

LEGISLATIVE UPDATE

July 5, 2011

The State Legislature completed the biannual budget bill in mid June and Governor Walker signed it on June 26th. That is the earliest a budget bill has been completed in recent history. I guess with all the rancor over the Budget Repair Bill there was much interest in getting the Budget Bill done as soon as possible.

The biannual budget bill has a few provisions that directly impact ETF, annuitants and fire fighters in general. I do not believe any will have a direct impact on you as a retired fire fighter. You will recall that the Budget Repair Bill exempted fire fighters from all changes to their ability to collective bargain as well as no changes to retirement or health care contributions. That did change in the Biannual Budget Bill.

Here are the changes impacting ETF:

1. ETF is directed to conduct a study with DOA and the State Employment Relations Office of converting the Wisconsin retirement system to a "defined contribution plan" rather than a "defined benefit plan". This has been on the national conservative agenda for years and they see a study as the first step of accomplishing this in Wisconsin. We will have to keep a close eye on this.
2. There are new vesting requirement. Up until now a new public employees was vested in the WRS six months after first being employed. That is now changed to 5 calendar years. The years do not need to be consecutive. In addition new hires would need to work two-thirds to become eligible to join WRS.

Collective bargaining changes affecting fire fighters include:

1. New hires would be subject to the contribution requirements of all other public employees when it comes to retirement and health insurance.
2. When contract disputes go to state arbitration the arbitrator would need to give the "greatest" weight to internal comparables.

The best way to describe the first six months of the Walker Administration was that he got pretty much everything he wanted. This of course was made possible with the votes of Wisconsin giving the Republican a strong majority in each house of the State Legislature. That may not last for long however.

RECALL ELECTION UPDATE

As a result of the Budget Repair Bill there are underway the recall of 9 state senators. State representative and the governor cannot be recalled until they have served a year in office or into their new term. Thus all the recall focus has been on state senators.

Of the 9 senators being recalled, 6 are Republican and 3 are Democrats. The GOP senators are being recalled because they supported repealing collective bargaining and the Dem senators are being recalled because they left the state in an effort to stall the vote on repealing collective bargaining.

Below is the timetable for all races. There was to be a primary in all 9 races but in Sen. Dave Hansen's recall only one GOP candidate filed successfully. There were to be 2 GOP challenges to Hansen but Rep. John Nygren (R-Marinette) only filed 398 valid signatures short of the 400 he needed to get his name on the ballot. Thus Hansen has no primary.

	<u>Primary Election</u>	<u>General Election</u>
SENATE REPUBLICANS	July 12	August 9
Robert Cowles (2)		
Alberta Darling (8)		
Sheila Harsdorf (10)		
Luther Olsen (14)		
Randy Hooper (18)		
Dan Kapanke (32)		
SENATE DEMOCRATS	July 19	August 16
Jim Holperin (12)		
Bob Wirch (22)		
Dave Hansen (30)	none	July 19

Democrats need to pick up 3 seats to get back the majority and not lose any of their seats. The GOP senators thought to be most vulnerable are Kapanke in LaCrosse and Hooper in Fond du Lac. Other GOP senators that polls show could be in trouble are Olsen and Harsdorf. Both Cowles and Darling have strong Dem opponents so they too could be vulnerable.

On the Dem side it looks like Holperin and Hansen were most vulnerable but with Hansen losing his strongest challenger he should be able to win. Likewise Wirch in Democratic Kenosha is thought to be in good shape.

By the next Legislative Update we should know who controls the State Senate.