

FISCAL ESTIMATE FORM

1999 Session

- ORIGINAL
- CORRECTED
- UPDATED
- SUPPLEMENTAL

LRB # -2114/1

INTRODUCTION # A.B. 326

Admin. Rule #

Subject

Granting creditable service under the WRS for service in the National Guard or a reserve component of the U.S. Military.

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

Increase Costs - May be possible to Absorb Within Agency's Budget Yes No

- Increase Existing Appropriation
- Decrease Existing Appropriation
- Create New Appropriation
- Increase Existing Revenues
- Decrease Existing Revenues

Decrease Costs

Local: No local government costs

- 1. Increase Costs
 - Permissive
 - Mandatory
- 2. Decrease Costs
 - Permissive
 - Mandatory

- 3. Increase Revenues
 - Permissive
 - Mandatory
- 4. Decrease Revenues
 - Permissive
 - Mandatory

5. Types of Local Governmental Units Affected:
- Towns
 - Villages
 - Cities
 - Counties
 - Others _____
 - School Districts
 - WTCS Districts

Fund Sources Affected

- GPR
- FED
- PRO
- PRS
- SEG
- SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate:

A.B. 326 would credit up to one year of service under the WRS for participants in the WRS who have served 20 Or more years in the National Guard or a reserve component of the U.S. armed forces.

Assumptions Used

Currently about 550 Wisconsin members of these units are qualifying annually for retirement under the reserves' pension program. This requires 22 years of service. Therefore, if 1 in 11 are employed publicly, the amount of credited service under WRS to be recognized under this bill would be about 50 years of service annually. This compares with 2.8 million years of service now accumulated by all WRS members, or about 250,000 years annually. Therefore, this bill would increase the cost of the WRS by about 0.02%.

Cost Estimate

This bill would cost employers about \$200,000 annually of which the State would bear about 29% of the cost. Thus, the State's cost would be about \$60,000 and the other employers' cost about \$140,000 annually.

Long-Range Fiscal Implications:

Costs would continue at approximately the level stated above.

Prepared By: / Phone # / Agency Name
Joint Survey Committee on Retirement Systems

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Date
11-15-99
11/15/99

FISCAL ESTIMATE WORKSHEET
Session

Detailed Estimate of Annual Fiscal Effect

1999

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Granting creditable service under the WRS for service in the Nation Guard or a reserve component of the U.S. military

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$ 60,000	\$ - 0
(FTE Position Changes)	(n/a FTE)	(- n/a FTE)
State Operations - Other Costs	0	- 0
Local Assistance	0	- 0
Aids to Individuals or Organizations	0	- 0
TOTAL State Costs by Category	\$ 60,000	\$ - 0
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	\$ 0	\$ - 0
FED	0	- 0
PRO/PRS	0	- 0
SEG/SEG-S	0	- 0
State Revenues Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Rev.	Decreased Rev.
GPR Taxes	\$ 0	\$ - 0
GPR Earned	0	- 0
FED	0	- 0
PRO/PRS	0	- 0
SEG/SEG-S	0	- 0
TOTAL State Revenues	\$ 0	\$ - 0

NET ANNUALIZED FISCAL IMPACT

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS	\$ 60,000	\$ 140,000
NET CHANGE IN REVENUES	\$ 0	\$ 0

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