

Don't Reinvent The Wheel... Instead, Get It Rolling

OCHER Advocacy Report / Dick Hill

On March 15, 2011, at OCHER's conference *A Call for Action*, we heard two excellent speakers: Terri Bierdeman, on the Current Political Landscape and Its Relationship to Pension Reform, and Tom Lassier, who gave an Overview of What Is Happening in Other States. Both emphasized the sweeping challenges to Defined Benefit plans at both the national and state levels. They further emphasized the urgency for action, most particularly to inform the public of facts showing clearly that defined benefits is the best long-term choice for the taxpayer as well as the retiree.

In the break-out sessions following, four working-groups (two at the national level, and two at the state level), started with 14 already well-defined and tested statements from the current literature. Due to time constraints, they each focused their attentions on just four of those statements, and discussed, debated, and eventually settled upon, the inherent strengths of each. Each working-group chose a sub-set customized to their perspective, but all 14 are reproduced again here as talking points for immediate use (not in any preferred or priority order):

- A. Defined Benefit pensions provide financial protection for both plan members and taxpayers.
- B. Defined Benefit pensions are both efficient and economical.
- C. Defined Benefit pensions provide a stable source of revenue for Ohio's local economies.
- D. Defined Benefit pensions support Ohio workers.
- E. Defined Benefit pensions support the services provided by local, state and federal governments through the taxes paid on these pensions.
- F. Defined Benefit pensions play a critical role in reducing the risk of poverty and hardship among older individuals.
- G. Retirement systems remain a small portion of state and local government budgets.
- H. Public pension plans are not in crisis.
- I. State and local governments are already taking steps to secure their pensions for the long-term.
- J. Public employees share in the financing of their pension, which in many cases is in lieu of Social Security.
- K. Pension dollars help the economy of every jurisdiction.
- L. Long-term investment returns of public funds continue to exceed expectations.
- M. State and local government retirement systems do not require, nor are they seeking, Federal financial assistance.
- N. State and local employees are compensated less than comparable private counter parts.

In short, we have a wheel (this one with 14 spokes). Let's get it rolling!