

Committee Name:

**JOINT SURVEY COMMITTEE – RETIREMENT SYSTEMS
(JSC–RS)**

Appointments

89hr_JSC–RS_Appt_pt00

Clearinghouse Rules

89hr_JSC–RS_CRule_89–

Committee Hearings

89hr_JSC–RS_CH_pt00

Committee Reports

89hr_JSC–RS_CR_pt00

Executive Sessions

89hr_JSC–RS_ES_pt00

Hearing Records

89hr_ab0250

89hr_sb0000

Misc.

89hr_JSC–RS_Misc_pt89

Record of Committee Proceedings

89hr_JSC–RS_RCP_pt00

SENATE HEARING SLIP

(Please Print Plainly)

DATE: Aug. 3, 1989

BILL NO. AB-250

OR

SUBJECT _____

Rep. Cletus Vanderperren
(Name)

2226 County Road C
(Street Address or Route Number)

Green Bay WI 54313-4503
(City and Zip Code)

Co-author / 89th A.D.
(Representing)

Speaking in favor:

Speaking Against:

Registering in favor:

Registering Against:

Speaking for information
only; Neither for nor
against:

Please return this slip to a messenger **PROMPTLY.**

Senate Sergeant at Arms
Room 204-S
State Capitol
Madison, Wisconsin 53702

CONSIDERATION OF AB250 SB144
(BILL NUMBER)

DATE 3 Aug 89

JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS

NAME Don McCloskey
ADDRESS 4946 Knox Lane
CITY Madison STATE WI ZIP 5374
ORGANIZATION, IF ANY Mad Area Retired Teachers
Wis Retired Teacher Assn

WOULD LIKE TO TESTIFY (APPEAR BEFORE THE COMMITTEE)

IN FAVOR OPPOSED INFORMATION

WOULD LIKE TO REGISTER

IN FAVOR OPPOSED INFORMATION

CONSIDERATION OF AB250^s SB144
(BILL NUMBER)

DATE 8/3/89

JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS

NAME ANNETTE S. NORSMAN
ADDRESS 2564 Branch Street
CITY MIDDLETON STATE WI ZIP 53562
ORGANIZATION, IF ANY WI Retired Teachers Assoc.

WOULD LIKE TO TESTIFY (APPEAR BEFORE THE COMMITTEE)

IN FAVOR OPPOSED INFORMATION

WOULD LIKE TO REGISTER

IN FAVOR OPPOSED INFORMATION

5B 144
CONSIDERATION OF AB 250
(BILL NUMBER)

DATE 8-3-89

JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS

NAME CONAN EDWARDS
ADDRESS 5025 Sheboygan Ave., Apt #301
CITY MADISON STATE WI ZIP 53705
ORGANIZATION, IF ANY WISCONSIN RETIRED TEACHERS ASSOCIATION

WOULD LIKE TO TESTIFY (APPEAR BEFORE THE COMMITTEE)

IN FAVOR OPPOSED INFORMATION

WOULD LIKE TO REGISTER

IN FAVOR OPPOSED INFORMATION

CONSIDERATION OF HB 750 & HB 144
(BILL NUMBER)

DATE 8/3/89

JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS

NAME JOHN W^m (BILL) CALHOUN
ADDRESS 154 NAUTILUS DR.
CITY MADISON STATE WI ZIP 53705
ORGANIZATION, IF ANY —

WOULD LIKE TO TESTIFY (APPEAR BEFORE THE COMMITTEE)

IN FAVOR OPPOSED INFORMATION

WOULD LIKE TO REGISTER

IN FAVOR OPPOSED INFORMATION

Handwritten initials/signature

1989 ASSEMBLY BILL 250

April 5, 1989 - Introduced by Representatives GROBSCHMIDT, VOLK, HAMILTON, ANTARAMIAN, LARSON, LORGE, M. COGGS, BOLLE, PORTER, COLEMAN, GOETSCH, RADTKE, CARPENTER, HOLPERIN, BARCA, BLACK, VANDERPERREN, ZWECK, LEPAK, ROBSON, VAN DREEL, BRANDEMUEHL, GRUSZYNSKI and UNDERHEIM, cosponsored by Senators ANDREA, JAUCH, MOEN, FEINGOLD, CHILSEN, KINCAID, KREUL, STROHL, RUDE, ROSHELL, SHOEMAKER, CHVALA, BURKE and PLEWA. Referred to joint survey committee on Retirement Systems.

