

CONSIDERATION OF SB 365
(BILL NUMBER)

DATE March 6, 2000

JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS

NAME Allison Kujawa
ADDRESS 100 River Place, Suite 101
CITY Monona STATE WI ZIP 53716
ORGANIZATION, IF ANY Wisconsin Counties Association

WOULD LIKE TO TESTIFY (APPEAR BEFORE THE COMMITTEE)

IN FAVOR OPPOSED INFORMATION

WOULD LIKE TO REGISTER

IN FAVOR OPPOSED INFORMATION

SENATE HEARING SLIP

(Please Print Plainly)

DATE: 6 March 2000

BILL NO. Senate Bill 365

SUBJECT _____

or
NAME) Senator Fred Rissler

(Street Address or Route Number) 220 South Capitol

(City and Zip Code) _____

(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 2048 BS-3
State Capitol
Madison, Wisconsin 53702

CONSIDERATION OF 365
(BILL NUMBER)

DATE 3/6/00

JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS

NAME Todd Mauer
ADDRESS 6352 Goose Lake Dr
CITY Vernon STATE WI ZIP 53593
ORGANIZATION, IF ANY WI Assoc. of Judicial Court Commissioners

WOULD LIKE TO TESTIFY (APPEAR BEFORE THE COMMITTEE)

IN FAVOR OPPOSED INFORMATION

WOULD LIKE TO REGISTER

IN FAVOR OPPOSED INFORMATION

CONSIDERATION OF SB 365
(BILL NUMBER)

DATE 3-6-2000

JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS

NAME Senator Jon Erpenbach - call with Commissioners
ADDRESS Todd Mauer +
CITY Linda Georgson STATE _____ ZIP _____
ORGANIZATION, IF ANY _____

WOULD LIKE TO TESTIFY (APPEAR BEFORE THE COMMITTEE)

IN FAVOR OPPOSED INFORMATION

WOULD LIKE TO REGISTER

IN FAVOR OPPOSED INFORMATION

CONSIDERATION OF 1999 SB 365
(BILL NUMBER)

DATE 3-6-00

JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS

NAME Steve Meyer
ADDRESS 1402 Emerson
CITY Beloit STATE WI ZIP 53501
ORGANIZATION, IF ANY WI Assoc of Judicial Court Commissioners

WOULD LIKE TO TESTIFY (APPEAR BEFORE THE COMMITTEE)

IN FAVOR OPPOSED INFORMATION

WOULD LIKE TO REGISTER

IN FAVOR OPPOSED INFORMATION

CONSIDERATION OF SEN 365
(BILL NUMBER)

DATE 3/6/00

JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS

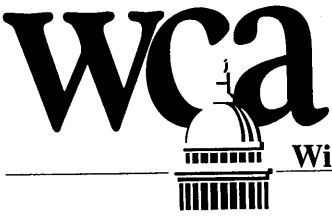
NAME LINDA MCKENZIE GEORGESON
ADDRESS 515 W. MORELAND I
CITY Waukesha STATE WI ZIP 53186
ORGANIZATION, IF ANY WI ASSN CT COMM
Wauk. Ct. Employee

WOULD LIKE TO TESTIFY (APPEAR BEFORE THE COMMITTEE)

IN FAVOR OPPOSED INFORMATION

WOULD LIKE TO REGISTER

IN FAVOR OPPOSED INFORMATION



MEMORANDUM

TO: Honorable Members of the Joint Survey Committee on Retirement Systems

FROM: Allison Kujawa, WCA Legislative Associate

DATE: March 6, 2000

RE: Opposition to Senate Bill 365

WCA strongly opposes Senate Bill 365 (SB 365). This bill provides that court commissioners, juvenile court commissioners, probate court commissioners and family court commissioners are executive participating employees under the Wisconsin Retirement System (WRS). As such, the commissioners will be eligible to receive a WRS retirement annuity calculated with the percentage multiplier of 2% and to have a normal retirement age of 62.

