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Oregon PERS covers approximately 95% of public workers in Oregon including all state and school district employees and most local government employees.

ECONOMIC BENEFITS OF PERS

PERS benefit payments have a significant, positive impact on Oregon's economy.

\$4.11 billion in annual benefit payments to PERS retirees living in Oregon provides \$4.33 billion in total value to Oregon's economy.

PERS benefit payments support an estimated 33,402 Oregon jobs.

Of the jobs supported, PERS benefit payments add about \$1.29 billion** in wages to Oregon's economy.

The state of Oregon collects an estimated \$235 million annually in taxes from PERS retiree benefit payments.

Purpose of Study

Oregon PERS paid approximately \$4.11 billion* in benefits to PERS retirees** living in Oregon in 2019. Funding for these benefits came mostly from investment earnings on contributions previously paid by members and public employers. These retirees spent a significant portion of this money on goods and services in Oregon, which helped support local businesses. These businesses then purchased goods, in part, from other local vendors, adding to the Oregon workforce and economy.

This study quantifies the total effect of these benefit payments on Oregon's economy, based on the following measures:

- Economic value of PERS benefits to Oregon
- Jobs created and related wages
- Tax receipts

Study Findings

PERS benefits paid to Oregon retirees have a significant impact on Oregon's economy. The \$4.11 billion in annual benefit payments multiply to \$4.33 billion in economic value to Oregon when the full financial impact of these dollars spent in local communities is considered.

These benefit payments sustained an estimated 33,402 Oregon jobs, and added approximately \$1.29 billion*** in wages to Oregon's economy.

Additionally, the state of Oregon collected an estimated \$234.9 million in income taxes on PERS retiree benefits during 2019.

Investment income has provided 74.4% of total pension revenues since 1970. Member contributions have accounted for 4.4%, with employer contributions providing 21.1% of pension revenues over the past 49 years.

* Additional benefit payments from the Individual Account Program (IAP) were not used in this study.

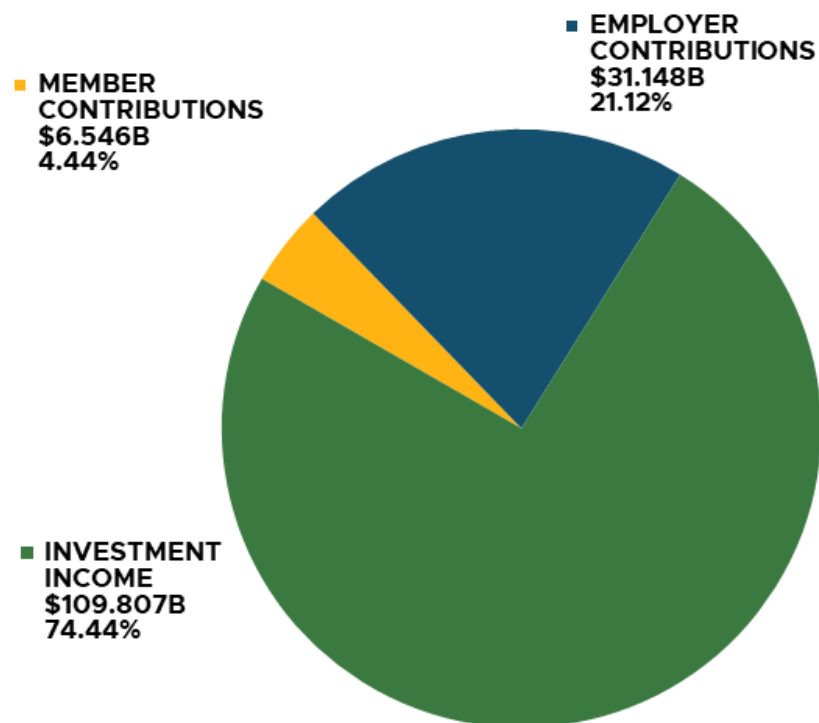
** 24,148 PERS retirees do not live in Oregon and are not included in this study.

