



# NEWS RELEASE

CALIFORNIA STATE TREASURER BILL LOCKYER

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Contact: Joe DeAnda  
916-653-2995

## **State Treasurer Lockyer Comments on Public Employee Post-Employment Benefits Commission Report**

SACRAMENTO – State Treasurer Bill Lockyer today issued the following statement on the Public Employee Post-Employment Benefits Commission report outlining its eight-point plan to address the unfunded pension and retiree health care liabilities for California state and local governments:

“The Commission really did its homework, and gave the public a genuine opportunity to learn about and comment on the state’s public pension funds and the cost of providing health care to retirees who have earned this benefit. They have also performed a valuable public service by looking carefully at the greatly overstated claims of fiscal doomsayers, and concluding that today’s problems of underfunding for retiree health benefits can be readily solved using normal prudence and time-tested investment methods.”

“I fully agree with the Commission's conclusion that pre-funding of post-retirement benefits such as health care is the essential ingredient in this solution. And as I noted in my Debt Affordability Report last October, the state must take action to begin pre-funding our unfunded liability and ensure that California’s own workers receive the medical benefits they worked for and have been promised when they retire. Pre-funding should be included in the short-term and long-term state budget decisions made this year. Pre-funding and investment earnings will save the state billions of dollar in unnecessary over-expenditures in the next three decades.”

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