

## **RESOLUTION: State of Wisconsin Designing and Enacting a Pension System for Private Sector Workers**

Whereas, due to the lack of pension/retirement plans offered by America's private sector employers, America is headed into a period of time when far more than half the retirees will lack the financial security they need to live comfortably in retirement; and

Whereas, half of all America's workers work for employers offering NO pension plan; and

Whereas, about a third of all workers work for an employer offering a 401(k) type retirement plan; and

Whereas, in general, 401(k) type plans do not offer the financial security of defined benefit pensions plans which provide a consistent monthly payment throughout a retiree's life regardless of the ups and downs of the economy; and

Whereas, 75% of workers nearing retirement have less than \$30,000 in their 401(k); and

Whereas, today we have the richest seniors America has ever seen, but still many live in poverty or near poverty; and

Whereas, the 70 million Baby Boomers headed into retirement will not have the financial security of many of today's seniors; and

Whereas, in coming years nearly half the middle class families will retire into poverty or near poverty (for seniors, poverty today is living on less than \$11,000 annually and for couples it is living on less than \$15,000); and

Whereas, public sector pension funds, in general, are run more economically, have better returns than 401(k)s and provide the retirees with a fixed monthly check for life and those regular pension checks plus Social Security and some savings allow public workers to live comfortably in their senior years; and

Whereas, the Wisconsin Retirement System, the WRS, is one of the premier public pension funds in the world which pays a defined benefit monthly check to nearly 170,000 retired Wisconsin public workers and a vast majority of each pension check comes from investment earnings not tax dollars; and

Whereas, major questions before us are:

- How can the WRS be used as a model to develop a "sister" state managed defined benefit pension plan for Wisconsin private workers who have no pension plan or only a 401(k)?
- How can we encourage citizens and groups to come together, learn about the retirement crisis, and develop solutions?

Therefore, be it

Resolved, we acknowledge we have a major crisis in Wisconsin and the Nation – the looming lack of financial security in retirement for future retirees forcing many seniors to live in or near poverty; and be it further

Resolved, that ALL seniors deserve a retirement with financial and health care security after a lifetime of work in the home to raise families or a lifetime of work- in the economy day after day for 40 years or more to help build a stronger Wisconsin and America; and be it further

Resolved, that WPEC will join in conducting town meetings with other unions, the Coalition of Wisconsin Aging Group (CWAG), and other groups to promote a private worker retirement system based upon the WRS model; and be it further

Resolved, that WPEC urges Wisconsin Republican and Democratic legislators to work together to analyze the retirement crisis in Wisconsin, develop possible solutions, discuss the problem and solutions with workers, businesses leaders, families and seniors and develop legislation to establish a state managed pension fund for all Wisconsin's private sector workers, that would be a "sister" fund to the world renowned Wisconsin Retirement System for public sector workers; and be it finally

Resolved, that WPEC urges county boards of supervisors to consider placing the following referendum question on the future ballots: "Shall the State Legislature design and enact a state managed pension system for private sector workers in Wisconsin, similar to the Wisconsin Retirement System for public sector workers, which will provide private workers financial security in retirement?"