

## Community perspective on Legislative Retirement Debate

On the door of my office is a cartoon that aptly describes the present debates over the future of the state retirement system options. It shows a man on stage with a banner behind him resembling some corporation's logo, saying to an audience: "We're pleased to announce that your (state Legislature) has shrewdly traded our cow for some magic beans." This is pretty much what the Legislature is trying to do with the Public Employees' Retirement System and the Teachers' Retirement System. Problem with beans is, even if they are magic, you have to plant and care for them yourself, and there is no guarantee that we're all great gardeners, or want to be. And all the responsibility falls on the gardener.

First, some facts:

1. Neither PERS nor TRS is mismanaged or in dire straits. Both have been managed well by publicly elected boards. This should remain the method of system oversight.
2. Shifting the risk to individuals, by making retirement systems more like 401(k) options, is not necessary or better. A defined benefit system is a proven, sound, very desirable retirement pension option. Why should we settle for less now or ever? Certainly not because we can't afford it. We can.
3. Trying to pass this off as good for the state by claiming it only affects future hires is cheating our children and robbing our collective future. Discounting the future doesn't seem like good public policy to me. Never has.

Your May 9 front-page article mentions that Senate President Ben Stevens is now shilling for the Bush administration, making the same arguments for changing our retirement systems that the Bush administration is making to undermine Social Security. It's no wonder this is such a partisan issue when this sort of influence is brought to bear. The arguments for changing both the state retirement systems and Social Security are similar: It's all about who bears the risk. The Republican strategy is to shift the risk for future security to individuals and away from our collectively secured investments. Sen. Gary Wilken told an audience before the election last fall that "A deal is a deal. We have to set the retirement systems right. It's in the Constitution." Has he kept the deal? Now that he's back in the Senate, no such deal is mentioned, let alone kept. Rep. Mike Kelly has certainly done his best to undermine the value and attractiveness of working for Alaska. I thought we "didn't give a damn how they do it Outside." Ah, but now we imitate them.

But your editorial is the coup de grace of deceit and veiled insult. You phrase it thus: "The Alaska Senate put forward... a plan to inject some personal responsibility into public-employee retirement planning." Wow, Mr. Editor, you endorse their argument totally, don't you? So we employees somehow lack personal responsibility? Since when? Like somehow it isn't personally responsible to join with other public employees or teachers to form a large pool of resources invested as a *public trust* for our own responsible futures? We don't have a choice to be irresponsible in joining this system. That is one of its

strongest features. The legislators, as public trustees, are betraying us. It is they who want to lower retirement security and worsen our future prospects. And this includes the ability to hire new people for our public jobs. One bill by Mike Kelly even changes the loyalty of the trustees, as if they have caused some problem. They haven't. This is one of the most negative actions a Legislature could take. They refuse to make right their underfunding of constitutional obligations. With all this, they still hold the education system hostage, working all the while to diminish the TRS retirement perk for hiring.

Finally, the money isn't even an issue, because of the high current oil prices. This is just a mean-spirited, anti-employee attack. It's time someone said it. It is another Republican-led effort to lower wages and benefits and escape honorable legislative duty to fulfill the promises to the future. It is a sad, sad time for us all.

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