

3125 Tecumseh River Rd
Lansing, MI 48906

July 19, 2017

Senator Rick Jones
201 Townsend Street
Suite #4200
Lansing, MI 48933

Dear Senator Jones,

I would like you to correct some legislation that makes it impossible for Michigan residents to know the pension amounts of their retired public employees.

In December 2012, Governor Snyder signed Senate Bill 797 as Public Act 347 of 2012. It amended Public Act 314 of 1965 which is entitled

An act to authorize the investment of assets of public employee retirement systems or plans created and established by the state or any political subdivision; to provide for the payment of certain costs and investment expenses; to authorize investment in variable rate interest loans; to define and limit the investments which may be made by an investment fiduciary with the assets of a public employee retirement system; and to prescribe the powers and duties of investment fiduciaries and certain state departments and officers.

Most of the changes were no doubt reasonable and needed, but one provision that got little notice – and seems out of place in this statute - prohibits public employers from releasing the details of public employee pensions. It is Section 20h(3):

Except as otherwise provided in this subsection, information regarding the calculation of actual or estimated retirement benefits for members of the system is exempt from disclosure by the system or the political subdivision sponsoring the system pursuant to section 13(1)(d) of the freedom of information act, 1976 PA 442, MCL 15.243. Upon a majority vote of the governing body of the political subdivision sponsoring the system, the system shall provide the designated representative of the political subdivision with a reasonable opportunity to inspect, copy, or receive copies of all information regarding the calculation of actual or estimated retirement benefits for members of the system. The system may require that information provided by the system under this subsection be provided only upon a promise of confidentiality by the political subdivision sponsoring the system. A system may make reasonable rules to ensure the confidentiality of records exempt from disclosure under applicable state and federal law. The system may charge a fee under this subsection in accordance with section 4 of the freedom of information act, 1976 PA 442, MCL 15.234. All fees and expenses incurred by the political subdivision sponsoring the system that are related to this subsection shall be borne by the political subdivision and shall not be deducted from or offset against the political subdivision's required pension contributions to the system.

I suspect it was inserted at the request of public employee unions to keep the public in the dark about the size of some of their members' pensions.

Pensions are a component of public employee compensation and should be no less available to the public than salaries, especially when pension funding is creating a severe financial burden for so many Michigan municipalities.

In December 2015, I asked my state representative, Andy Schor, to remove the provision. A few months later, he sent me a copy of the bill he'd had the Legislative Service Bureau draft for him (enclosed). But, he said, before introducing the bill he wanted to find out what those who could be affected thought of it. He'd provided it to UAW Local 6000, which represents many state employees and retirees in Lansing. Not surprisingly, many of the people he talked to objected to it, so the bill didn't get introduced.

I would like you to introduce a bill to remove Section 20h(3).

My email is stevenrharry@gmail.com and my phone is 517-505-2696.

Sincerely,

Steven R. Harry

enclosure