

**TO** Interested Parties

FROM Dave Metz and Miranda Everitt

FM3 Research

**RE:** Oregon Voter Views of PERS Issues

DATE September 23, 2018

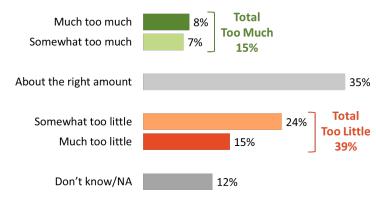
Fairbank, Maslin, Maullin, Metz & Associates (FM3) recently completed a survey of 521 voters in Oregon to assess their attitudes about the Public Employee Retirement System (PERS) in the state. Most voters believe that public employee compensation is at about the right level or too low, and Oregonians broadly reject proposals to further cut pensions - believing that commitments made to public employees must be honored. They also strongly believe – by a two-to-one margin – that improvements in education funding should not come from cutting benefits for teachers and public employees.

Key specific findings from the research include the following:

• Oregon voters overwhelmingly believe that public employee compensation is about right -- or too low. As shown in Figure 1, more than one-third (35%) believe salary and benefits for public employees is "about the right amount," while nearly two in five (39%) say it's too little. Just 15 percent say these employees receive too much compensation on the whole.

Figure 1: Views of Public Employee Compensation

Thinking about the compensation – that is, salary and benefits – that these types of employees receive, in general, would you say they get paid too much, about the right amount, or too little?



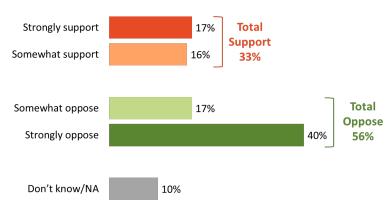


Voters see the service provided by public employees as distinctly valuable, and deserving of a commitment
to a secure retirement. By a 27-point margin, voters believe that a secure retirement is part of the deal we
make with public employees for providing that service. Figure 2: Agreement with Statements about Public
Employee Retirements

Statement	% Agree
Public employees make a deal with us – they do the jobs others won't, often for less money. They teach our children, run into burning buildings to put our fires and take care of the sick and elderly – a secure retirement should be part of that deal.	60%
Public employees are no different than private-sector employees, and should face the same kinds of risks and benefits in their retirement plans.	33%

• A majority rejects cutting PERS benefits to deal with the system's unfunded liability. Figure 3 on the next page shows that 56 percent of Oregonians oppose further cutting public employee retirement benefits -- including two in five (40%) "strongly" the idea - while only about one-third are in favor. Figure 3: Support for Cutting PERS Benefits

There is currently a projected unfunded liability in Oregon's Public Employee Retirement System, meaning it is estimated that there will not be enough funds in the system to pay the retirement benefits that have been promised to current and future retirees. Would you support or oppose further cutting retirement benefits for public employees in order to address that unfunded liability?

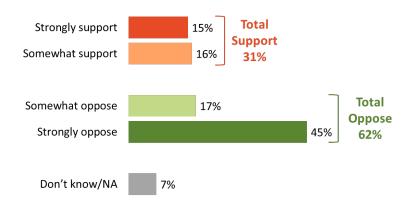




Votes also reject Knute Buehler's plan to address the PERS shortfall by cutting compensation for teachers.
 Survey respondents were offered the description of Bueheler's plan depicted below - and then were asked to indicate whether they favored or opposed it, as shown in Figure 4 below. Voters reject Buehler's proposal by a two-to-one margin - 31% to 62%.

## Figure 5: Support for Buehler Plan

Knute Buehler, the Republican candidate for Governor, has proposed to increase school funding by 15%, funded by cutting retirement and health care benefits for teachers and other public employees, and by limiting the salary increases teachers can receive. His plan would increase education standards to move Oregon from the bottom to the top of educational ranking, fund making every third grader reader proficient, and give more ninth graders support to graduate on time.



<sup>&</sup>lt;sup>1</sup> **Methodology:** From August 8-16, 2018, FM3 completed 521 telephone interviews (on both landlines and cell phones) in with randomly selected likely November 2018 voters in Oregon. The margin of sampling error for the study is ±4.3% at the 95% confidence level; margins of error for population subgroups within the sample will be higher. Due to rounding, not all totals will sum to 100%.