- 1 AN ACT to amend 13.51 (1), 13.51 (2) (intro.), 15.07 (1) (a) 3 and 4,
- 2 15.16 (1) (intro.), 15.76 (intro.) and 15.76 (3); and to create 13.51
- 3 (2) (f) and 15.16 (1) (d) of the statutes, relating to representation
- 4 of annuitants in the Wisconsin retirement system on the retirement
- 5 research committee, employe trust funds board and the state investment
- 6 board.

Analysis by the Legislative Reference Bureau

Under current law, the retirement research committee, the employe trust funds board and the state investment board do not have a member designated as a representative for annuitants who receive an annuity through the Wisconsin retirement system (WRS). This bill adds one additional member who is a WRS annuitant to the retirement research committee, to be appointed by the governor. The bill also changes the number of members of the committee that constitute a quorum from 8 to a majority of members. 18-19

This bill adds one member who is a WRS annuitant to the employe trust funds board, to be elected by WRS annuitants. This bill also adds one member who is a WRS annuitant to the state investment board, to be elected by WRS annuitants. 11-12

For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill. 8-9

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

- 7 SECTION 1. 13.51 (1) of the statutes is amended to read:
- 8 13.51 (1) CREATION. There is created a broadly representative
- 9 retirement research committee for the purpose of providing a continuous



State of Wisconsin \ JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS
AND THE RETIREMENT RESEARCH COMMITTEE

October 31, 1989

NOV 6 1989

BLAIR L. TESTIN
RESEARCH DIRECTOR

ROOM 203, 110 E. MAIN STREET
MADISON, WI 53703
(608) 266-3019

TO: Dave Jahr
FROM: Blair Testin, RRC Staff
RE: Assembly Action on A.B. 250

The Assembly passed A.B. 250 with several amendments this afternoon with only four negative votes. The amendments that were adopted on the floor include the following:

1. Annuitant Experience--An amendment introduced by Rep. Leo Hamilton requires that the annuitant elected to the SWIB Board "must have five years of experience in making investments". This amendment is somewhat vague and subjective but it does reflect an intent that most members of the Investment Bd. should have expertise in the field. At the least, the amendment would require those annuitants seeking such election to enumerate their experience.
2. Gubernatorial Appointees--A second amendment, I believe, introduced by Rep. Betty Jo Nelson affects the appointees made by the Governor. Presently, 15.76 (2), Stats., provides that the Governor shall appoint five members, four of which shall have 10 years of experience. The Assembly amendment requires that all five appointed by the Governor must have the 10-year experience requirement following the conclusion of the incumbent's present term--May 1, 1991.

Prior to the 1985 session, the Governor appointed four members, all of which had to have investment experience. At that time it was a seven-member board. The 1985 Budget Act (Wis. Act 29) established a new position (the 5th member appointed by the Governor) which did not have to have investment experience. I believe this reflected the debate on divestiture, and Governor Earl subsequently appointed Ed Hales to that position. With the present "pro-active investor program" adopted by SWIB, there may no longer be a need for a fifth appointee without investment experience.

The net effect of these two amendments relative to SWIB is to increase that body from eight to nine members, and also to increase the investment expertise from four to six members--a higher majority than present.

BT:db



December 4, 1989

Representative Mary E. Panzer
P. O. Box 8953
Madison, WI 53705

Dear Representative Panzer:

On behalf of the Wisconsin Retired Teachers Association we would like to seek your support of Assembly Bill 250 in the Joint Finance Committee. We noted that you were unable to be present for the vote in the Fall Floor Session when the bill passed 92-4 in the Assembly.

This bill seeks to assure that the views of Wisconsin Retirement System annuitants are more directly represented in matters of policy and benefit distribution. If you have any questions about our position on this matter, or desire any additional information related to it, our office will be pleased to discuss it with you or your staff.

Your support of this legislation (AB250) would be greatly appreciated.