Under current law, court commissioners are eligible to receive a WRS retirement annuity calculated with a percentage multiplier of 1.6% and have a normal retirement age of 65.

If SB 365 is enacted, the result will be a state imposed property tax increase. SB 356 is an attempt for the state to intervene in county government personnel issues and dictate to counties that all court commissioners must be classified as executive status employees under the WRS. Counties will be required to pay for this unfunded mandate.

Some court commissioners have indicated to WCA staff that they would be interested in becoming state employees. If the state would agree to take responsibility for court commissioners, it might then be more appropriate for the state to revisit the issue of court commissioners' status within the WRS system.

Thank you for considering our comments. If you have any questions, please do not hesitate to contact me at 224-5330.

STATE OF WISCONSIN

JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS

MONDAY, MARCH 6, 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 February 21, 2000 Meeting.
3. Senate Bill 365 relating to executive participating employe status under the Wisconsin retirement system for certain court commissioners. (Public Hearing)
4. Assembly Bill 800 relating to staff support for the joint survey committee on retirement systems and the retirement research committee and making an appropriation. (Public Hearing and Executive Session)
5. Senate Bill 97 relating to increasing the membership of the employe trust funds board. (Executive Session)
6. Assembly Bill 455 relating to establishing a presumption for employment-connected disease for state and county fire fighters. (Executive Session)
7. Senate Bill 142 relating to classifying county jailers as protective occupation participants for the purposes of the Wisconsin retirement system. (Executive Session)
8. Assembly Bill 48 relating to classifying county jailers as protective occupation participants for the purposes of the Wisconsin retirement system. (Executive Session)
9. Other Matters.
10. Adjournment.

2

- Ken O pin - AB 800
- WFT - WEAC - support

- AB 800 - Bob & Dan
- both chair other
Committees

Stulla.
- no ft prepared, why
has this been eliminated

- Council would continue
to do this
- Gordon

Still part of
- Ed Kehl - Coalition of
Annuityants
SB 412 -

QSP Invest Performance
dividen
- Opt. Ret. Program

Q ACT 11 -
- We welcome & support
changes

- that will improve the
function

- Natl. Comm on Unifan
State Laws - objective
review

~~promote regular and
continuous activity
of RRA~~

- adequate input to
leg. process

- slippery slope, lots of
variable

(3)

- Strengths & limitations of process

-- Lara Rose --

Stella - Current Position Vacant funded at council

- Vrakas - open, accessible,

what kind of assurance

Rose ca. you gave for this - fits well w/ current formation - very open any one can come in @ any time

Humbler - designated to do only this?

Rose - First priority is to staff WRC & RRC

(4)

- Approval of Minutes

Vrakas - approved - Stella -

James Gruentzel -

- ETF elected en route

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)

- risky - one step forward
2 steps back

- Jensen - what's
"likely negative"

- Ostensio impact of this bill?

- Eliminates FE requirement

- Vrakas - full 50% of bills
last time did not
have FE

- Ostensio - do a study?

(6)

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

- SB 97
EFT abstaining

- not voting on AB 800

- Vira

- 8 ayes, 1 abstaining

- AB 455 - what if does

- Pres. created for municipalities

- cancer ACT 123

- extends to city & state

firefighters

- Vrakas, moved, Winch -

SB 365 -

- ~~over~~ status
- over part status
- ERP amendment makes it not retroactive
- probate, civil, family, juvenile criminal
- SC Order 97-10
- disciplines. etc. Fr. Court Commission
- used to think they had job security order makes it clear they are appor
- SC rules require financial disclosure

(7)

SB 345 - Gordon CF

- How many pplk nk more than 600 hours?
- for FTE's no problem,
- Dane Co has many court commissioners
- How many affected by 1/3 time?
- Stella - are there some not covered under this bill
- 43
- would affect all ce's and all who meet 600-hr test
- ~~Schneider~~ - Mary Beth Keppel.

