



CITY OF WEST ALLIS

WISCONSIN



MAYOR'S OFFICE

JEANNETTE BELL
Mayor

February 17, 2000

Legislative Joint Survey Committee
on Retirement Systems

Dear Committee Members:

This letter is written in regard to AB426 regarding death benefits provided under the Wisconsin Retirement System. My personal opinion and the official position of the City of West Allis' Legislative Committee are in favor of the bill.

As you know, the bill would provide surviving spouses and/or children of WRS participants to receive both the employer's and the employee's share of contributions in their WRS retirement account. This is entirely appropriate for a long-term employee who has contributed many long years of service to local government.

Generally speaking, the local government has contributed both shares of the contributions on behalf of the individual. As a reward for the many long years of service, as supported by the WRS participant's surviving family, the WRS participant's family should benefit from his or her efforts.

We strongly endorse this bill and strongly suggest you approve it and recommend its passage to the full Assembly.

Thank you for your consideration.

Sincerely,

Jeannette Bell,
Mayor

JB:jfw

cc: Rep. Anthony Staskunas

MYR\CORR\AB426.LTR

According to the Department of Employee Trust Funds, it appears that no more than 119 people died during this time period. A fair number of these 119 people were long-term employees who had attained the minimum age of retirement, therefore making their estates eligible for the full WRS accounts, consisting of employer and employee portions. This leads me to believe that the cost of Assembly Bill 426 will be significantly lower than the \$4.5 million stated in your Committee's Preliminary Report, since their accounts would not be added to the cost for this proposal.

By supporting Assembly Bill 426, you would ensure that any WRS participant who died during this biennium will have his or her death benefit based on the sum of the employee required contribution accumulations credited to the participant's account and the employer required contribution accumulations. In essence, completing what became law with AB 495, Act 11.

Thank you Co-Chairmen and committee members, I appreciate your kind attention today. I would be happy to answer any questions you may have.



ANTHONY J. STASKUNAS
STATE REPRESENTATIVE • 15TH ASSEMBLY DISTRICT

**Testimony of Rep. Tony Staskunas, 1999 AB-426
Joint Survey Committee on Retirement Systems
February 21, 2000**

Co-Chairmen and Members of the Joint Survey Committee on Retirement Systems, I am Representative Tony Staskunas of the 15th Assembly District, the author of Assembly Bill 426.

I introduced Assembly Bill 426 after the untimely death of West Allis Police Chief John C. Butorac at the age of 49, one year away from the minimum retirement age of 50. Chief Butorac died after serving the City of West Allis for over 27 years. When this bill was introduced in August, Assembly Bill 495 had not been introduced much less signed into law.

At that time of Chief Butorac's death, if a participant in the Wisconsin Retirement System died before their eligible retirement age, the surviving spouse received only the employee contribution to the Wisconsin Retirement System. The surviving spouse would not have received the employer contribution to the system. The employer contribution was forfeited and is kept as a windfall by the Retirement System.

As you know, subsequently Assembly Bill 495 was introduced, supported by each house of the legislature and signed into law by the Governor as Act 11. Contained in this new law is a provision allowing survivors or estates of deceased WRS participants to receive the employer's pension contribution in addition to the deceased member's own contributions to WRS.

I am still pursuing Assembly Bill 426 because I feel we should make this retirement death benefit provision concurrent with the beginning of our biennium, July 1, 1999. This proposal will only impact families of WRS participants who died between June 30, 1999 and December 30, 1999.

OFFICE: P.O. BOX 8953 • MADISON, WI 53708 • (608) 266-0620
HOME: 2010 SOUTH 103RD COURT • WEST ALLIS, WI 53227 • (414) 541-9440
TOLL-FREE NUMBER: 1-888-534-0015 • FAX: (608) 282-3615

Mendota patients ambush 2 employees in hostage try

By Jason Shepard

The Capital Times

A union representative for employees at Mendota Mental Health Institute said today that all employees dealing with maximum security patients should be equipped with body alarms.

United Professionals for Quality Health Care/District 1199 rep Leonore Wilson said Tuesday's attack of two female employees by two men should signal that employees are in danger when they are dealing with maximum security patients.

