

LETTER TO SENATOR JON ERPENBACH, MEMBER OF THE JOINT COMMITTEE ON FINANCE

May 4, 2021

Senator Erpenbach:

I am writing today on behalf of the Association of Career Employees (ACE). As you may be aware, ACE is a non-profit membership organization that was organized in the 1970s to support state employee compensation, fringe benefits, retirement funds, and a strong civil service.

The Governor's 2021-23 Biennial Budget proposes combining the current Wisconsin Retirement Board, the Teachers Retirement Board, and the Employee Trust Funds (ETF) Board. While we do not know if the Joint Committee on Finance will include this provision in its version of the biennial budget, we do know that this provision has been recommended by all three boards. ACE does not oppose this consolidation. However, in the present draft proposal, it is possible that no member of the proposed combined ETF board will be either a current or a retired employee from a state agency.

We would like to ensure that at least one member of the ETF Board be a retired or current state agency employee and would ask you to support this effort through an amendment to the proposed legislation. In the present draft, one appointed member must be a WRS participant who is a UW or state employee, so it is possible, but not guaranteed, that a state agency employee would serve in that position. One elected member must also be a WI Retirement System annuitant, so it is possible, but not guaranteed, that a retired state employee could fill that position. By contrast, among the other elected positions, one must be a retired public school teacher, one must be a current educational support staff, and two must be public school teachers, all guaranteed positions.

The WRS covers state and local government employees, including the University of WI System, local police and firefighters, and all publicly-employed teachers in the state. There are approximately 55,000 public school teachers in WI. There are approximately 70,000 state employees. It is unclear to us why current and retired teachers are guaranteed positions on the ETF Board but current and retired state employees are not.

We are asking for your support to draft an amendment to the biennial budget to modify the statutory proposal to ensure that at least one member of the proposed consolidated Employee Trust Fund Board must be a current or retired state agency employee. If you have questions regarding this request, you can contact me at this email address or call me at (608) 206-9703. Thank you for your consideration of this matter.

Sincerely,

Bob Nikolay
ACE Board Member