

The Honorable Arnold Schwarzenegger
Governor
State Capitol
Sacramento, CA 95814

Re: Pension Plans for California State Employees

Dear Governor Schwarzenegger:

Do not privatize our pension plans. Rather than save taxpayers' money, dismantling CalPERS and STRS would destabilize the future for California's hardworking state employees and teachers, both retirees and current workers. Without a regulated pension fund and workers paying into it, current retirees' funds will dry up, driving those who counted on retirement security into poverty.

Who stands to benefit? Not the public sector worker, but corporations seeking investment dollars. In the face of such corporate deregulation and pension scandals as Enron and World Com, we hard working Californians are skeptical of this venture by corporate interests to get access to our pensions. CalPERS and the teachers' retirement fund lost more than \$1 billion in the WorldCom and Enron frauds.

Your plan of running two pension systems: one for current workers, and a second for new workers would cost California taxpayers billions more in years to come — \$5.9 billion in the first 10 years in the California State Teachers' Retirement System alone. Please regard the advice of four of your own six appointees to the teachers' retirement fund who opposed this proposal.

The market is an amoral force; California's employees need the protection of a regulated retirement system, one based on checks and balances to counter the vagaries and greed-induced motives of Wall Street. Privatization is not about people, but about profits, nothing short of corporate raiding of individuals' retirement funds.

Few public employees embark on their careers with an idea of achieving great financial gain. We do so because our work is noble work, an invaluable contribution to society, the reward inherent in the public service we provide. We do, however, expect and deserve fair compensation within the constraints of public budgets, which means a dignified and secure retirement.

It's about time to stand up for those of us who work their entire lives with the hope of resting in modest comfort. We ask that you support corporate accountability and preserve security for California's dedicated public servants in our old age.

Sincerely,