*** The \$1.29 billion in wages is included as a component of the \$4.33 billion in economic activity.

Key Facts: Economic Impact Study for Calendar Year 2019

PERS benefits paid to Oregonians	\$4.107 billion
Total increase in Oregon economic output	\$4.331 billion
Oregon jobs supported	33,402
Wages of Oregon jobs supported	\$1.295 billion
Taxes paid by PERS retirees in Oregon	\$234.9 million

Money for PERS benefit payments comes from three sources (1970-2019)



Source: Oregon PERS Comprehensive Annual Financial Reports (1970 - 2019)

2019 Benefit Payments by Oregon County

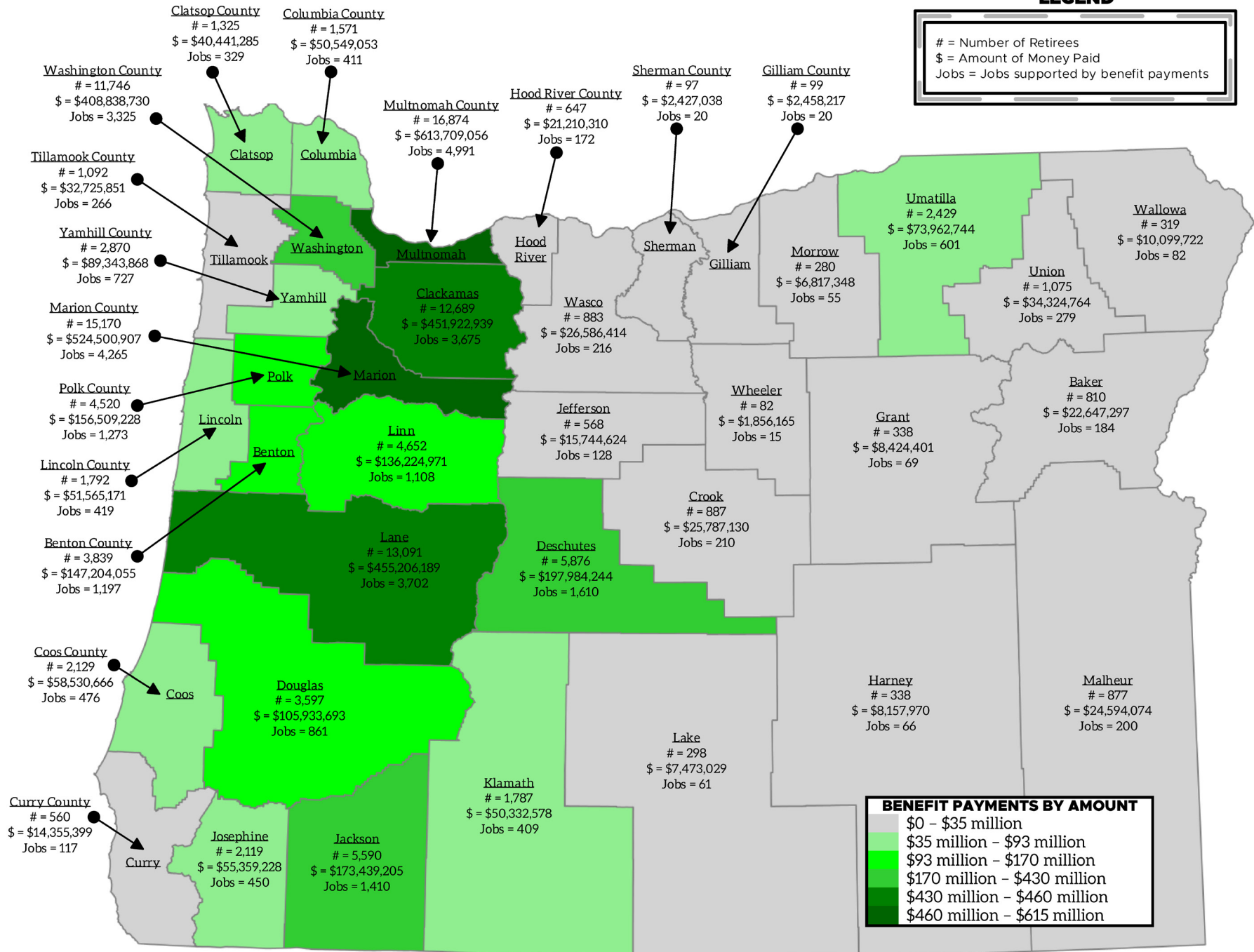
County	Number of Retirees	Total Benefit Payments	Average Benefit Payment	% of State Total	Jobs Created
Baker	810	\$22,647,297	\$27,960	0.55%	184
Benton	3,839	\$147,204,055	\$38,344	3.58%	1,197
Clackamas	12,689	\$451,922,939	\$35,615	11.00%	3,675
Clatsop	1,325	\$40,441,285	\$30,522	0.98%	329
Columbia	1,571	\$50,549,053	\$32,176	1.23%	411
Coos	2,129	\$58,530,666	\$27,492	1.43%	476
Crook	887	\$25,787,130	\$29,072	0.63%	210
Curry	560	\$14,355,399	\$25,635	0.35%	117
Deschutes	5,876	\$197,984,244	\$33,694	4.82%	1,610
Douglas	3,597	\$105,933,693	\$29,451	2.58%	861
Gilliam	99	\$2,458,217	\$24,830	0.06%	20
Grant	338	\$8,424,401	\$24,924	0.21%	69
Harney	338	\$8,157,970	\$24,136	0.20%	66
Hood River	647	\$21,210,310	\$32,783	0.52%	172
Jackson	5,590	\$173,439,205	\$31,027	4.22%	1,410
Jefferson	568	\$15,744,624	\$27,719	0.38%	128
Josephine	2,119	\$55,359,228	\$26,125	1.35%	450
Klamath	1,787	\$50,332,578	\$28,166	1.23%	409
Lake	298	\$7,473,029	\$25,077	0.18%	61
Lane	13,091	\$455,206,189	\$34,772	11.08%	3,702
Lincoln	1,792	\$51,565,171	\$28,775	1.26%	419
Linn	4,652	\$136,224,971	\$29,283	3.32%	1,108
Malheur	877	\$24,594,074	\$28,043	0.60%	200
Marion	15,170	\$524,500,907	\$34,575	12.77%	4,265
Morrow	280	\$6,817,348	\$24,348	0.17%	55
Multnomah	16,874	\$613,709,056	\$36,370	14.94%	4,991
Polk	4,520	\$156,509,228	\$34,626	3.81%	1,273
Sherman	97	\$2,427,038	\$25,021	0.06%	20
Tillamook	1,092	\$32,725,851	\$29,969	0.80%	266
Umatilla	2,429	\$73,962,744	\$30,450	1.80%	601
Union	1,075	\$34,324,764	\$31,930	0.84%	279
Wallowa	319	\$10,099,722	\$31,661	0.25%	82
Wasco	883	\$26,586,414	\$30,109	0.65%	216
Washington	11,746	\$408,838,730	\$34,807	9.95%	3,325
Wheeler	82	\$1,856,165	\$22,636	0.05%	15
Yamhill	2,870	\$89,343,868	\$31,130	2.18%	727
Total	122,916	\$4,107,247,562	\$33,415	100.00%	33,402

