Bond Case Briefs

Municipal Finance Law Since 1971

PENSIONS - WISCONSIN

Madison Teachers, Inc. v. Walker

Supreme Court of Wisconsin - July 31, 2014 - N.W.2d - 2014 WI 99

Certified representatives and their members brought action against state for declaration that budget repair act, which made changes to collective bargaining, payroll deduction of dues and contributions to pension benefits with respect to municipal employees, violated the Wisconsin Constitution and for injunctive relief.

The Supreme Court of Wisconsin held that:

- Act in no way implicated plaintiffs' freedom of association rights;
- Examined in isolation, provision of act that prohibited fair share agreements did not violate plaintiffs' right to freedom of association;
- Viewed as a whole, provisions of act that prohibited fair share agreements did not violate plaintiffs' right to freedom;
- Provisions of act that limited represented general employees to negotiating base wages survived equal protection challenge;
- Provisions of act that prohibited City of Milwaukee from paying on behalf of a general employee the employee share of required contributions to City of Milwaukee Employees' Retirement System did not violate Home Rule Amendment; and
- Provisions of act that prohibited City from paying on behalf of a general employee the employee share of required contributions to City of Milwaukee Employees' Retirement System did not violate the Contract Clause.

Provision of budget repair act that prohibited City of Milwaukee from paying on behalf of a general employee the employee share of required contributions to City of Milwaukee Employes' Retirement System did not violate Home Rule Amendment, although the act had a significant impact on Milwaukee and its retirement system and touched on a matter of local affairs. The act primarily touched on a matter of statewide concern, was enacted during a period of intense fiscal uncertainty in which state was facing a $3.6 billion dollar deficit, impacted the entire state, and applied to every general employee in the state.

Provision of budget repair act that prohibited City of Milwaukee from paying on behalf of a general employee the employee share of required contributions to City of Milwaukee Employes' Retirement System did not violate the constitutionally protected right of parties to contract with each other. There was nothing to suggest that the City intended to classify contribution rates as a contractually protected benefit, and consequently, there was no indication that the State bound itself to never modify the contribution rates that funded the retirement system, and no unmistakable indicia existed in statutes that contributions paid by the city were a defined benefit that was forever impervious to alteration.

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com