Written by GBP Staff
Tuesday, 07 July 2015 09:34



Damaging changes proposed to the WRS Board structure under the cover of darkness, with no debate or public input, which could open the door for political manipulation and corruption.

MADISON - The Joint Finance Committee ended its work on the state budget last week by slipping in some policy changes in it's last minute Motion, #999. One of them affects landline phone service, which may hurt many rural residents in northern Wisconsin. Another changes the composition of the Joint Survey Committee On Retirement Systems (JSCRS).

This committee is responsible for reviewing any changes to the Wisconsin Retirement System (WRS). It has been composed of Senate and Assembly legislators of both parties plus representatives of the public, the Attorney General, The Department of Employee Trust Funds, and the Insurance Commissioners office. Under the proposed changes, the committee would become entirely appointed legislators (five Assembly and five Senate).

As with many of the proposals in this budget, this one is a “solution looking for a problem.” The current committee structure has been working. WRS is rated as one of the best public retirement programs in the nation. Why are changes being proposed?

The JSCRS is a powerful committee that is legally required to review any proposed changes to the WRS so that all the long term "effects" are known. This means "effects" on taxpayers, on retirees, on workers, of government agencies, on retention of high quality workers, etc. Recently, the legislature has been avoiding this law and making changes to the WRS without detailed study.

This proposal opens the door for political manipulation and corruption. The ruling party would have complete control over reviewing and recommending changes to the WRS. It reduces broad public oversight of a $100 billion public trust fund.

Governor Scott Walker and many Republican leaders support the goal of the right wing American Legislative Exchange Council (ALEC) and Wall Street to privatize public pension funds. Under privatization, Wall Street could make billions in fees and control the investments to divert retiree fund monies into their buddies' businesses. Governments could decrease their share of funding of public pension systems and retirees would get smaller pensions.

Is this an overreaction? Maybe. Will the state legislature vote yes on this budget proposal? We don't know. But has your paper, radio or TV station been covering this attempt to change WRS? Probably not.

It is very "Walker like" for the Governor to make an outrageous proposal like the recent attack on open government, walk it back in the face of outrage, then "end run" other damaging changes to public policy with no debate or public input, while the media is busy congratulating itself on their "victory".

***

See wispolitics.com/1006/150702999Motion.pdf item 27a for the text of the amendment.

Buzz Davis of Stoughton, a retired state of WI worker, senior activist, member of POWRS, of the Am. Fed. of Teachers-WI Retiree Council Exec. Bd. & AFT-W representative on the WI Coalition of Annuitants contributed to this article.