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Date: April 16, 2025

To: House Committee on Labor and Workplace Standards

From: Morgan Allen, COSA

Subject: Support for SB 849-A - PERS Unfunded Liability Relief

Chair Grayber, Vice Chairs Elmer and Munoz, and Members of the House Committee on Labor and Workplace Standards:

On behalf of the Coalition of Oregon School Administrators (COSA) and our 3,000 members statewide, we want to share our support for Senate Bill 849-A.

The bill directs the Public Employees Retirement Board to apply all monies in the School Districts Unfunded Liability Fund as of February 28, 2025, against all school district employers' (both districts and ESDs) individual 2025-2027 employer contribution rates, in equal amounts. The bill also specifies the Board shall apply any unexpected future monies credited to the Fund after February 28, 2025, against all school district employers' individual employer contribution rates for the biennium following the crediting, in equal amounts.

It is important to note that this bill is the result of discussions with labor, management, and the team at PERS. Based on available information, COSA strongly believes that focusing the impact of available funds on the 2025-27 biennium is the highest and best use of these dollars.

Our members and our districts are in the middle of budget development and many of them have the savings from SB 849-A penciled into their budget as possible funds available for next school year. We urge you to pass this bill so savings can be factored into the final school district and ESD budgets. This will preserve the jobs of educators and critical programs statewide as many districts consider possible cuts this Spring.

Time is of the essence as the PERS Board meets at the end of May and can reset the rates and lock in the savings before current rate increases go into effect for the 2025-27 biennium. Please support SB 849-A.