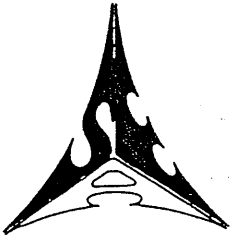


SB412



STATE ENGINEERING ASSOCIATION

4510 REGENT STREET

MADISON, WISCONSIN 53705

(608) 233-4696

December 16, 1999

Senator Robert Wirch, Co-chair
Joint Survey Committee on Retirement Systems
P. O. Box 7882
Madison, WI 53707-7882

Dear Senator Wirch:

The State Engineering Association has for many years had the same goal you have to maintain and preserve the integrity of the Wisconsin Retirement System. This system, as presently structured, has functioned very well since 1948 and has become the ninth largest system in the country.

On this basis, we question the efforts to reduce the effectiveness of the JSCRS and the Retirement Research Committee by placing the administration within one of the existing legislative bureaus as proposed by the Co-chairs' memo dated November 24, 1999.

Our major concerns are as follows:

- . We see the primary functions of JSCRS and retirement research lost in the existing important functions of the four existing legislative agencies.
- . We also note the lack of public comment by the current legislative procedure to act on bill drafts and freezing out public comment, or printing the numbered bill one day prior to the public hearing scheduled the same day the bill was printed. Please note the attached Capital Eye opinion article.
- . This proposed change would destroy the independence of the JSCRS and the RRC and reduce their effectiveness by burying the retirement functions in one of the existing legislative bureaus.
- . We are very concerned why the Retirement Research Committee has not met or functioned since September of 1996.

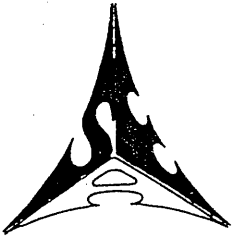
Senator Robert Wirch, Co-chair
Joint Survey Committee on Retirement Systems
Page 2
December 16, 1999

We trust that with your wisdom the integrity of the Wisconsin Retirement System, which has served public employers, active and retired public employes and Wisconsin taxpayers so well, can be preserved.

Sincerely,

A handwritten signature in cursive script that reads "Tom Miller". A horizontal line is drawn above the signature.

Thomas H. Miller, President
STATE ENGINEERING ASSOCIATION



STATE ENGINEERING ASSOCIATION

4510 REGENT STREET

MADISON, WISCONSIN 53705

(608) 233-4696

December 16, 1999

Representative Daniel Vrakas, Co-chair
Joint Survey Committee on Retirement Systems
P. O. Box 8953
Madison, WI 53708-7882

Dear Representative Vrakas:

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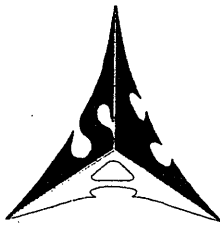
Representative Daniel Vrakas, Co-chair
Joint Survey Committee on Retirement Systems
Page 2
December 16, 1999

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Thomas H. Miller, President
STATE ENGINEERING ASSOCIATION



STATE ENGINEERING ASSOCIATION

4510 REGENT STREET MADISON, WISCONSIN 53705 (608) 233-4696

March 6, 2000

Senator Robert Wirch, Cochairperson, JSCRS
Representative Daniel Vrakas, Cochairperson, JSCRS
State Capitol
Madison, Wisconsin

Dear Sen. Wirch and Rep. Vrakas,

The State Engineering Association has very strong reservations about enacting AB 800-SB 412 based on the likely negative impact these bill may have on the Wisconsin Retirement System.

The major proposed AB 800 change to s. 13.093 (2) (a), State Stats., is to delete the requirement: "The joint survey committee on retirement systems shall prepare the fiscal estimate with respect the provisions of any bill referred to it which created or modify any system for the retirement of or payment of pensions to public officers or employees."