(8)

(9)

- Stella - judges are elected

- ex ec. - you serve @
- Pleasure of

- annual evals.

- Stella - DA's are state
emp's paid by state

- DA's could have been in
similar

- judges switched to
state employees in '88

PRELIMINARY

1999-2000

LRB-3829/1

STATE OF WISCONSIN

APPENDIX TO 1999 SENATE BILL 365

REPORT OF JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS

(Introduced by Senators Erpenbach, George, Burke, Risser, Plache and Roessler; cosponsored by Representatives Townsend, Berceau, Schooff, Coggs, Skindrud, Pocan, Hebl and Kreuser.)

An Act to amend 40.02 (30) of the statutes; relating to: executive participating employe status under the Wisconsin retirement system for certain court commissioners.

EXTRACT OF COMMITTEE'S RECOMMENDATION ON THIS BILL

The Joint Survey Committee on Retirement Systems finds that Senate Bill 365 [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

This bill grants court commissioner's executive participating employe status under the Wisconsin Retirement System (WRS). Under current law, a circuit judge with the approval of the chief judge of the administrative district may appoint court commissioners who are authorized to perform certain judicially related functions. Among the categories of court commissioners are:

1. *Juvenile court commissioners* appointed under ss. 48.065 (1) and 938.065 (1), Stats., as full-time or part-time commissioners.
2. *Court commissioners* appointed under s. 757.68 (1), Stats., through which, in counties having a population of 100,000 or more, the office of full-time court commissioner may be created.
3. *Part-time court commissioners* appointed under s. 757.68 (2), Stats., through which, in counties having a population of 200,000 or more, each judge may appoint not more than two such commissioners and in counties having a population of less than 200,000, each judge shall, as nearly as possible, appoint an equal number of commissioners.

4. *Small claims commissioners* appointed under s. 757.68 (1) (b), Stats., through which, in counties having a population of 500,000 or more, the county board must establish at least one full-time court commissioner position to assist in the administration of procedures for small claims actions. In counties having a population of less than 500,000, the county board may establish one or more part-time or full-time court commissioner positions for small claims action.

5. *Probate court commissioners* appointed under s. 757.72, Stats., through which, in counties having a population of 500,000 or more, the office of the probate court commissioner is created in the classified civil service. In counties having a population of at least 100,000, but not more than 500,000, the county board may create the office of probate commissioner which may be in the classified civil service.

6. *Family court commissioners* appointed under s. 767.13 (1) (a) and (2), Stats., through which at least one family court commissioner is required in each county, except that in counties having a population of 500,000 or more, the office of family court commissioner is created in the classified service along with such additional assistant family court commissioners as the county board authorizes.

7. *Supplemental court commissioners* appointed under s. 757.68 (2), Stats., to perform generally ministerial functions rather than quasi-judicial functions.

Currently, court commissioners are treated as general employes for purposes of the WRS. Thus, the formula multiplier for each year of participation in the WRS is 1.6%, and the normal retirement age is 65.

The formula multiplier for each year of service for executive participating employes is 2% and the normal retirement age is 62.

ACTUARIAL EFFECT

The proposal will have no actuarial effect on the WRS since the costs for service rendered after the effective date of the bill will be paid for by increases in employer contribution rates to the WRS. The prior service liability for all current employes will be paid for through an adjustment in each employer's unamortized prior service liability account.

PROBABLE COSTS

According to information provided by the Office of the Director of State Courts, there are currently 75 full-time court commissioners in Wisconsin. There are also 144 part-time circuit court commissioners of whom 68 are projected to work more than 40 hours per year and 76 are projected to work less than that amount. In addition, there is one full-time supplemental court commissioner and seven part-time supplemental court commissioners projected to work over 40 hours per year.

