

Dakota Soda

From: Mary Pollock <pollockm@comcast.net>
Sent: Wednesday, May 1, 2024 3:09 AM
To: Dakota Soda
Subject: Message for House Approps Committee Members

Clerk Soda:

Please provide the message below to all members of the House Appropriations Committee. Thank you.

Mary Pollock, Legislative Representative
Michigan State Employee Retirees Association

Greetings Members of the House Appropriations Committee:

The Michigan State Employee Retirees Association, which advocates on behalf of 60,000 current state employee retirees and beneficiaries and several thousand active state employees in the defined benefit pension program, urges you to support an amendment to the Department of Technology, Management and Budget section of the General Government budget bill (HB 5516) to reflect the language in the Senate General Government budget bill, SB 760.

Since 1987 we have had a \$300 limit on our annual 3% cost-of-living adjustment. Over 85% of us are maxed out while there has been 171% inflation. We need legislative action to remedy this situation. An actuarial study is needed to begin the process. We have worked with Senator Sarah Anthony and staff for the last six months and former Senator Curtis Hertel about the problem. Hundreds of our members have communicated with their legislators and the Governor about the problem.

The language from SB 760 is the following:

Sec. 854 (Retiree COLA Analysis) The office of retirement services must contract with the state's actuary to provide an array of options and corresponding costs related to providing an increase in the cost-of-living adjustment in the state employees retirement system that is currently the lesser of \$300 or 3% applied to a retiree's pension. The study should include options for one-time and permanent adjustments, as well as the number of people impacted and the short- and long-run costs of providing cost of living adjustments. The cost of the study must be paid for from work project funds established and available for the purpose of conducting actuarial studies.

Thank you for your service to the State of Michigan for whom we gave decades of our work lives.

Mary Pollock, Legislative Representative
Michigan State Employee Retirees Association
www.mi-sera.org

1200 Prescott Drive, East Lansing, Michigan 48823
517-351-7292 home/office