

Vote No: Save Wisconsin's Fiscal Watchdog

State Treasurer Ballot Initiative

On April 3rd, Wisconsin voters will be presented with a ballot initiative to remove the Office of State Treasurer from our Constitution. This initiative has quietly passed through two sessions of the state legislature and is now in its final phase. If successful, the lieutenant governor would replace the Treasurer on the Board of Commissioners of Public Lands (BCPL), which oversees four *public school trust funds*.

Why does this matter to public schools in Wisconsin? The Treasurer, as the State's financial officer, helps to oversee the school trust funds. Because the Office of the Treasurer is not involved in the state budget process run by the Governor and the Legislature, it serves as the ideal custodian to protect the integrity of these funds. The authors of our constitution did this intentionally and created permanent funds and the State Trust Fund Loan Program to support Wisconsin's public education system. Highlights include:



- **The Common School Fund** is \$1.04 billion, averaging \$26 for every child in the state between the ages of 4-20 years. It is only dedicated source of state funding for K-12 school libraries and technology.
- **The University Fund (Normal School Fund)** is \$24 million, providing funding to the University of Wisconsin System.
- **The State Trust Fund Loan Program** provides financing opportunities for school districts and municipalities for operations, transportation, and unfunded prior service pension liabilities. BCPL Trust Fund has invested over \$1 billion through loans to our local communities over the past 10 years.

There has been a concerted effort to consolidate power within Governor's administration by transferring many of the responsibilities previously held by the Treasurer to the Department of Administration and the Department of Revenue - both led by the Governor's appointees. We have seen firsthand how this concentration of power not only removes critical checks and balances, but also erodes the financial strength of these public education funds. Two proposed legislative examples would impact the efficacy of these funds:

- **Ending Common School Fund and the State Trust Fund Loan Program:** This would end the Common School Fund as we know it and eliminate the State Trust Fund Loan Program. The Trust Fund has invested over \$1 billion through loans to our local communities over the past 10 years. In fiscal year 2017, the Common School Fund provided **\$32.1 million to Wisconsin school libraries and media centers**.
- **Investment in Real Estate for Office Space:** The investment rules would now allow trust fund moneys for the acquisition of land, construction, improvement and maintenance of building for the primary purpose of leasing back to state departments and agencies -- *increasing investment risk while depleting critical fund balances*.

This is an unprecedented situation that could lead to disastrous consequences for Wisconsin. We need to keep the State Treasurer and reinstate its functions – so it can serve as the financial expert that manages the trust funds, oversees financial operations, evaluates risk, and advocates on behalf of the taxpayer.

Every state in the U.S. has a Treasurer or an equivalent office

Vote No: Save Wisconsin's Fiscal Watchdog: We have an opportunity to defeat this amendment on April 3, 2018 -- through the Vote No Initiative. With general awareness of this amendment startlingly low among Wisconsin voters, our plan is to educate. Please help spread the word! www.saveourfiscalwatchdog.org