

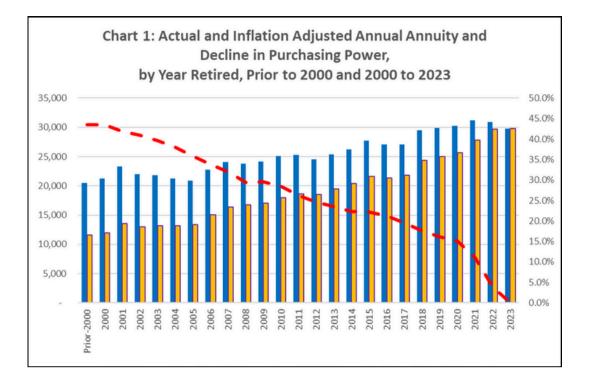
STATE EMPLOYEES

WE NEED TO URGE OUR LEGISLATORS TO PASS A MEANINGFUL BENEFIT ENHANCEMENT TO TRULY SUPPORT OUR RETIREES.

We believe that every individual who contributes to the well-being and progress of our great state deserves to be able to retire in dignity. By advocating for these principles, we aim to create a more just and equitable system where the hard work and dedication of our state employees and retirees are truly valued and appreciated.

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Join us in educating our Legislators and others to the needs of state employees and retirees. Over the last couple of decades, inflation has significantly eroded the purchasing power of State of Texas retirees. As shown in Chart 1, employees who retired before 2005 have experienced a decline in purchasing power of 38.0 – 43.5 percent.



The statutory cost-of-living adjustment (COLA), approved by the Employees Retirement System (ERS) board, only benefited 25% of retirees, offering a maximum \$100 per month increase in state employees who retired before December 2004. However, the average benefit will be around \$55 (*before taxes and other deductions*), reducing the decline in purchasing power by three percentage points for each group.

Retired state employees spent their careers providing services to citizens and businesses supporting the state's rapid growth. Texas' population grew by 40% this century, yet there was near zero growth in state government employees.

Comptroller Hegar's <u>release</u> shows a \$23.7 billion ending balance for this biennium. The ending balance should give the 89th Legislature enough funds for a one-time state expenditure such as a retired state employee stipend. The most cost-effective method is to give each retiree a full 13th check (or stipend), based on their years of retirement. This supplement would require \$252 million to provide every state retiree (125,832) with a supplement.

It's time to take care of our state retirees!