There are 24 full-time court commissioners in Milwaukee County. These persons would be excluded from the effects of this proposal since Milwaukee County maintains its own retirement

plan. Therefore, approximately 51 full-time court commissioners would be affected by this proposal. Of these, 11 are in Dane County, five are in Waukesha County, four each are in Brown and Racine Counties, three are in Outagamie County, two each in Jefferson, Kenosha, Winnebago, Sheboygan, Manitowoc and Rock Counties, and the remainder are in counties that have one full-time court commissioner and in the Wisconsin Supreme Court.

Although there is no central source of data available on average compensation, it appears that there are significant differences between counties in compensation rates.

Assuming that the average salary for the 11 Dane County court commissioners is \$90,000 a year and for the remaining 40 court commissioners, the average compensation is \$60,000 a year, the total affected payroll would be \$3,390,000. The WRS contribution rate in 2000 for general participants is 11%; the contribution rate for executive participating employees is 14.7%. Thus, the 3.7% increase in costs would amount to \$125,430 in 2000 for the full-time court commissioners.

For the 68 part-time court commissioners who work more than 40 hours per year, the average compensation is unknown. Also unknown is how many are paid for at least the minimum of 600 hours per year required under s. 40.22, Stats., for WRS participation. Assuming that there are 20 part-time circuit court commissioners who work 600 or more hours per year, and earn an average of \$25,000, the total payroll is \$500,000. This would result in increased costs of approximately \$18,500 in contributions.

The bill applies to the calculation of retirement annuities for individuals who will be participating employees on the effective date of the law (January 1, 2001) and who retire on or after that date. It also appears that it will require treatment of service after May 17, 1988 as executive service. The definition of "executive participating employee" in s. 40.02 (30), Stats., provides that: "All service credited prior to May 17, 1988 as executive service as defined in s. 40.02 (31), 1985 Stats., shall continue to be treated as executive service as defined under s. 40.02 (31), 1985 Stats., but no other service rendered prior to May 17, 1988, may be changed to executive service as defined under s. 40.02 (31), 1985 Stats."

The Department of Employee Trust Funds (DETF) reports that any administrative costs to the DETF would be minimal.

PUBLIC POLICY

Court commissioners are appointed officials who perform quasi-judicial functions such as issuing summons and warrants, ordering the release or detention of children, conducting detention and shelter care hearings, preliminary examinations and uncontested proceedings, entering consent decrees, holding hearings, making findings and issuing orders.

In traffic regulation and county ordinance cases, commissioners can conduct initial appearances and receive uncontested forfeiture pleas, order the revocation or suspension of operating privileges and impose monetary penalties. In small claims matters, a court commissioner may grant and enter default judgments, approve stipulations, conduct conferences and hearings with the parties or their attorneys or both and issue decisions.

In probate matters, a court commissioner may conduct noncontested proceedings, hear petitions for commitment and conduct probable cause hearings under the mental health and protective placement acts, conduct reviews of guardianships and protective placements, advise persons alleged to be mentally ill of their rights and refer persons who claim or appear to be indigent to the State Public Defender for indigency evaluation.

Court commissioners may make findings and issue temporary restraining orders in child abuse and vulnerable adult injunction proceedings, make findings and issue temporary restraining orders in domestic abuse and harassment injunction proceedings.

In criminal matters, court commissioners may issue summons, arrest warrants and search warrants, conduct initial appearances of persons arrested and set bail, inform defendants of their rights, refer defendants who appear or claim to be indigent to the State Public Defender for indigency determinations, conduct preliminary examinations and arraignments and, with the consent of the parties, accept guilty pleas and conduct restitution hearings.

Each category of court commissioner also has other powers, not described above, depending on the scope of the authorization by circuit judges.

RECOMMENDATION

The Joint Survey Committee on Retirement Systems finds that 1999 Senate Bill 365 [represents good public policy, and the Committee recommends its passage] [does not represent good public policy, and the Committee does not recommend its passage].

3/6/00