PERS Annual Benefit Payments in Oregon by County

Data Source: Data Extract for the 2019 Calendar Year

LEGEND

= Number of Retirees
\$ = Amount of Money Paid
Jobs = Jobs supported by benefit payments



Study Methodology

- This study is based on the most current economic multipliers provided by the U.S. Department of Commerce's Bureau of Economic Analysis (BEA) Regional Input-Output Modeling System (RIMS II).
 - Region: Oregon.
 - Industry: Private households.
 - Year: Multipliers purchased in 2020 are based on 2012 national benchmark input-output data and 2018 regional data.
- BEA's multipliers are designed so they can be multiplied by the annual benefit payments made to PERS retirees living in the state of Oregon. The values for total change in economic output, jobs supported, and related wages is based on each county's proportion of benefit payments to the total.

The Oregon Department of Revenue provided the average tax rate paid on retiree benefits for the most recent year available (2017).

Pension revenues were summarized using audited annual financial statements from Oregon PERS.

Calculation Detail

Multiplier	Impact on Oregon's Economy
Total output Measure of the overall estimated increase in economic activity resulting from PERS benefit payments. - Multiplier: 1.0544 per benefit dollar	Total benefit payments × total output multiplier $\$4,107,247,562.27 \times 1.0544 = \mathbf{\$4,330,681,829.66}$
Jobs supported Estimated number of Oregon jobs supported by PERS benefit payments. - Multiplier: 8.1324 jobs per \$1 million in benefit payments	(Total benefit payments / 1 million) × jobs created multiplier $(\$4,107,247,562.27 / \$1,000,000) \times 8.1324 \text{ jobs} = \mathbf{36,914 \text{ jobs}}$
Supported job wages Estimated wages earned by workers in jobs supported by PERS benefit payments. - Multiplier: 0.3154 per benefit dollar	Total benefit payments × additional earnings multiplier $\$4,107,247,562.27 \times 0.3154 = \mathbf{\$1,295,425,881.14}$
Oregon taxes paid Oregon income tax revenue from PERS benefits paid to state residents. - Average tax rate: 5.72% (0.0572) per benefit dollar	Total benefit payments × percent of average retirement benefit income tax rate $\$4,107,247,562.27 \times 0.0572 = \mathbf{\$234,934,560.56}$