

To: Members, Joint Committee on Finance

From: Don Nelson & Kristi Thorson
UW-Madison State Relations

Date: June 1, 2007

Subject: **Paper #285: Support Alternative 1 to provide domestic partner benefits for state employees**

UW-Madison strongly urges you to support Alternative 1 in Paper #285 (Employee Trust Funds), which would provide domestic partner benefits to state employees and state annuitants. This is an especially critical issue at UW-Madison, which is losing current and potential employees due to the lack of this benefit that is offered by its peer institutions. Please consider the following:

- Providing domestic partner health care benefits makes economic sense. The estimated annual GPR cost for this benefit UW System wide is \$550,000 and for UW-Madison it is \$112,000. In one faculty loss alone, UW-Madison lost nearly \$3.4 million in private and federal gifts and grants. By any definition, a small GPR investment could yield significant financial benefits for the state.
- Providing domestic partner health care benefits makes sense in the private sector. More than 150 private companies statewide offer domestic partner benefits as a way to recruit and retain employees. These companies, located in every legislative district in the state, represent a wide range of businesses that believe providing this benefit is essential to their ability to successfully compete for employees in their markets and that it is the right thing to do for their employees.
- Providing domestic partner health care benefits makes competitive sense. UW-Madison is the only Big Ten university, and one out of only two universities among its peer research institutions (as defined by the 1984 Governor's Commission on Faculty Compensation), that do not offer domestic partner benefits for its faculty and staff.
- Providing domestic partner health care benefits makes recruiting and retention sense. A key part of recruiting and retaining certain faculty and staff members is providing a benefit package that entices valuable people to come to UW-Madison and stay. When individuals leave, they take with them not only the significant investment the university has made in them but also their expertise in their field of research that they pass along to students and Wisconsin businesses. We lose not only individuals who personally need the benefit, but others who do not want to work in an environment in which all employees are not treated equitably.

Please support Alternative 1, including domestic partner health care benefits for all state employees, when the Employee Trust Funds portion of the budget is considered (Paper #285). As this issue is discussed in your meetings and at the committee's executive session, we urge you to consider the important points raised above. If you have any questions about this issue, please feel free to contact Don Nelson (265-4105) or Kristi Thorson (262-4808).