We strongly object to the above change and deletion of this statutory requirement of Joint Survey Committee on Retirement Systems. The State Engineering Association asks what will replace the current independent authority to objectively evaluate fiscal aspects of legislative bills affecting the Wisconsin Retirement System?

The current system works, so why replace it? If it must be changed, give the director and the Joint Survey Committee stronger authority to be politically detached, rather than eliminate the director position and office as AB 800 proposes. If this bill goes forward an amendment is needed to assure that the continuity of both the staff and the work of the Joint Survey Committee office will be preserved.

The integrity of the Wisconsin Retirement System must be adequately protected by law. We do not want the security of the system dependent on the good will of the legislature. It must be secured by statute because as state employees our daily lives and fiscal well being dependent on it.

Sincerely,

Thomas M. Miller, President
STATE ENGINEERING ASSOCIATION

Attached December 16, 1999 letters to the Cochairs expressing the same concerns.



WISCONSIN
RETIRED
EDUCATORS'
ASSOCIATION

Testimony of
THE WISCONSIN RETIRED EDUCATORS' ASSOCIATION (WREA)
Hal Rebholz, WREA Legislative Chair
Jane Elmer, WREA Executive Director
Economic Development, Housing and Government Relations
Monday, March 6, 2000
417 North

RE: Opposition to AB 800/SB 412
(The elimination of the authority of the Joint Survey Committee on Retirement Systems (JSCRS) to employ a research director and staff; elimination of the requirement to prepare an estimate for any bill referred to it that creates or modifies any retirement system for public employees.)

We are testifying on behalf of the Wisconsin Retired Educators' Association (WREA) and our 11,500 members to express our opposition to AB 800/SB 412.

Retirement research is complex, and any change to the Wisconsin Retirement System (WRS) needs careful, complete and INDEPENDENT review. We support the current system of employing a director and staff for the Joint Survey Committee on Retirement Systems (JSCRS). This maintains the independence of the JSCRS and the Retirement Research Committee (RRC).

As they were designed, the combined work of the JSCRS and the RRC provide for a thorough and impartial study of retirement issues. This process needs to happen apart from the politics that can embroil the legislature. Maintaining this independence is not only a good practice but also a responsible one.

To be without a director of the RRC and the JSCRS at this critical time is unfortunate. Rather than taking a quick way out by combining the work of the RRC and JSCRS into the work of the Legislative Council, we support hiring a new director who has a strong focus on public policy. We believe that the hiring a new director should be a top priority.

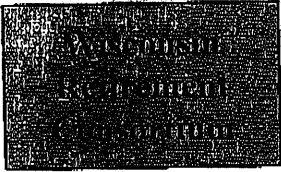
Our position has always been that retirement bills must have a thorough review that includes public hearings and financial analysis. To eliminate the requirement for fiscal estimates is irresponsible.

In Wisconsin, we have one of the best--if not THE BEST--retirement systems in the country. WREA views AB800/SB 412 as risking the future of the WRS. Approving AB 800/SB 412 might solve the immediate problem of what to do with the committee, but ultimately this "one step forward would be two steps back."

2564 Branch Street
Middleton, WI 53562
phone: 608.831.5115
fax: 608.831.1694
email: wrea@wrea.net
www.wrea.net

JE/ap
h:\word\legislat\rrcjscrs.tsy
03/02/2000

Post-It® Fax Note	7671	Date	# of pages ▶
To	<i>Both</i>	From	
Co./Dept.		Co.	
Phone #		Phone #	
Fax #	<i>267-0984</i>	Fax #	



TO: Consortium Members
FROM: Mel Sensenbrenner
DATE: February 28, 2000
RE: LEGISLATIVE ALERT

SB 412/AB 800

These two companion bills were introduced last week by Co-Chairs Senator Wirch and Representative Vrakas to change the administration of the Joint Survey Committee on Retirement Systems and the Retirement Research Committee. I have enclosed an analysis by the Legislative Reference Bureau for your review. *I would highly recommend that everyone attend the hearing scheduled for March 6, 2000, at 11:00 a.m. in room 417 North, at the Capitol and express your opposition.*

This bill eliminates the research director and staff. Then requires the Legislative Council to provide staff to assist JSCRS and RRC. There appears to be no provision for public hearings on retirement bills and the retirement committee may no longer operate independently from the Legislative Council.

