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Viewpoints: Pension 'reformers' distort facts on benefits

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Those who want to gut retirement security for public employees in California are issuing an ominous-sounding ultimatum: Slash pensions now or slash school budgets. Trouble is, as clear a choice as it may seem, it simply doesn't compute.

Public employee pensions amount to just 3 percent of California's budget. The growing number of politically motivated proposals to overhaul California's public pension system will not make a dent in the state's current budget shortfall. Not by any calculation. Not now and not anytime soon.

Some proposals may even make our fiscal matters worse. A recent nonpartisan analysis of a proposal floated – and then abandoned – by former Assemblyman Roger Niello found it would likely create additional demand on social services that state government provides. Why? Because more retirees would be forced into poverty.

Meanwhile, some proposals, such as those advanced by Schwarzenegger appointees who control the Little Hoover Commission, are simply unconstitutional and carry questionable cost savings.

Translation: Ballot box proposals to force pension changes will not prevent pink slips.

Those truly dedicated to educating children will protect the retirement security that attracts the brightest teachers. They will protect the retirement security for dedicated public servants who drive school buses, keep campuses clean and assist teachers in the classroom.

If those behind the assault on California's middle class truly were concerned with the state's education system, they would support protecting the retirement security of millions of state and local public employees who pay taxes, volunteer in their communities – including in classrooms – and pump their retirement earnings right back into local economies and schools.

A study commissioned by CalSTRS found that benefits paid to retired educators amount to an economic engine across California, especially in rural counties that have suffered dramatically from the collapsed economy. The Sacramento State study concluded that the California economy gained \$6.71 for every dollar invested in pensions by employers and taxpayers.

Yet it is teachers, and regular people like me, who are being scapegoated for California's budget troubles.

For the past 22 years, I have been a special education teacher's assistant. When I retire in a few years, I can expect a pension of \$800 a month.

Three-quarters of CalPERS retirees collect yearly pensions of \$36,000 or less. California retired teachers, who do not collect Social Security, earn an average \$3,300 a month after an average 27 years in the classroom.

The headline-grabbing pensions held up by those attacking public pensions are rare, less than 2 percent of retirees. And they often represent egregious cases of abuse and misdeed. I, along with my fellow front-line public employees, unequivocally endorse changes to prevent those inexcusable cases.

We also are participating willingly in solutions to state and local budget woes caused not by us, but by Wall Street greed. State workers are contributing a far larger share of pension costs now, up to 11 percent. Formulas for calculating pensions have been reduced and stringent new rules are being established to eliminate abuses like spiking.

In all, such changes – made through collective bargaining – have reduced state pension costs by \$570 million over the past two years.

The concessions made by public employees at the local level are equally dramatic. Sacramento city employees are negotiating lower cost pension tiers and are considering a proposal to require employees to make their own pension contributions. According to data kept by CalPERS, in nearly 180 California cities, counties and local districts, firefighters, police, teachers and other public employees have agreed to increase employee pension contributions and lower public costs.

Pension busters, meanwhile, are clamoring for public and private pensions to be brought into line.

We agree that retirement security for all workers – public and private – is vital to reviving this state and nation's economy. The answer is not, however, allowing out-of-state billionaires to swoop in and change California's constitution to force public workers into risky 401(k) retirement plans like those that have left private sector workers fearing for their families' futures.

Contrary to some misleading claims, breaking promises to millions of public servants certainly will not generate a sudden infusion of money for California's cash-strapped schools. Nor will it keep parks open, prevent college tuition hikes or protect public safety.

Given the facts, Californians know better than to believe they must choose between protecting this state's youngest residents and supplying security to its retirees.

Pension busters should know better, too.

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Martha Penry is a special education teacher's assistant in the Twin Rivers school district.