My name is Steve Ramos and I'm here this morning representing the Arizona Education Association Retired.

I've been asked by my organization to share with you our views on the issue of the Alternative Contribution Rate and specifically the implementation date.

AEA Retired was pleased when ASRS began to look seriously at dealing with the issue of Return To Work and the liabilities that the program creates for our retirement fund. In the last three years we have participated with ASRS and other stakeholder groups in crafting what we felt was a fair and equitable way to maintain the Return to Work system without harming the fund. It is our observation that this plan has had wide support, with the exception of one private company.

ASRS has been recognized for having one of the best funds in the country and we do not want to see that status jeopardized, especially in the next few years. **If Return To Work is to continue, AEA retired believes the Alternative Contribution Rate should be implemented as soon as possible.** We will not attempt to predict the future of our economic recovery. What we will do is ask you to consider these facts. By 2015, the term of every Board member voting on this issue today will have expired, as will the terms of every member of the legislature who will have voted on this legislation. Thousands of public employees will have made the choice to retire sooner than anticipated and return to work for an ASRS employer without making a fair contribution to maintain their own retirement system. The result of this delay will put pressure on the contribution rates of all employees and their employers at a time when public pensions are coming under greater scrutiny and criticism for their high costs.

We believe the ACR will not be an extra burden for employers. The cost of the ACR will simply be passed on to the returning employee. We also believe that those employees will acknowledge that the ACR is a fair trade for the promise of a healthy retirement system for all members.

Thank you for your consideration and for your service to our members.

Steve Ramos
ASRS committee chairman.