MS:jen

Ask Sensesbrennes

-- Did they

take a

position

(1)

- Ken @ pin - ARB 800

- WFT - WEAC - Support

- ARB 800 - Bob & Dan

- both chair other

Committees

Stella.

- No FT prepared, why?

has this been eliminated

- Council would continue

to do this

- Gordon Skill part of

- Ed Ken - Coalition of

Annuitants

SR 412 -

(2)

SP invest performance

dividen

- Opt. Ret. Program

ACT 11 -

- We welcome & support

changes

- that will improve the

function

- Natl. Comm on Unifm

State Laws - objective

Review

* Promote regular and

continuous activity

or RRA

- adequate input to

leg. process

- slippery slope, lots of

variable

- Strengths & limitations of process

- Lara Rose - Stella - current

Positive Pundel
at council
Vacant

- Makes open, accessible

What kind of assurance

Rose can you give for this?

Fits well w/ current formation - very open

any one can come in @ any time

Harbsten - designated to do only this?

Rose First
IS to STRA WRC + RR
Part of RR

- Approval of Minutes

✓ Makes - approved

- Stella -

James Gruentzel -

- EITF elected another

Jensen - Leg. Council

not independent

- why cant the

- be willing to sacrifice

from pension fund

- Gene Lehman -

- opposed - hire new director who has strong focus

- on public policy

- public hearings & financial analysis

(5)

- Rising - one step forward
2 steps back

- Jensen - what's
"likely negative"

- O'Sense impact of this bill?

- Eliminates FE requirement

- Vratkas - full SO₂ of bills
last time don't rest
have FE

- O'Sense - do a study?

(16)

- Martin - new person
@ Council may take some
time - but when win
Gordon retire

- SB 97

- EFT abstaining

- not voting on AB 800

- Win
- 8 ayes, 1 abstaining

- AB 455 - what it does

- Pres. creates for municipalities

- cancer ACT 123

- extends to any state
firefighters

- Vratkas, moved, which -

SB 325 -

(7)

- ~~SB~~ status
- ~~SB~~ part status
- Emp amendment makes it not retroactive
- Probate, civil, Family, juvenile criminal
- SC Order 97-10
- disciplines, etc. FS. Court Commissioners
- used to think they had job security order makes it clear they are appor
- SB rules require financial disclosure

SB 345 - Gordon FE

(8)

- How many ppl w/ more than 100 hours?
- For FTE's no problem,
- ~~SB~~ Dane Co has many court commissioners
- How many outleaded by 1/3 time?
- Stella - are there some not covered under this bill
- 4/3
- would affect all eds and all who meet 600-hr test
- ~~Schneider~~ - Mary Beth Keppel.

(9)

- Stella - judges are elected
- three. - you serve a
- Pleasure of
- Annual evals.
- Stella - DA's are state
emps paid by state
- DA's could have been in
similar
- judges switched to
state employees in '88

FISCAL ESTIMATE DOA-2048 N(R10/98)	<input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> UPDATED <input type="checkbox"/> CORRECTED <input type="checkbox"/> SUPPLEMENTAL	1999 Session LRB or Bill No./Adm. Rule No. S.B. 412 Amendment No. if Applicable
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Subject Relating to staff support for the joint survey committee on retirement systems and the retirement research committee and making an appropriation

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

<input checked="" type="checkbox"/> Increase Existing Appropriation <input type="checkbox"/> Decrease Existing Appropriation <input checked="" type="checkbox"/> Create New Appropriation	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues	<input checked="" type="checkbox"/> Increase Costs – May be possible to Absorb Within Agency’s Budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Decrease Costs
---	--	--

