

FISCAL ESTIMATE FORM

1999 Session

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB # -1327/1

INTRODUCTION # SB 127

Admin. Rule #

Subject
Death benefits provided under the WRS.

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

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

s. 20.515 (1) (bm)

Assumptions Used in Arriving at Fiscal Estimate:

The bill provides that any WRS participant who at the time of death was a participating employe, who died between January 1, 1997, and December 22, 1997, who was at least 55 years of age (or 50 years if a protective) would qualify for an increased death benefit to be paid to his/her dependent beneficiaries. The increased death benefit would include an amount equal to the participant's employe-required contribution accumulations that were credited to the participant's account at the time of the previous death benefit. 1997 Wisconsin Act 58 (effective December 23, 1997) lowered the age for a special death benefit from age 60 to 55 (age 55 to 50 for protectives).

The bill creates a GPR sum sufficient appropriation to fund the increased benefits. The beneficiary must apply for the increased death benefit no later than the first day of the sixth month beginning after the effective date of the bill.

The Department estimates that 46 WRS participants have died between the ages of 55 and 60 (50 and 55 for protectives) between January 1, 1997 and December 22, 1997. The bill would require development of a special application, notification to eligible beneficiaries, training to staff on new benefit and procedures, updates to our telephone message system and website, and additional processing of benefits. One-time GPR costs are estimated at \$4,900.

This fiscal estimate addresses only the administrative costs of the bill. The Joint Survey Committee on Retirement Systems will estimate the fiscal effect on the trust fund.

Long-Range Fiscal Implications:

None.

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Date

6-1-99

FISCAL ESTIMATE WORKSHEET

Detailed Estimate of Annual Fiscal Effect

1999 Session

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Subject

Death benefits provided under the WRS.

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

\$4,900 one-time costs

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations – Salaries and Fringes	\$	\$ -
(FTE Position Changes)	(FTE)	(- FTE)
State Operations - Other Costs		-
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$	\$ -
B. State Costs by Source of Funds		
GPR	\$	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
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	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
TOTAL State Revenues	\$	\$ -

NET ANNUALIZED FISCAL IMPACT

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS	\$ _____	\$ _____
NET CHANGE IN REVENUES	\$ _____	\$ _____

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