

Brennan email

Posted on Wednesday, Apr 29, 2020

Fom: Secretary Brennan <JBrennan@wisconsin.gov>
Sent: Tuesday, April 28, 2020 9:19:46 PM
To: WI DL All State Employees <WIDLAllStateEmployees@wisconsin.gov>
Subject: COVID-19 Update

Dear State Employee Colleague,

The COVID-19 pandemic has had a fundamental impact on virtually every aspect of life, including how government operates. We asked you to help transform government in ways none of us thought we would have to do. There have been stories of innovation and creativity to ensure Wisconsin state government is still serving our residents. We are doing things differently every day, and circumstances may dictate that we continue to operate differently for an extended period of time.

The State's fiscal situation has also seen a dramatic change in recent weeks, and that too will have a significant impact on the way we do business for a longer period of time. While we entered this public health emergency in strong financial condition, the situation at both the state and federal level have changed dramatically since the Legislative Fiscal Bureau released its January 2020 revenue estimates and revised 2019-21 general fund condition. The impact of the crisis on the overall economic climate will reduce state revenues at the same time that we are facing dramatically increased costs to marshal all potential resources to fight COVID-19.

Wisconsin has received federal assistance to offset some of the additional costs that state and local governments have incurred due to the COVID-19 public health emergency, that assistance cannot be used to offset any loss of revenue that has occurred during this emergency. Given current economic indicators signal a national recession and weakness in state tax collections, the executive branch agencies will be making changes in fiscal year 2019-20 to best position the state financially for an unknown future.

In order to begin to offset the loss of state revenues, we will immediately implement a reduction of 5 percent to state operations GPR appropriations in executive branch agencies for fiscal year 2019-20. These reductions will improve the general fund

balance for fiscal year 2019-20, providing additional cushion until the revenue picture for the biennium becomes clearer.

Part of our efforts include continuing some of the steps that were implemented several weeks ago. All state-sponsored out of state travel will be restricted unless deemed to be essential for COVID-19 response. We also will continue to maintain a hiring freeze, with exceptions for COVID-19 related positions and those deemed essential for continuing business functions. Additionally, we will be suspending the Discretionary Merit Compensation (DMC) Program and restricting the Discretionary Equity and Retention Award (DERA) Program for the remainder of the fiscal year.

People across our state – and in state government – are hurting, these are challenging days. We do not take these or any other steps lightly and will do everything we can to limit ongoing impact on all the state employees who continue to provide great service, but we also know that waiting any longer to institute cost savings could have an even greater impact on our state's workforce in the months to come.

Over the course of the last 15 months, we have come to know and respect the ingenuity and innovative spirit of Wisconsin state employees. Over the last six weeks, you have shown resolve, courage, and an unbreakable Wisconsin spirit as we have accomplished great things to ensure that we carry out every critical state function under the most challenging conditions. And we have confidence that in the coming weeks, you will help provide creative ways to deliver services and perform while laying the groundwork to manage any revenue and budget challenges that COVID-19 puts in our path. We appreciate your dedication and commitment, and we look forward to meeting all the challenges together, head-on.

Sincerely,

Secretary Brennan