"I don't believe the public should be led to believe that there were few if any injuries involved," Wilson said, adding that she spoke with a nurse who was choked to the point of unconsciousness by one of the two men involved in the attack.

Union calls for body alarms

The two patients who attacked the employees failed in their plan to take the women hostage and barricade themselves in a secure room.

"To say the least, this was a very traumatic experience," Wilson said. "I also believe that this is another example of the need to get body alarms for these people."

"This is a high security unit, and if these patients are going to be walking around freely within this unit, then by all means, I think the employees need body alarms for their own safety," Wilson said.

At least one of the men involved in the attack is facing first-degree murder charges in Douglas County, and was at Mendota to be evaluated for his competency before his trial.

Madison police Capt. Luis Yudice confirmed Wednesday that a nurse was choked during the fight, which occurred in the doorway of a break room.

Had the two inmates been successful in getting all the way into the break room, they would have been able to lock themselves in the room and take the two employees hostage.

The two women screamed to attract the attention of other employees, heading off the hostage attempt, Yudice said.

"Apparently (the patients) were attempting to hold them as hostages to negotiate their release," Yudice said.

Greg Van Rybroek, deputy director at Mendota, said the incident was over in a matter of minutes and no one was seriously injured.

Madison police immediately arrested the two men.

Alejandro Rivera, 22, of Spencer was booked into the Dane County Jail Tuesday afternoon on charges of false imprisonment.

Devan J. Melton, 32, of Oshkosh was allegedly the man who choked the nurse. He is tentatively charged with false imprisonment and battery.

Rivera was charged with first-degree intentional homicide on July 6 in Douglas County Circuit Court. It is unknown what criminal charges Melton is facing.

Both men were at Mendota being assessed for their competency before standing trial in their respective counties. A competency assessment for both men will

now take place at the Dane County Jail, Van Rybroek said.

He said the public at large was never in danger because the incident was contained within the maximum security forensic unit.

Van Rybroek said dangerous incidents rarely occur, but are an "unfortunate" reality when dealing with some of the state's most dangerous criminals.

"It's very frightening, obviously," Van Rybroek said. Mendota officials have launched their own investigation into the matter to see if the institute's policies were followed before, during and after the incident.

Van Rybroek also said trauma counselors are available for staff members at the center.

Capital Times Thursday, July 29, 1999

Melton attempts escape, assaults 2

Facing charges in Grand Chute crime spree, Devan Melton holds women hostage at mental institute

By Ed Culhane

Post-Crescent staff writer

Devan Melton - facing charges of robbery, kidnapping and rape for attacks on night clerks in Grand Chute - assaulted two women Tuesday at the Mendota Mental Health Institute and held them hostage in a failed escape attempt, officials said.

Melton, 32, has been booked into the Dane County Jail on new felony charges of battery by a prisoner and false imprisonment. He is being held without bail.

In sending Melton to Mendota this past Thursday for a competency evaluation, Outagamie County Circuit Court Judge Joseph Troy said he was concerned about an escape attempt.

"I would urge the highest level of security," Troy said.

At 10 a.m. Tuesday, Madison police said, Melton and another patient at Mendota, 22-year-old Alejandro Rivera, attacked two female staff members as the two women moved from a hallway in one of Mendota's maximum security wards into a locked break room.



MELTON

Please see MELTON, C-4

MELTON: Assault suspect attempts an escape

From C-1

"They held them there against their will," said Capt. Luis Wudice of the Madison police. "One of the staff members was choked and sustained minor injuries. They did make some threats. At this point it appears they were trying to grab some hostages and escape."

Other staff members heard the women's cries for help, however, and stormed the room, ending the incident less than 30 minutes after it started.

Gregory Van Rybroek, deputy director at Mendota, said he could not speak about individual patients, but he confirmed staff members were assaulted and held hostage Tuesday in an escape attempt. He said the staff members are receiving the support of Mendota's trauma intervention team. An internal investigation into the incident has been ordered.