Local: No local government costs

1. Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Governmental Units Affected: <input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others _____ <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
2. Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected <input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S	Affected Ch. 20 Appropriations 20.765 (3) (e); 20.765 (3) (ec)
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Assumptions Used in Arriving at Fiscal Estimate

1. Senate Bill 412 would require the Legislative Council Staff (the staff for the Joint Legislative Council) to provide staff services for the Joint Survey Committee on Retirement Systems and the Retirement Research Committee. The Legislative Council would also be required to administer a new appropriation under which payment will be made for actuarial studies and opinions and technical assistance as authorized by the Cochairpersons of the Joint Survey Committee on Retirement Systems, the Cochairpersons of the Joint Committee on Finance and the presiding officers of either house.
2. It is anticipated that staffing needs of the Joint Survey Committee on Retirement Systems and the Retirement Research Committee would require the services of 1.0 FTE staff person, at an annual cost of \$47,500 for salary and fringe benefits. It would also require start-up costs for furniture and other equipment for the position of \$2,000, for a total of \$49,500.
3. In addition, a new appropriation of \$15,000 would be created for the Joint Legislative Council for actuarial studies contracted and approved by the Joint Survey Committee on Retirement Systems or the Retirement Research Committee for actuarial opinions ordered under s. 13.50 (6) (am), Stats. The current annual appropriation of \$15,000 for the Retirement Research Director’s office for these studies and opinions would be eliminated.
4. Other costs relating to support staff and to administering the appropriation for actuarial studies associated with the staffing function would be absorbed by the Joint Legislative Council’s appropriation.

(over)

Long-Range Fiscal Implications

None known

Agency/Prepared by: (Name & Phone No.) Legislative Council Staff Laura D. Rose 266-1304 and Pat Coakley	Authorized Signature/Telephone No.  Laura D. Rose 266-9791	Date Feb 29, 2000
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5. The current annual appropriation for the operations of the Retirement Research Director's office is \$212,800 for fiscal year 2000-01. Thus, the net fiscal effect of assigning this function to the Legislative Council Staff would be an annual savings of \$165,300 GPR (excluding one-time costs for furniture and equipment).

FISCAL ESTIMATE WORKSHEET

1999 Session

Detailed Estimate of Annual Fiscal Effect DOA-2047 (R10/94)	<input checked="" type="checkbox"/> ORIGINAL	<input type="checkbox"/> UPDATED	LRB or Bill No./Adm. Rule No. S.B. 412	Amendment No.
	<input type="checkbox"/> CORRECTED	<input type="checkbox"/> SUPPLEMENTAL		

Subject Relating to staff support for the joint survey committee on retirement systems and the retirement research committee and making an appropriation

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

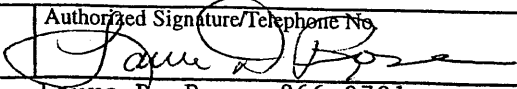
\$2,000

II. Annualized Costs:

	Annualized Fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations – Salaries and Fringes	\$ 47,500	\$ -
(FTE Position Changes)	(FTE)	(- FTE)
State Operations – Other Costs	15,000	-
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$ 62,500	\$ -
B. State Costs by Source of Funds		
GPR	\$	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
III. State Revenues -- Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
TOTAL State Revenues	\$	\$ -

NET ANNUALIZED FISCAL IMPACT

	STATE	LOCAL
NET CHANGE IN COSTS	\$ 62,500	\$
NET CHANGE IN REVENUES	\$	\$

Agency/Prepared by: (Name & Phone No.) Legislative Council Staff/Laura D. Rose and Pat Coakley 266-1304	Authorized Signature/Telephone No.  Laura D. Rose 266-9791	Date Feb 29, 2000
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