mental

Courtney and the others did vote twice for PERS cuts — because the compromise didn't pass the first time, and Gov. John Kitzhaber insisted on a special session in September to try again.

The package of bills barely passed the second time.

Some Democrats and some Republicans did vote against it, but all but one Republican said they were voting against it because the PERS cuts did not reduce benefits enough, not because they were opposed to breaking a promise with retirees.

Rep. Bob Jenson, R-Pendleton, was the only Republican in either the House or the Senate to vote no because he didn't want to break any promises to former public employees.

He is not running for re-election this year.

Gay said there are often multiple perspectives within one caucus and that Republicans voted against Senate Bills 822 and 861 for different reasons.

However, all of the 14 Senate Republicans sponsored a different bill that cut PERS benefits even further (<https://olis.leg.state.or.us/liz/2013R1/Measures/Text/SB738/Introduced>) than either 822 or 861.

One of those Republicans was Sen. Betsy Close, R-Albany, who is running against Rep. Sara Gelsler, D-Corvallis.

Close voted against the PERS compromise because she supported harsher cuts to PERS, but voters in her race are receiving a letter from the new committee that tells them to vote against Gelsler for her "yes" vote.

Senate Republican Leader Ted Ferrioli and House Republican Leader Mike McLane did not return requests for comment.

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Rep. Mike McLane, House Republican Leader, pushed for cuts to PERS last year, but his caucus is now helping attack Democrats for going along with the idea. (Photo: Special to the Statesman Journal)

Changing their tune

Republicans in the House of Representatives and Senate were strong advocates for PERS cuts in 2013 — the same cuts they are now holding over the heads of Democrats running for re-election.

At the time, the GOP insisted the cuts were necessary and that inaction would hurt Democrats with voters.

Below is a sampling of what Republicans said about PERS cuts last year:

- "Oregon needs leadership on PERS that we haven't seen in a decade. I hope Governor Kitzhaber can provide it. If he can't, our schools and public safety will suffer. I'll continue to work to forge consensus and find a bipartisan solution to fixing PERS."

—Sept. 4, 2013, House Republican Leader Mike McLane press release

- Senate Republican Leader Ted Ferrioli, R-John Day, told the Statesman Journal he thought the Democrats' perceived lack of enthusiasm for further PERS reform could hurt them in the next election, and it could hurt Kitzhaber as well.

"If he can't fix PERS by the next election cycle, he could be out of a job," Ferrioli said.

—Aug. 14, 2013, the Statesman Journal

- "Republicans believe this legislature has the ability to do more for students, with a compromise PERS reform proposal that would allow for substantially more investments in classrooms, and better outcomes for students."

—May 31, 2013, Senate Republicans press release

- "Any discussion on ending any tax expenditures or increasing revenue in other ways can only happen in conjunction with real reform to the PERS system. We, along with the people of Oregon and the editorial boards of some of our largest newspapers, are still waiting for that real reform. Senate Republicans will continue to engage in discussions with our colleagues but any comprehensive solution must include real PERS reform."