



P.O. Box 720446
Dallas, TX 75372

June 10, 2021

The Honorable Nathan Johnson
P.O. Box 12068
Capitol Station
Austin, TX 78711

RE: House Bill 3375

Dear Senator Johnson:

On behalf of the Dallas Police Retired Officers Association, please allow me to express our utmost appreciation for your work on HB 3375. This action corrects an inequity in the law which prohibited spouses or other beneficiaries of DROP Annuities from seeking emergency distributions. While retired members were alive they had this safety net in the event of some unforeseen emergency, but once the member died, surviving spouses were left without this protection. Thanks to you and Representative Yvonne Davis, this inequity has been remedied and we applaud your efforts.

The Dallas Police & Fire Pension is still in peril. When HB 3158 was passed in the 85th legislative session, it was supposed to restore the plan to solid financial footing, but today it is in even worse shape. Even after the conversion of members DROP accounts to lifelong annuities, cuts to "earned and accrued" benefits, increases in employee contributions, changes to retirement age and restructuring of the board, all have proven to be ineffective. Following the signing of HB 3158, Executive Director Kelly Gottschalk reported to our membership that approximately 80% of the financial burden for this "fix" was borne by first responders. Just last month before the Pensions, Investments & Finance Committee she testified that the plan is currently only 37% funded. In the DP&FP public meeting on November 12, 2020, it was reported to be 45.73% funded. Our pension is headed in the wrong direction and fast. HB 3158 requires another look at the financial stability of the plan in 2024 and our association plans to align with other first responder associations to try and build a coalition to support restoring our earned and accrued benefits. It is our hope that we can once again work with you and Senator Johnson in this effort.

Thank you so much for supporting Dallas' first responders.

Sincerely,

David Elliston
President
Dallas Police Retired Officers Association