

Potter, others spurn Sten's fund reforms  
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**SUMMARY:** Officials say the Portland commissioner's ideas for the police and fire disability program are rushed and could impede other efforts

City Commissioner Erik Sten's plan to quickly reform Portland's police and firefighter disability program hit a roadblock Tuesday when Mayor Tom Potter called it a hastily drafted plan that he couldn't support.

Potter said he was disappointed Sten had not consulted him before unveiling his proposal for a November election on the fund. He also criticized Sten for not getting a fiscal or legal analysis of his plan, and said it would impede the work of the independent citizen committee that's expected to suggest reforms by the end of the year.

"The council established that committee," Potter said. "If we try to push these changes this November, it would impair our ability to get reforms passed next year."

Potter's rebuke came as Sten aide Rich Rodgers briefed members of the Portland Fire and Police Disability and Retirement Fund on the proposal Tuesday. Some board members also were critical of the plan, which would reduce some benefits.

Portland firefighter Bob Lemon called it "rushed" and "half-baked."

"To me, it should have been written in crayon," Lemon told Rodgers. "It's just thrown together."

At the board meeting, Rodgers said he intended to have charter amendments drafted by the end of the day. Yet by Tuesday afternoon, even Sten and his staff seemed to be backing away from the proposal. His plan also faces competition from the city's other four commissioners, each of whom has put reform ideas on the table.

The disability program, part of an \$87 million-a-year fund that also pays police and firefighter pensions, has come under scrutiny for lax rules and generous benefits that pushed costs far above the average for police and firefighters elsewhere in Oregon. The fund's consultants have said reforms could save taxpayers millions.

Sten presented an 18-page reform proposal last Thursday to Potter, commissioners and union leaders. The proposal followed an investigation by The Oregonian that showed how some injured workers collect disability checks for decades even while working other jobs. The system also does little to place injured workers in other city jobs.

Sten proposed charter amendments to cut costs and get injured police and firefighters back to work sooner. Under the plan, the council would refer proposed charter changes to the Nov. 8 ballot.

Among other things, the city would give injured officers and firefighters priority in filling other jobs they qualify for in city bureaus; eliminate the current floor for disability benefits, which is 25 percent of an injured worker's wages; reduce disability benefits dollar-for-dollar for any outside income an injured worker collects; and prohibit paying disability benefits to anyone who claims an injury while facing potential discipline.

Sten, who oversees the Fire Bureau, called the proposals "common sense changes" that could be quickly passed by capitalizing on public attention to the fund. But fund board members were skeptical.

"There's not enough time"

They questioned the legality of prohibiting disability benefits for injured police or firefighters who may face discipline. They also said that eliminating the minimum benefit for all injured workers would be unfair to those who suffered catastrophic injuries and should continue to receive something for the ability they lost.

"Frankly, I think there's not enough time" to have a full debate of the proposals, said Officer Leo Painton, a fund board member and secretary-treasurer of the Portland Police Association.

Sten would have to file the proposed charter amendments by 5 p.m. Thursday for the council to refer them to the ballot by the Aug. 17 deadline.

All five members of the City Council have offered reform ideas.

Commissioner Dan Saltzman took the lead last fall, calling for a citizen committee to do a comprehensive review of the fund. The council set up the committee in January.

Commissioner Randy Leonard, a former fund board member and Portland firefighter, has drafted an ordinance that would require all city bureaus to identify jobs that injured police and firefighters could fill, and he has backed Sten's proposal.

Commissioner Sam Adams called Sten's proposal reasonable but said he first wanted to get input from the citizen committee reviewing the fund. Adams also said he'd like to add a few other charter changes if the council did decide to support a November ballot.

City Council control

Adams sent an e-mail to his colleagues Tuesday morning suggesting a ballot item that would put the fund under the direct control of the City Council. He didn't offer specific

details about how that would work but envisions essentially making the council the final arbiter on pension and disability cases.

"We need to modernize the system, and we need to put ourselves in a position to establish the policies and answer directly for them," Adams said.

The fund's board and Adams are also pushing for a charter change that would give the fund the power to recover the medical costs or money paid out for lost wages from a legally liable third party who is at fault for injuring an officer or firefighter.

Unlike the fund, the city's risk-management unit routinely recovers these costs for other injured city workers.

Saltzman said Sten's move for a fall election would undermine the citizen committee's work. Jeff Furnish, who heads the committee, said Sten's proposal also fails to consider how both pension and disability costs could be reduced, which the committee is pursuing.

"It wouldn't appear to comprehensively address the financial issues of the plan," Furnish said.

At the fund's board meeting Tuesday, Rodgers said, "Without some kind of bold statement from elected officials, we're concerned the study process has the potential to get bogged down."

While Rodgers estimated that Sten's plan could save taxpayers about \$1.5 million in disability costs by getting more people off disability sooner, Sten apparently is also now weighing the political cost of his proposal.

Late Tuesday afternoon, Rodgers said he was holding off drafting resolutions until he could get direction from Sten, who wanted to discuss the matter more with fellow commissioners. Sten was out of the office caring for his father, who is ill.

"He's considering his options," Rodgers said.

ILLUSTRATION: STEN Cites "common sense changes"

Anna Griffin of The Oregonian staff contributed to this story.

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