

The Honorable Senator Mike Kehoe
Missouri State Capitol
Jefferson City, MO 65101

Dear Senator Kehoe,

This letter concerns SB 842.

Senate Bill 842 requires the PSRS/PEERS' Board of Trustees to freeze school district/employee contribution rates at the 2011-2012 level and to freeze the Cost-of-Living Adjustments (COLAs) for retirees at 2% until the systems are 100% fully funded. As a result, the bill would end the power of the PSRS/PEERS Board of Trustees to set future contribution rates for its members and COLAs for retirees.

Serving as Chair of the Legislative Committee of the Cole County Retired Teachers Association and living as I do in Jefferson City, I avail myself of the opportunity to attend most PSRS/PEERS Board of Trustee meetings. Based on my observations, I believe I am in a good position to say that the PSRS/PEERS Board is conscientious in monitoring the work of the PSRS/PEERS staff and is most competent in making thoughtful policy for the PSRS and PEERS Systems.

Hence, I see absolutely no reason for the Senate to pass SB 842. The bill will set in stone a recent policy decision the PSRS/PEERS Board made and for all practical purposes will make that policy rigidly permanent. As a result, the Board will have its hands tied if future conditions no one can predict would create the need to make adjustments either in the domains of contributions to the Systems or in COLAS for retirees.

There is wisdom to the notion "If it isn't broken, don't fix it." In this case, an attempt to fix a non-existent problem will likely have unintended consequences we cannot predict. **Hence, I hope we can count on you to oppose SB 842.**

Thank you for your good service on behalf of your constituents and on behalf of the entire state.

Sincerely,

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