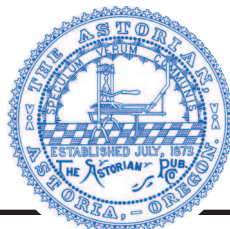


OPINION



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OUR VIEW

Solid ideas for restructuring PERS

A new legislative report underscores that PERS could be headed for more trouble.

The report from the Legislative Fiscal Office reaffirms that the Oregon Public Employees Retirement System remains highly dependent on investment income for its financial stability. That is not a surprise. However, it should concern Oregon officials, especially in light of the current global economic swings.

Our federal leaders are not helping, with their trade disputes and partial government shutdown. Their lack of fiscal leadership and political cooperation adds to worries that the U.S. will fall into a recession. Where the nation goes economically, so goes Oregon.

The legislative report is based on a study last year from the Pew Charitable Trusts, which compared state pension plans for fiscal 2016. PERS had one of the worst ratios of operating cash flow.

On the other hand, PERS is one of the better-funded public pension plans. Cumulatively, state pension plans amassed a \$1.4 trillion deficit, because they generally are paying more in benefits than they receive in



Students go through a lesson at Nancy Ryles Elementary School in Beaverton. AP Photo/Don Ryan

pension contributions. Poor investment returns also are factor, although PERS has done relatively well.

So ... PERS is not in danger of imminent insolvency, it is in better condition than many state funds, but it is more subject to market volatility.

It should be of little comfort that PERS is not as bad off as other public pension funds. PERS' unfunded actuarial liability forces schools and local governments to cut current jobs and services to pay for pensions. The burden can fall disproportionately

on rural Oregon, as is detailed in the winter edition of *The Other Oregon*, a quarterly magazine from EO Media.

Rural Oregon also has proposed solutions. Dr. Mark Mulvihill, superintendent of the InterMountain Education Service District in Pendleton, has proposed changing state law to allow longtime public employees to collect both their pension and their salary for several years before retirement. Schools and government agencies would benefit from retaining good workers who were con-

sidering retiring, employees would have more money in the short term, and they and their employer would contribute 6 percent of their salary toward paying down the employer's PERS liability.

The PERS burden is staggering, and it's growing exponentially. For Clatskanie and Ontario — cities on opposite sides of the state — the burden is roughly the equivalent of six times the city's annual payroll, according to 2017 figures from PERS.

That is why the Oregon Business Plan said in a report last month: "Fixing PERS is Job 1, and it's doable."

Among the plan's recommendations: Oregon should again require that public employees contribute 6 percent of their pay to their pension, similar to what most states do. Oregon could move to a defined-contribution system, like a 401(k), for future employees. The state also could give current employees a choice of staying with PERS or switching to a 401(k).

All are solid ideas. All are reasonable. Only one thing is missing — leadership from Gov. Kate Brown and the Legislature.

OTHER VIEWS

Selected editorials from Oregon newspapers

The Bend Bulletin, on transparency not being valued

Oregonians like to pride themselves on being leaders in such things as protecting beaches and imposing deposit fees on a variety of bottles. When it comes to transparency of government, however, we have nothing to brag about. Just ask a group of journalism students at the University of Oregon.

Earlier this year, the students asked district attorneys in all 36 Oregon counties for copies of public records appeals filed with their offices. The DAs are the first stop in an appeals process that includes the Oregon Attorney General and, ultimately, the courts. Students also wanted copies of the DAs' responses to those records and asked to have fees waived. That information, they argued, would give the public an insight into how well district attorneys carry out their duties under the state's public records laws.

The district attorneys' responses were surprising, though perhaps they shouldn't have been. While Deschutes County's John Hummel had no problem with accommodating the students, more than a few denied the requests, arguing they did not meet the public-interest test. Even more, while they agreed to send the records, failed to meet the deadline written into Oregon law in 2017: Agencies are supposed to acknowledge public records requests within five business days and, generally, respond to them within another 10.

