

Assembly Committee on Criminal Justice and Public Safety AB 607- Length of Service Awards

January 9, 2020

Chairmen Spiros and Committee Members -

Thank you for the opportunity to testify in support of Assembly Bill 607, which would provide funding for the Service Award program, formally referred to as the Length of Service Award Program.

This program was enacted in 1999 and provides a tax-deferred benefit to volunteer firefighters and emergency medical responders at the time of their retirement. The program currently operates on a 2:1 match, with one-third coming from the local department and the other 2/3rds (up to \$390) is contributed from the state.

There are 255 volunteer fire departments that participate in the program and 6,603 former volunteer firefighters and emergency responders who receive service awards.

I know that one of my local departments in Gillett is planning on participating in 2020. When they were made aware that I was sponsoring this bill they wrote to me and said, "...strengthening this program...shows rural responders that the state supports their efforts and contributions to its citizens". I couldn't agree more and that's why the changes in this bill are important and demonstrates that the state will stand behind the commitment we made to our local volunteers.

Currently, the sum-sufficient appropriation is limited to \$2,500,000. Because of changes to the program in the 2017-19 state budget, there has been greater participation, but the appropriation wasn't adjusted accordingly. Unfortunately, some volunteers didn't get the full compensation that is owed to them and only received a pro-rated amount. Assembly Bill 607 increases the allocation for FY 2019-20 by \$305,700 to make up the current shortfall for FY 2018-19, and increases the allocation for FY 2020-21 and beyond by \$400,000 for a total of \$2.9 million.

Once again, thank you for holding a public hearing on this important piece of legislation. I am happy to answer any questions you may have.



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PATRICK TESTIN STATE SENATOR

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January 9, 2020

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Testimony on 2019 Assembly Bill 607

TO:

Members of the Assembly Committee on Criminal Justice and Public Safety

FROM:

Senator Patrick Testin

I'd like to begin by thanking Chairman Spiros for giving me this opportunity to submit testimony on behalf of Assembly Bill 607 (AB 607) today. Since the enactment of 1999 Wisconsin Act 105, the Service Award Program – which was formerly known as the Length of Service Award, or LOSA – has existed to benefit volunteer firefighters and emergency personnel upon their retirement.

Currently, 255 volunteer fire departments participate in the program, and 6,603 former volunteer firefighters and emergency personnel receive service awards. One third of the program - \$199 per volunteer – is contributed by the department's municipal jurisdiction, the other two thirds - \$398 per volunteer – comes from the state. For the vast majority of the state, there are three approved vendors which handle the funds, and the municipalities choose with whom those funds are placed – two of them pay it out to volunteer retirees in a lump sum, while one distributes an annual payment. There has been bi-partisan agreement on the efficacy and importance of this program.

Recently, there have been changes in the program that have made it more attractive for participation, but no corresponding budgetary adjustments have been made. Thus, there are currently volunteers who have not yet received the funds that they are owed this year. AB 607 remedies this delinquency by adjusting the allocation for this program so that funding is commensurate with the state's commitments. This increases the allocation for FY 2019-2020 by \$305,700 to \$2,805,700 in order to cover the current fiscal year and make up for the shortfall from FY 2018-2019, and increases the allocation for FY 2020-2021 and beyond by \$400,000 to \$2.9 million.

I hope you all will join me in supporting this legislation so that Wisconsin can keep the promise it has made to our heroes next door.