

As adopted by the Faculty Senate at its meeting on 5 March 2012
RESOLUTION REGARDING THE WISCONSIN RETIREMENT SYSTEM

Submitted by Professor Bruce Thomadsen (District 88, Medical Physics)

WHEREAS Act 32 (the 2011-2012 budget bill) established a study committee comprised of the secretaries of the Department of Administration and Employee Trust Funds and the director of the Office of State Employment Relations to review potential changes to the Wisconsin Retirement System, including changing from a *defined benefit* plan to a *defined contribution* plan and permitting voluntary instead of universal employee participation; and

WHEREAS the study will be completed and a report will be issued by June 30, 2012 and will be subject to review by the governor and the Joint Committee on Finance; and

WHEREAS possible aforementioned changes in the \$80 billion retirement system could have substantial and, as of yet unknown, negative impact on current and future participants in the system; and

WHEREAS legislation has been introduced in the current legislative floor period (ending March 2012) that would allow the University of Wisconsin System Board of Regents to offer a defined contribution plan and voluntary participation as options to future members of the academic staff and faculty, before the study will be reported; and

WHEREAS proposed changes of such magnitude in the retirement system, especially those that could potentially affect the participation of tens of thousands of employees and the soundness of the WRS, requires extensive actuarial and policy analyses to understand the likely consequences;

THEREFORE, BE IT RESOLVED that the Faculty Senate urges the legislature to wait for the report of the study before it considers any changes to the Wisconsin Retirement System, and then to allow time for analysis of the study by knowledgeable experts and comments by the public before taking any action that would change the system.