

Commission recommends rolling back state pensions

By Jon Ortiz, Sacramento Bee

California's state and local governments should roll back pensions for existing employees, dump guaranteed retirement payouts and put more of the burden for pension benefits on workers, a bipartisan watchdog commission said Thursday.

Any attempt to reduce pensions for current workers would prompt a legal battle royal. Still, the 12-member Little Hoover Commission concluded that government pension funds are in such dire financial straits that they'll never right themselves without cutting into benefits for those working now. The proposal wouldn't affect benefits drawn by current retirees.

"This is one of the toughest issues that we've taken on," said Chairman Daniel Hancock shortly before the commission unanimously approved the 100-page report and its recommendations.

Sacramento politicians had anticipated the moment. While Democrat Gov. Jerry Brown has proposed a mix of taxes and cuts to close the state's estimated \$26.6 billion deficit, his budget doesn't explicitly address pension changes, which would anger unions and would not save money immediately.

Republicans have criticized that as a glaring oversight. Senate Republican leader Bob Dutton of Rancho Cucamonga has said his caucus would offer some pension-reform ideas once the commission released its report.

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