Sincerely,

Steve Edl
Legislative Chairman



Annette S. Norsman
Executive Director

ASNdp
9319

cc: ✓ Representative Richard Grobschmidt
Conan Edwards, WRTA President
Eugene Lehrmann, Advisor

Wisconsin Retired Teachers Association

Associated with NRTA — A Division of AARP

2564 Branch Street · Middleton, Wisconsin 53562 · 608-831-5115

DEC 05 1989



December 4, 1989

Representative Richard Grobschmidt
P. O. Box 8953
Madison, WI 53708

Dear Representative Grobschmidt:

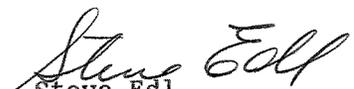
On behalf of the Wisconsin Retired Teachers Association we would like to thank you for your initiative and leadership which enabled passage of Assembly Bill 250 in the Fall Floor Session. We are grateful for your assistance and efforts to assure that the views of Wisconsin Retirement System annuitants are more directly represented in matters of policy and benefit distribution.

Enclosed for your information are copies of letters sent to Representatives who supported passage of the bill and members of the Joint Finance Committee.

After the first of the year our legislative representatives will be in contact with you to discuss ways in which the bill can be guided through the Joint Finance Committee to passage in the Senate.

We look forward to continuing to work with you in legislative matters, and are deeply appreciative of your leadership and support.

Sincerely,


Steve Edl
Legislative Chairman


Annette S. Norsman
Executive Director

ASNdp
9318

cc: Conan Edwards, WRTA President
Eugene Lehrmann, Advisor

Wisconsin Retired Teachers Association

Associated with NRTA — A Division of AARP

2564 Branch Street · Middleton, Wisconsin 53562 · 608-831-5115

OCT 30 1989

CORRESPONDENCE/MEMORANDUM

STATE OF WISCONSIN

Date: October 27, 1989

To: The Honorable Representatives
Wisconsin Assembly

From: Eugene G. Martin, Chairman
State of Wisconsin Investment Board

Subject: **1989 ASSEMBLY BILL 250**

File Ref:

On Tuesday, October 31, 1989, you will be considering 1989 Assembly Bill 250. This bill contains a provision which would increase membership of the Investment Board by adding an annuitant to the Board.

At its meeting on May 4, 1989, the Investment Board adopted a motion, on a five to two vote, opposing the provision of Assembly Bill 250 related to the Investment Board. The Board reaffirmed its position at its October 4, 1989 meeting. The following concerns were expressed by Board Members during discussion of the Bill:

- 1.) Addition of a Board member without required investment experience would tip the current balance on the Board so that a majority of its members would not be required to have investment experience. Reservations about the implications of this change in a Board responsible for investment of more than \$22 billion were raised.
- 2.) An increase in size of the Investment Board was made in 1985 and, with its membership presently at eight, the Board is at the upper limit of acceptable size for an efficient working group. Since the Governor's Wisconsin Retirement System Study Committee has already recommended adding the Secretary of Employee Trust Funds to the Investment Board in order to facilitate communication between the two agencies, further increases in membership could significantly reduce the Board's ability to operate effectively.
- 3.) Five of the Board's current members serve as public members, appointed by the Governor to represent the general taxpaying public. The remaining three members represent a particular group or agency. As noted above, it has already been recommended that another agency representative be placed on the Board. Support was expressed for maintaining the current balance between public and non-public representatives and not adding additional group representatives to the Board.

It should also be emphasized that the Investment Board currently does have a member who happens to be a Wisconsin Retirement System annuitant. That member's term on the Investment Board runs until 1995.

The Board therefore respectfully requests that Assembly Bill 250 be amended to delete the provision which would add to the membership of the Investment Board.

Thank you for your consideration of this request.

cc: Investment Board Members



STATE OF WISCONSIN INVESTMENT BOARD

MAILING ADDRESS:
P.O. BOX 7842
MADISON, WI 53707

121 EAST WILSON ST.
MADISON, WI 53702
(608) 266-2381

Committee	JCCRS
Meeting Date	8-3-89
Agenda Item	A-6

May 8, 1989

Re: SB 144 and AB 250

Dear Representative:

At its meeting on May 4, 1989, the Investment Board discussed Senate Bill 144 and Assembly Bill 250 and adopted a motion, on a five to two vote, opposing the Bills as they relate to the Investment Board.

