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NATIONAL COUNCIL ON TEACHER RETIREMENT
NATIONAL ASSOCIATION OF STATE RETIREMENT ADMINISTRATORS

PRESS STATEMENT

FOR IMMEDIATE RELEASE

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NATIONAL STATE AND LOCAL GOVERNMENT ORGANIZATIONS GET THE FACTS OUT ON PUBLIC PENSION PLANS

Washington, DC, February 1, 2011 -- The National Conference of State Legislatures (NCSL), National Association of Counties (NACo), United States Conference of Mayors (USCM), National League of Cities (NLC), International City/County Management Association (ICMA), National Association of State Auditors Comptrollers and Treasurers (NASACT), Government Finance Officers Association (GFOA), International Personnel Management Association for Human Resources (IPMA-HR), National Council on Teacher Retirement (NCTR) and the National Association of State Retirement Administrators (NASRA) today released a [joint fact sheet on state and local government pensions](#), setting the record straight regarding the operations and funding of public pensions, the degree to which they fit in the overall budget picture at the state and local level, and the steps state and local governments are taking to bring their pension plans into long-term solvency.

The fact sheet underscores that state and local governments have already pre-funded the majority of their pension costs and have over \$2.7 trillion in assets held in trust for current and future retirees. For the vast majority of state and local pension plans, these funds are sufficient to continue paying promised benefits well into the future. Continued contributions of employers and employees (who typically share in the financing of their pension) ensure trusts can continue to do so for the very long-term.

Retirement systems also [remain a small portion of state and local government budgets](#), according to the fact sheet, with the portion of spending dedicated to retirement system contributions amounting to about three percent.

Other key facts include the following:

- **State and local governments are already taking steps to secure their pensions for the long term.**
- Public employees share in the financing of their pension, which in many cases is in lieu of Social Security.
- **Pension dollars help the economy of every jurisdiction.**
- **Long-term investment returns of public funds continue to exceed expectations.**
- State and local government retirement systems do not require, nor are they seeking, Federal financial assistance. **One-size-fits-all Federal regulation is neither needed nor warranted and would only inhibit recovery efforts already underway at the state and local levels.**

State and local retirement systems have substantial assets to weather the economic crisis and are taking steps to strengthen funding for the very long-term. In fact, more state and local governments enacted significant modifications to improve their retirement plan funding in 2010 than in any other year in recent history.

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