

Date:	March 17th, 2025
To:	Chair Grayber, Vice Chairs Munoz and Elmer, and Members of the House Committee on Labor and Workplace Standards
From:	Association of Oregon Counties Legislative Affairs Manager, Justin Low
Subject:	Oppose – SB 847 A

Thank you for the opportunity to offer written testimony in opposition to SB 847 A on behalf of the Association of Oregon Counties (AOC). AOC is a non-partisan member organization that advocates on issues that unite all county governing bodies and have an impact on county functions, governance, budgets, and services.

AOC stands in support of fair PERS retirement benefits for county employees at a stable, sustainable, and affordable cost to their governing bodies. Furthermore, counties deeply value the public service that Oregon’s retirees have given to our communities, and we share the goal of ensuring affordable and reliable health coverage to individuals in retirement.

That said, with constitutionally constrained property taxes that serve as the primary revenue source for county general funds, counties have no practical way to absorb new PERS costs. For the 2023-2025 PERS rate cycle, all counties with PERS employees had on average, across all PERS classes, a net employer contribution rate of 22.19%. For the 2025-2027 PERS rate cycle, that average contribution rate jumps up to 25.87%. While that appears to be a mere change of 3.46 percentage points between the two data points, it represents a 16.58% increase between the current net contribution rate and the upcoming net contribution rate.

At the same time, [as reported by OPB on March 27th, 2025](#), “At least 21 of Oregon’s 36 counties are forecasting budget deficits [in 2025]”. Despite PERS’ external actuarial firm estimating a slight increase to net employer contribution rates, each and every new cost, no matter how small, will add to the significant financial strain that counties are already experiencing. Unless a funding source is identified that does not compound upon local fiscal pressures, AOC must respectfully oppose SB 847 A and request the Committee to table this bill.

Sincerely,

Justin Low
Legislative Affairs Manager for Governance and Revenue