



SB224 Testimony – Senate Government Affairs Committee
March 1, 2019 1:00 pm

My name is [Robert Fellner](#), and I am the policy director for the Nevada Policy Research Institute.

We were encouraged to hear Governor Sisolak highlight the importance of transparency in his State of the State Address. Nevada has a long history of broad, bipartisan support when it comes to the issue of transparency in government and it is one of our primary areas of focus at the Institute.

We were therefore dismayed to see that the first public records bill of the session would make our government less transparent and accountable by making secret the names of those who receive tax-funded public pensions.

The good news is that the problem this bill seeks to fix has already been solved.

Specifically, bill sponsor Senator Ratti has described this bill as being necessary [to protect pieces of truly sensitive information such as](#) “passport number; address of ex-spouses, including those in law enforcement; [and] birth certificates.”¹

Thankfully, all of that information is, and has always been, confidential under existing law.

The only [information that is currently public](#) is recipient name, pension amount, last government employer, years of service, year of retirement and pension type.

Thus, SB224’s only change is to make secret the names of those receiving a public pension.

Proponents claim that disclosing names would put retirees at risk. It is important to remember that government agencies [already have the ability to withhold information](#) if disclosure would result in harm to employees.

This is precisely the argument PERS made to four separate courts over the past eight years. All four of those courts, however, found there is simply no evidence that disclosing the name, pension amount and related information would cause harm to retirees.

The Legislature should not deny Nevadans their fundamental right to see how their tax dollars are being spent based on a claim that we now know is simply not true.

While providing no legitimate benefit, the proposed secrecy would greatly harm the public interest. PERS costs are up nearly 70 percent over the past ten years, and will hit an all-time high of \$2 billion this year. Taxpayers are responsible for most of this cost, and as such are entitled to information about how the system works.

¹ Remarks By Senator Julia Ratti, Assembly Committee On Health And Human Services, May 3, 2017



SB224 would make it almost impossible for the public to identify potential cases of corruption, abuse or conflicts of interest.

For example, many lawmakers receive PERS benefits. In fact, two of SB224's three primary sponsors are each drawing PERS benefits of over \$100,000 a year.

Passing SB224 would allow lawmakers to directly profit from the changes they make to PERS, while keeping the public completely in the dark.

Sadly, such abuses of power have already occurred. In 1989, two former Nevada legislators, David Nicholas and Robert Craddock, successfully lobbied for a 300 percent increase to the pensions of retired lawmakers like themselves. While that egregious enhancement was repealed 6 months later, the legislators-turned-lobbyists still ended up increasing their lifetime pensions by over \$500,000, in what one Nevada Supreme Court Justice [described as an](#), "unprecedented raid on the public treasury."

By shrouding in secrecy the names and pension amounts of future PERS members, SB224 would only invite similar abuses by making them that much harder to detect.

As the Nevada Supreme Court [recently found](#), the name and pension payout data "is limited in scope and helps promote government transparency and accountability by allowing the public access to information that could reveal, for example, if an individual is abusing retirement benefits."

California openly champions the very type of transparency that SB224 would outlaw in Nevada. After a tip to their fraud hotline resulted in the system recovering over \$200,000, CalPERS released [a statement praising](#) "the great value of the public's assistance in CalPERS' efforts to protect the state pension system from fraud, waste, and abuse."

Another example of the importance of disclosing names was highlighted after [NBC Los Angeles](#) uncovered a police officer who was drawing a disability pension from one city while working full-time as a police officer for a second agency.² This type of abuse will be impossible to detect if SB224 becomes law and makes secret the names of those drawing tax-funded public pensions.

Because this information is so important, numerous states have already embraced transparency on this issue.

I have included links to the online pension databases for 20 states nationwide, which includes states such as California, Connecticut, Illinois, Rhode Island, New Jersey and New York.

If publishing name and pension amount would actually cause harm to government retirees, these states, which are home to the most powerful government unions in the nation, would be the last to disclose this information. Yet they, and numerous others do, and the alleged harms have simply never materialized, further demonstrating that there is no problem for SB224 to fix.

² Why We Need to Know Who Gets What Pension, Joe Matthews of NBC Los Angeles, online at: <https://www.nbclosangeles.com/blogs/prop-zero/Why-We-Need-to-Know-Who-Gets-What-Pension-133342928.html>



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In fact, when Connecticut's state Comptroller launched his own pension website last year, he had the full support of the state's largest government union. Daniel Livingston, chief negotiator for the state union applauded the website [saying that](#), "the data on Open Pensions demonstrates what we have said all along." In other words, even government unions recognize the value of having accurate and accessible pension data.

Independent, national experts like the nonprofit [Identity Theft Resource Center](#) agree, finding that name and pension amount "[is not considered to be sensitive personal identifying information.](#)" (emphasis mine.)

We should all be relieved that the problems SB224 seeks to fix do not exist. The problems it would create, however, are very real.

Because this bill would shroud in secrecy information critical to ensuring the health and integrity of a system that consumes over \$2 billion annually, this committee should oppose SB224.

Thank you for your time and I am happy to answer any questions you may have.



Pension name and payout data is readily available in at least these 20 states:

<u>State</u>	<u>Legislature Control</u>
<u>Arizona</u>	Rep
<u>California</u>	Dem
<u>Connecticut</u>	Dem
<u>Illinois</u>	Dem
<u>Maine</u>	Dem
<u>Massachusetts</u>	Dem
<u>Michigan</u>	Rep
<u>Minnesota</u>	Divided
<u>Missouri</u>	Rep
<u>Nevada</u>	Dem
<u>New Hampshire</u>	Dem
<u>New Jersey</u>	Dem
<u>New York</u>	Dem
<u>North Carolina</u>	Rep
<u>Oregon</u>	Dem
<u>Pennsylvania</u>	Rep
<u>Rhode Island</u>	Dem
<u>Tennessee</u>	Rep
<u>Vermont</u>	Dem
<u>Washington</u>	Dem

Source: Author's research and National Conference of State Legislatures, as of Feb 4, 2019.