The two patients were never near

freedom, Van Rybroek said, as no fewer than seven electronically locked and guarded doors or gates separated them from the perimeter fence.

In a letter to Troy, Van Rybroek said clinical staff from Mendota would complete the evaluation Troy ordered in the Dane County Jail.

Troy ordered the competency evaluation Thursday after public defender Michael Dally told the court that his client did not appear to be able to assist in his own defense.

Such evaluations, used to determine whether a defendant is competent to stand trial, are normally completed within 15 days of a judge's order.

Melton has been bound over for trial in Outagamie County Circuit Court on two counts of armed robbery, one count of kidnapping, three counts of false imprisonment and three counts of using a danger-

ous weapon during the commission of a crime.

Grand Chute police said Melton attacked a night clerk July 2 at the Ramada Inn on Perkins Street and threatened to cut her throat before a witness frightened him off. A few minutes later, Melton allegedly entered the Road Star Inn on W. College Avenue and robbed a male clerk at knife point. He then drove to the Mighty Mart at 2485 W. Wisconsin Avenue, police said, where he threatened a female clerk with a knife and forced her into his car. The clerk testified that Melton drove her to a isolated location in Winnebago County where he raped her.

At the time of these crimes, Melton was on parole on three counts of armed robbery in Illinois, officials said, and was violating his parole by living in Oshkosh. Melton faces sexual assault charges in Winnebago County.

PRELIMINARY

1999-2000

LRB-3285/2

STATE OF WISCONSIN

APPENDIX TO 1999 ASSEMBLY BILL 426

REPORT OF JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS

(Introduced by Representatives Staskunas, Black, J. Lehman, Bock, La Fave, Richards, Schneider, Musser, F. Lasee, Miller, Young, Rhoades, Plouff and Lassa; cosponsored by Senators Rosenzweig, Grobschmidt, Huelsman, Roessler, Erpenbach, Clausing and Farrow.)

An Act to create 20.515 (1) (bm) and 40.73 (1) (cm) of the statutes; relating to: death benefits provided under the Wisconsin retirement system and making an appropriation.

EXTRACT OF COMMITTEE'S RECOMMENDATION ON THIS BILL

The Joint Survey Committee on Retirement Systems finds that Assembly Bill 426 [represents good public policy, and the Committee recommends its passage] [does not represent good public policy, and the Committee does not recommend its passage].

PURPOSE OF THE BILL

Prior to 1999 Wisconsin Acts 11 and 12, the death benefits for most participants in the Wisconsin Retirement System (WRS), other than persons who are already receiving an annuity, was equal to the sum of the additional and "employee required" contributions credited to the participant's account. That is, the death benefit would not include the "employer required" contributions and accumulated earnings. An exception was if the participant at the time of death was a participating employee, had obtained the age of 55, or the age of 50 if he or she was a protected occupation participant, and his or her beneficiary is a dependent. In that case, the death benefit is equal to the present value of the life annuity that the beneficiary would have received had the participating employee been eligible at that time to receive an annuity and had elected to receive the annuity in the form of a "joint survivor" annuity. In valuing that death benefit, the "employer required" accumulations would be included.

Under 1999 Wisconsin Acts 11 and 12, the requirement that the beneficiary be a dependent in order to receive the death benefit that equals the present value of life annuity in the form of joint survivor annuity is eliminated. If the beneficiary is a natural person or trust in which a natural person has an interest, the death benefit will equal the present value of a life annuity in the form of a joint survivor annuity.

If a participating employe has not obtained age 55, or any protective occupation participant has not obtained age 50, the death benefit is an amount equal to the sum of the employe additional contributions and twice the employe required contribution accumulations, including any interest accredited to the accumulations.

The bill, as introduced, provided that if a participating employe had at the time of death obtained at least 20 years of creditable service, his or her death benefit would be based on the sum of the additional and employe required contribution accumulations credited to the participant's account *and* the employer required contribution accumulations, if the death benefits are payable to the *spouse* of the participating employe or a *trust* in which the *spouse* has a beneficial interest. Under the bill, the death benefit provided the spouse is in the form of a joint survivor death benefit. It first applies to individuals who are participating employes under the WRS on June 30, 1999.

