

Opposition letter to HB 413

Representatives,

As a career public servant who retired with OPERS benefits, I am opposed HB413 which contains their plans to reduce COLA benefits for the following reasons;

1. The commitment made by OPERS to retirees as far back as 1970 was to provide a 3% cost of living increase, not a consumer price index (CPI) measure of inflation. For them to say that inflation has been low and that retirees have benefited too much with a 3% cola is a false narrative. Living costs are far more than a basket of poorly described CPI "goods and services".
2. OPERS has done all it can (at retirees expense) to remove their earlier commitment to provide health insurance by effectively offering only a voucher. The increased out of pocket expenses of retirees and their spouses are, in fact, a significant part of their costs of living.
3. The financial soundness of OPERS is a point they advertise often. With a 16.2% return on investments last year, it is double what they forecast for 2017. There is no financial crisis that warrants reducing retiree cola benefits at this time.
4. OPERS literally ignored retiree survey responses that clearly stated they did not want the 3% cola reduced. They also filtered members' comments on their website to remove those who were opposed and instead left comments that made members appear more willing to accept their cola reduction plan.
5. There seems no reason for OPERS to seek a legislative reduction of cola unless it is a legally protected benefit. The legality of this change should be studied and determined before any legislation like this is voted on.

I strongly oppose HB413 because it appears to be yet another effort by OPERS to legislatively reduce benefits it has been promising members for decades. Please remove this bill from any serious consideration as it is both unfair and unwarranted.

Sincerely,
David Tisdale, New Albany