Both Bills contain provisions which would increase membership of the Investment Board by adding an annuitant to the Board. However, an increase in size of the Investment Board was made in 1985 and with its membership presently at eight, the Board is at the upper limit of acceptable size for an efficient working group. Since the Governor's Wisconsin Retirement System Study Committee is already considering a recommendation to add the Secretary of Employee Trust Funds to the Investment Board in order to facilitate communication between the two agencies, further increases in membership could significantly reduce the Board's ability to operate effectively.

It should also be noted that the Investment Board currently does have a member who happens to be a Wisconsin Retirement System annuitant. That member's term on the Investment Board runs until 1995.

The Board therefore respectfully requests that Senate Bill 144 and Assembly Bill 250 be amended to delete the provisions which would add to membership of the Investment Board.

Very truly yours,

Eugene G. Martin
Chairman

cc: Investment Board Members

CORRESPONDENCE/MEMORANDUM

Date: May 5, 1989 *File Ref:*

To: Senate Committee on Housing, Government Operations and Cultural Affairs & Joint Survey Committee on Retirement Systems

From: Keith Johnson, Acting General Counsel 
State Investment Board

Subject: Technical Adjustment to Senate Bill 144 and Assembly Bill 250

Although the Investment Board has taken a position against Senate Bill 144 and Assembly Bill 250, I would like to point out the following technical amendment which could be made to the Bills in the event they receive favorable action in your Committees.

As you know, the Bills would add a Wisconsin Retirement System annuitant, elected by annuitants, to both the Investment Board and the Employe Trust Funds Board. However, the Bills do not contain provisions specifying who is to conduct the elections and how related costs are to be covered. Similar legislation introduced during the 1987 Session (1987 Senate Bill 317 and 1987 Assembly Bill 600) was amended to clarify that the Department of Employe Trust Funds is to conduct the annuitant elections, as is currently done for the annuitant member of the Teachers' Retirement Board. Those provisions could also be added to Senate Bill 144 and Assembly Bill 250.

If you have any questions, please call me at 266-8824.

cc: Marshall Burkes

Committee	JSCRS
Meeting Date	8-3-89
Agenda Item	A-6



State of Wisconsin

JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS
AND THE RETIREMENT RESEARCH COMMITTEE

August 23, 1989

BLAIR L. TESTIN
RESEARCH DIRECTOR

ROOM 203, 110 E. MAIN STREET
MADISON, WI 53703
(608) 266-3019

TO: Representative Rick Grobschmidt
FROM: Blair Testin, Director of Retirement Research
RE: Proposed Amendment to A.B. 250

BY

The JSCRS held a public hearing on A.B. 250 on August 3, 1989. The Legislative Reference Bureau indicated that a minor technical amendment was necessary to change a paragraph reference because of passage of the early retirement bill. Also, representatives of the ETF requested an additional technical amendment relative to the JSCRS membership. Currently, one member is designated as the Secretary of the DETF (Gary Gates) and they would like to add the phrase "or his or her designee". This would allow Gary to appoint someone to vote in his place when he is unable to attend our meetings.

Also, the Investment Board staff requested an amendment to clarify that the DETF would carry out the election of the annuitant representative to SWIB. The attached draft (LRB-a0770/1) carries out these three amendments to A.B. 250. I believe the amendments are technical and noncontroversial. If you are willing as the chief author, would you please introduce this draft. I am presuming that the JSCRS may take executive action on this bill at its next meeting.

Please call me if you have any questions.

BT:db

Enc.

ASSEMBLY AMENDMENT
TO 1989 ASSEMBLY BILL 250

*Retirement
Research
Comm*

1 At the locations indicated, amend the bill as follows:

2 1. Page 1, line 4: delete that line and substitute "on the joint
3 survey committee on retirement systems, retirement".

4 2. Page 1, line 6: before the period insert "and making an
5 appropriation".

6 3. Page 1, line 7: before that line insert:

7 "SECTION 1. 13.50 (1) (e) of the statutes is amended to read:

8 13.50 (1) (e) The secretary of employe trust funds or his or her
9 designee.".

