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June 4, 2017

Dear Governor Wolf and Members of the Pennsylvania General Assembly:

We write as board members of the Allegheny Conference on Community Development to urge your immediate support of meaningful state pension reform in the form of Senate Bill 1. Passage of this bill would be historic state pension reform, as Senate Bill 1 would mark the largest reduction in taxpayer risk for any state that has recently enacted pension reform.

Public school employee and state employee pension reform is the most pressing matter for the economic health of this Commonwealth, and it is the number one public policy issue for our organization.

Consider that we currently have a *\$60 billion unfunded liability* to the Public School Employees' Retirement System (PSERS) and the State Employees' Retirement System (SERS). Additionally, the three major credit rating agencies have issued warnings to policymakers that they may reduce Pennsylvania's credit rating, which would mean taxpayers will pay more in interest on future bond sales.

We strongly encourage you to pass Senate Bill 1 without delay because it includes provisions that provide cost predictability, address risk sharing, increase the overall funding certainty and provide adequate retirement security for beneficiaries.

As an organization that strives to improve the economy and quality of life for Pennsylvania by combining strong private sector leadership with commitment from public sector partners, we stand ready to work with you to achieve success.

We are business leaders who care deeply about the state in which we live and do business, and we urge you to act on this pressing financial issue now.

Sincerely,



Richard J. Harshman
Chairman, President and Chief Executive Officer
Allegheny Technologies Incorporated

Chair, Board of Directors,
Allegheny Conference on Community

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