



MILWAUKEE COUNTY BOARD OF SUPERVISORS

Supervisor Sheldon A. Wasserman - District 3

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Supervisor Wasserman Introduces Legislation to Phase Out Milwaukee County's OBRA Pension System

"A \$501 benefit isn't retirement security": Wasserman takes aim at costly, little-known County pension system

MILWAUKEE – Supervisor Sheldon Wasserman is introducing legislation to begin phasing out Milwaukee County's little-known OBRA retirement system, arguing that the program leaves many seasonal, temporary, and part-time workers with small, difficult-to-access benefits while costing the County hundreds of thousands of dollars to administer.

The resolution would establish County policy to soft-close the OBRA Retirement System to new entrants when legally and administratively permissible, transitioning future OBRA-eligible employees to Social Security. Current OBRA participants would retain all accrued benefits and rights.

"A retirement benefit that averages just \$501 is not meaningful retirement security for most workers, especially when nearly half of former participants ultimately have their benefits transferred to the State because they cannot be located," said Supervisor Wasserman. "We can do better. Social Security provides portable, understandable retirement coverage that follows workers from job to job, making it a far better fit for many of the seasonal and temporary employees who currently fall under OBRA."

OBRA, the Optional Benefit Replacement Arrangement, was established in Milwaukee County in 1991 as a federally compliant alternative to Social Security. It primarily covers seasonal, part-time, and temporary County employees who are not eligible for the Wisconsin Retirement System (WRS) and are not otherwise covered by Social Security through their County employment.

A County-commissioned study presented to the Personnel Committee on July 16 found significant administrative costs and limited benefit amounts associated with the system:

- Since 2019, the average OBRA lump-sum payment has been approximately \$501 overall and just \$322 for participants under age 65.
- Of 422 former employees who became eligible for payment beginning in 2019, 198 nearly 47%, ultimately had their benefits transferred to the State after repeated efforts to locate them were unsuccessful.
- Milwaukee County has incurred approximately \$194,000 annually in OBRA-related administrative costs, on average, since 2019.

The proposal comes as Milwaukee County has already significantly transformed its retirement systems. The County's Employees' Retirement System (ERS) closed to new hires at the end of 2024, while eligible new employees began entering the Wisconsin Retirement System in 2025.

Wasserman's legislation would take a similar modernization approach to OBRA, while recognizing that closing the system will require legal and administrative review and coordination with state and federal authorities.

The resolution does not immediately terminate OBRA. Instead, it directs the County to begin the legal, administrative, state, and federal processes necessary to close the system to future entrants and ultimately wind it down. All accrued benefits and rights of current OBRA members would be protected.

The effort originated with a 2026 County budget amendment requesting a study of the OBRA system. The Personnel Committee received the resulting [report](#) on July 16 of this year.

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