As for what does and does not meet the standard of what's in the public interest, there is no "public-interest test" in Oregon beyond the DAs' own judgment on the matter. In these cases, the DAs were being asked to judge their own refusal, a situation that seems odd, at best. At the same time, some DAs proposed charging students upwards of \$1,000 for the records, though some reduced or waived the charges as discussions progressed.

Moreover, your chances of getting a public record upon appeal can depend on where you live. District attorneys in Multnomah County, and now Deschutes County, post their orders regarding public records on their websites. Hummel said he did so because the students' request made him more sensitive to the notion of transparency in his office.

Things are different in Lane County. There, District Attorney Patty Perlow orders agencies to release records only about a quarter of the time, though that figure does not reflect cases that are resolved before a denial is issued.

Oregonians' ability to see how their government, no matter at what level, operates, should not be limited by the county



in which they live. Records in Lane County should be every bit as accessible as those in Multnomah or Deschutes, no matter what a district attorney's view of the law is.

Lawmakers should be able to fix most of these problems easily, if they're of a mind to. They can make it clear that Oregonians expect their district attorneys to understand and uphold the public records law, deadlines and all. They should recognize that some agencies set fees high as a way of discouraging requests, and deal with the problem.

Doing those things would not solve all the law's problems, but it would surely help.

Corvallis Gazette-Times, on state trends helping to drive 2018's news

It's no secret why newspaper journalists spend so much time working on year-end retrospective stories: These stories fill space in their publications during the last week of the year, when news can be hard to find.

With that said, though, it can be interesting to take a deeper look at 2018's biggest Oregon news stories — and how, in many cases, those stories are new chapters of trends that long have been at play in the state and, for that matter, across the western United States.

Let's take, for our starting point, the list of top Oregon stories for 2018 from *The Associated Press*.

Now, you can quibble with the list that AP's writers and editors compiled (for example, the No. 2 and No. 9 stories on the list are different developments in the same story), but many of the stories tie in nicely to state and regional trends that in some cases have stretched back now for more than a century.

Let's start with those two related stories — No. 2 (President Donald Trump's pardon of ranchers Dwight and Steven Hammond) and No. 9 (the acquittal of FBI agent W. Joseph Astarita, charged with making false statements and obstruction of justice regarding his actions at the shooting that killed Robert "LaVoy" Finicum, one of the leaders of the January 2016 takeover of the Malheur National Wildlife Refuge).

Both of these stories are new chapters in a long-running saga in the West: the debate over federally owned lands. That story goes back more than a century and isn't nearly finished yet.

You could make a case that the No. 4 story, the wildfires in southern Oregon, also are related to the federal land issue, in that these fires often are burning on national forests that haven't been properly maintained for generations and are clogged with fuel. Will congressional action to safeguard money for forest maintenance and cooperative efforts to allow thinning and controlled burns begin to

make a difference this year? We'll see.

The AP's No. 1 story, the re-election of Gov. Kate Brown, continues a trend in Oregon politics that's been at play now for at least a generation: The state's emergence as a solidly blue state. Brown bested a well-funded and prepared GOP candidate, Knute Buehler, as the Democrats also claimed narrow supermajorities in the Legislature. Those supermajorities, if Democratic leaders keep them in line, will allow Democrats to raise taxes without a Republican vote. How Brown chooses to spend her political capital and how the legislative session develops surely will be among the top state stories of 2019.

The AP's No. 10 story, the January vote to impose a tax on hospitals and health insurers to help temporarily pay for the state's Medicaid expansion, also is linked to the state's political climate: To a large extent, the state's continuing budget deficit is because of that Medicaid expansion. (It was surprising that the continuing financial woes of the state Public Employees Retirement System didn't make the AP list. That unfunded liability didn't make much news during the year; it just grew larger.)

Daily journalism, by its nature, sometimes is in too much of a hurry to place these stories in a broader context. But it's important to take the time every so often to see how many of these stories, as compelling as they are on their own terms, essentially are new wrinkles in broader sagas.