10 4. Page 1, line 7: delete "SECTION 1" and substitute "SECTION 1m".

11 5. Page 3, line 20: after that line insert:

12 "SECTION 8e. 20.515 (1) (r) of the statutes is amended to read:

13 20.515 (1) (r) (title) Benefit and coverage payments and election
14 costs. All moneys credited to the public employe trust fund for payment
15 from the appropriate accounts and reserves of the fund of the benefits,
16 contributions, insurance premiums and refunds authorized by ch. 40 for the
17 respective benefit plans and of the costs of conducting elections under s.
18 40.03 (2) (p). Estimated disbursements under this paragraph shall not be
19 included in the schedule under s. 20.005.

20 SECTION 8m. 40.03 (2) (p) of the statutes is amended to read:



August 3, 1989

Committee	JSCRS
Meeting Date	8-3-89
Agenda Item	A-8

BLAIR L. TESTIN
RESEARCH DIRECTOR
ROOM 203, 110 E. MAIN STREET
MADISON, WI 53703
(608) 266-3019

TO: Members of the JSCRS

FROM: Blair Testin, Director of Retirement Research

RE: Current Status of S.B. 144

1989 S.B. 144 relates to representation of WRS annuitants on the Retirement Research Committee (RRC), the Employee Trust Funds Board and the State Investment Board. This bill is a companion to 1989 A.B. 250. The Assembly version of this legislation has been referred to the JSCRS, but the Senate version was originally referred to the Senate Committee on Housing, Governmental Operations and Cultural Affairs, chaired by Senator Plewa.

That Senate Committee held a public hearing on S.B. 144 on May 9, 1989. Several parties registered or testified in favor, and several registered or testified in opposition. That Committee did not take executive action on S.B. 144, but the Committee staff indicated that executive action may be taken before the October floor session. The status of S.B. 144 as listed in the Legislature's Bulletin of Proceedings is as follows:

Senate Bill 144

AN ACT to amend 13.51 (1), 13.51 (2) (intro.), 15.07 (1) (a) 3 and 4, 15.16 (1) (intro.), 15.76 (intro.) and 15.76 (3); and to create 13.51 (2) (f) and 15.16 (1) (d) of the statutes, relating to representation of annuitants in the Wisconsin retirement system on the retirement research committee, employe trust funds board and the state investment board. (FE)

1989

- 4-12. S. Introduced by Senators Andrea, Jauch, Moen, Feingold, Chilsen, Kincaid, Kreul, Strohl, Rude, Roshell, Shoemaker, Chvala, Buettner, Plewa and Burke; cosponsored by Representatives Grobschmidt, Volk, Antaramian, Larson, Lorge, M. Coggs, Bolle, Porter, Coleman, Goetsch, Radtke, Hamilton, Carpenter, Holperin, Barca, Black, Vanderperren, Zweck, Lepak, Rubson, Van Drael, Brandemuehl, Gruszynski and Underheim.
- 4-12. S. Read first time and referred to committee on Housing, Government Operations and Cultural Affairs 167
- 4-12. S. Fiscal estimate received.
- 4-12. S. Fiscal estimate received.
- 4-12. S. Fiscal estimate received.
- 5- 9. S. Public hearing held.

W I S C O N S I N R E T I R E M E N T C O N S O R T I U M

Ken Opin, Chairman
c/o WFT
2021 Atwood Ave.
Madison, WI 53704
(608) 244-6877



February 26, 1990

To: Senator Gary George and Representative Walter Kunicki
 CoChairmen of the Joint Finance Committee

From: Ken Opin, Wisconsin Retirement Consortium

RE: Bills supported by the Consortium

The Wisconsin Retirement Consortium, which represents the participants and annuitants of the Wisconsin Retirement System, has voted to support the following bills, currently in your committee:

- AB70 -- Providing for Qualified Pension Rollovers
- AB250 -- WRTA Annuitant Representation
- AB480 -- Pre-Retirement Death Benefit Bill

The Retirement Consortium urges you to support these bills, and to exec them from your committee.

If you have any questions about our positions on these or other bills, feel free to call me at (608) 244-6877.

###

jtfmrtr