



## Political pandering precipitates pension problem

By Jim Waters

Most Kentuckians are reasonable people. Whether on the left, right or in the middle, they care deeply about their communities and want their kids and future Kentuckians to prosper and live free.

Whenever those ideals get threatened, Kentuckians of all political stripes and flavors have a common response: They don't like it.

They certainly don't like what they hear about the state's pension-fund fiasco.

The more Kentuckians find out how this unsolved problem threatens the long-term economic health of our state, the more they should ask: Why isn't this problem getting fixed by the policymakers we send to Frankfort to address the tough issues?

During the regular session this year – when voters seethed about these unpaid-for liabilities – the politicians talked about a special session to deal with just that issue.

I take a dim view of special sessions. But hey, if Gov. Ernie Fletcher is determined to have one, why not use it to deal with a crisis that threatens the state's economic vitality?

Therein lies the problem. Many Kentuckians don't realize that their political representatives sent to Frankfort to do the people's bidding seem to have some reasons for not fully addressing the pension problem.

For one thing – and I nearly slipped into shock when I found this out – the politicians themselves collect public pensions!

No wonder the legislative response to this crisis meant offloading the problem on a largely impotent blue-ribbon commission appointed by the governor and charged with not releasing recommendations until Dec. 1 – *after* the election.

Anyone want to play “Charades” with the voters?

The state's behind in its pension obligations by at least \$12 billion, yet part-time politicians – *part time* – have it set up so even they can continue to fatten themselves at the public trough.

You may not even have a pension plan. Still, through your tax dollars, you help pay for a Cadillac package of benefits for state workers and part-time politicians.

Regardless of your political stripe, if you pay taxes in Kentucky, you've got to groan when you ponder this scenario.

How many part-time workers do *you* know who collect pensions from their employer? Many can't even get basic health insurance.

Oh yeah, it gets worse: Taxpayers who pay for lawmakers' pensions can't even find out the amounts of those checks. We're paying for these pensions, yet we cannot access this "confidential" information through an open-records request.

Don't believe me? Have at it.

I commended Senate President David Williams for stepping forward in the closing days of the 2007 legislative session with a plan to address the pension crisis. He rightly proposed no changes for current state workers and retirees. Critics tried to portray the plan as removing or reducing current recipients' benefits. The views of this mostly partisan crowd were over the top.

The senator proposed borrowing \$800 million to ensure the state met its obligations to current recipients and make changes only for future employees – those hired after July 1, 2008.

The plans start out right. It just doesn't go far enough.

The plan doesn't include, for example, changing lawmakers' pension plans from a fully defined benefit (automatic pension) plan to what was being called a "hybrid contribution" plan involving contributions from recipients – such as Williams' proposal would do for other state workers.

So the politicians make residents who go to work for the state and those already on the payroll start footing more of the bill, while the lawmakers cash their secret paychecks without losing a dime.

Our Founding Fathers never envisioned politicians lingering at the public trough for the rest of their lives. Rather, they envisaged "public servants" leaving their businesses, farms and villages, coming to Frankfort and representing their constituents as an act of *public service*.

Lawmakers are supposed to serve, not for what they get out of it, but for what they can give back to their country and commonwealth.

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