The bill also contains a sum sufficient appropriation to pay the cost of the death benefits provided under the bill.

Assembly Substitute Amendment 1 provides the same treatment as 1999 Assembly Bill 495 (which became Act 11) but does not make the corrective changes that were included in Act 12.

ACTUARIAL EFFECT

This bill will have no actuarial effect on the WRS since it provides a sum sufficient appropriation to pay, in full, the cost of the death benefits for persons who died before the effective date of this bill.

PROBABLE COSTS

The fiscal estimate for the original bill estimated the amount of increased cost to WRS employers at approximately .043% of payroll or \$2.8 million in additional required contributions. In 2001, the state's share would be about 29% or \$760,000; other employers would pay approximately \$1.85 million. The fiscal estimate by the Department of Employee Trust Funds estimates one-time costs for revision of communication tools, computer system enhancements, operational adjustments and increased work load at approximately \$1,612. The long-range estimate was an annual cost of approximately \$204 per year.

However, in view of the enactment of the biennial state budget (1999 Wisconsin Act 9) and Acts 11 and 12, these costs have already been provided for.

The number of persons that would benefit appears to be no more than 119 (the number of active participants who died since July 1, 1999). However, some of these persons' beneficiaries may have been eligible for larger death benefits because the participants were over the age of 55 (50 for protectives) at the time of death. Thus, the cost would be somewhat less than \$4.5 million.

PUBLIC POLICY

The purpose of this legislation is to grant persons who were participating in the WRS on June 30, 1999, but who terminated covered employment before the effective dates of Acts 11 and 12, increased death benefits. The sum sufficient appropriation provided is in response to the requirement contained in Wis. Const. art. IV, s. 26, which prohibits the Legislature from granting an extra compensation to a public officer, agent, servant or contractor after the service has been rendered except that:

(3) Subsection (1) shall not apply to increased benefits for persons who have been or shall be granted benefits of any kind under a retirement system when such increased benefits are provided by a legislative act passed on a call of ayes and noes by a three-fourths vote of all the members elected to both houses of the legislature and such act provides for sufficient state funds to cover the costs of the increased benefits.

RECOMMENDATION

The Joint Survey Committee on Retirement Systems finds that 1999 Assembly Bill 426 [represents good public policy, and the Committee recommends its passage] [does not represent good public policy, and the Committee does not recommend its passage].

2/21/00

STATE OF WISCONSIN
JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS
MONDAY, FEBRUARY 21, 2000
11:00 A.M.
ROOM 417 NORTH (GAR), STATE CAPITOL BLDG.

A G E N D A

1. Call to Order and Roll Call.
2. Consideration of the Minutes of the January 24, 2000 Meeting.
3. **Assembly Bill 9** relating to granting creditable service under the Wisconsin retirement system for service in the federal peace corps or VISTA public service programs or in any national service program under the federal National and Community Service Act of 1990.
4. **Assembly Bill 124** relating to creditable military service under the Wisconsin retirement system.
5. **Senate Bill 88** relating to creditable military service under the Wisconsin retirement system.
6. **Assembly Bill 145** relating to granting creditable service under the Wisconsin retirement system for service in the federal public health service.
7. **Senate Bill 105** relating to classifying certain teachers employed by the state as protective occupation participants under the Wisconsin retirement system.
8. **Senate Bill 211** relating to classifying certain nurses employed by the state as protective occupation participants under the Wisconsin retirement system.
9. **Assembly Bill 388** relating to the normal retirement date under the Wisconsin retirement system for individuals employed by certain school districts.
10. **Assembly Bill 426** relating to death benefits provided under the Wisconsin retirement system and making an appropriation.
11. **Assembly Bill 455** relating to establishing a presumption for employment-connected disease for state and county fire fighters.
12. **Assembly Bill 656** relating to granting creditable service under the Wisconsin retirement system to certain assistant district attorneys formerly employed by Milwaukee County and making an appropriation.

(An Executive Session may be held during or immediately following the public hearing on the above and/or any other items pending before the Committee)
13. Other Matters.
14. Adjournment.