

Steven W. Stein TESTIMONY – HB 512

Mr. Chairman, Ranking Member, Members of the Committee – I'm here to ask you for your support on House Bill 512, which provides for responsible reform meant to modernize our police and fire pension fund.

I'm here to represent the thousands of firefighters who make up the Ohio Association of Professional Firefighters.

The united voice of our membership asks that you support House Bill 512. And I want to thank representatives Abrams and former firefighter Brian Baldrige for their sponsorship of this important legislation.

Pension reform might not be the most exciting of bills for you to act upon. It might even, sometimes, be controversial. But reforming pensions for our first responders is one of the

best ways we can support those who keep us safe.

It's not in most people's nature to want to run into a burning building, or to run after a dangerous criminal. But Ohio's firefighters and police officers do this every single day. When we signed on to the job, we were told that us and our families would be provided for via our pension. With the way the markets are going these days, that future is becoming less and less secure.

This is why House Bill 512 is so urgently needed. A contribution that hasn't increased since 1986—that's 36 years. That's longer than many careers in law enforcement and firefighting. The guys who came in in 1986 are retirees now. They're enjoying their pension benefits, but they're also supportive of reform to ensure that the next generation gets to enjoy their pension too.

Our pension has always enjoyed an assumed rate of return on the high end of comparable funds, and certainly among Ohio's public pensions. It speaks to the strength and good management of our fund that we have hit the mark year after year. But today we face growing uncertainty in the market. Inflation which just a year ago was called "temporary" is now reported to be a problem with which we'll need to contend for years to come. The lowering of the thirty-year assumed rate of return is responsible, but it also re-affirms why we are here and why we must act to protect the pensions of first responders. Couple market uncertainty with stagnant payroll growth and the current wave of retirements and it's clear that we must act now.

We hope our municipal partners will look inward and realize that we haven't asked for an employer share increase in 36 years, and find a

way to get this done. Just as every retiree in our pension system had to when our health care was cut.

We're asking for our employers to meet a basic expectation. We're asking them to increase their employer share. And we're asking them to do it over a reasonable, responsible period of time so that they can plan accordingly. This is good government.

My members ask you to support that. Vote for reason, responsibility, and good government. Vote to support House Bill 512.

Thank you.