

Fiscal Estimate - 2011 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 11-2307/1	Introduction Number AB-0338
Description Collective bargaining for public employees, granting rule-making authority, and making appropriations	
Fiscal Effect	
State:	
<input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate	
<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues
<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs	
Local:	
<input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate	
1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory
5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
Fund Sources Affected	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
Affected Ch. 20 Appropriations	
Agency/Prepared By	Authorized Signature
OSER/ Paul Ostrowski (608) 267-0343	Jessica O'Donnell (608) 267-1023
Date	
1/23/2012	

Fiscal Estimate Narratives

OSER 1/23/2012

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Description Collective bargaining for public employees, granting rule-making authority, and making appropriations					

Assumptions Used in Arriving at Fiscal Estimate

The cost of this bill is indeterminate because it does not necessarily cause a return to applicable contract provisions which were in place prior to enactment of 2011 Wisconsin Act 10. In other words, the bill's provisions only reinstate the statutory foundation for collective bargaining, but do not mandate that any particular provisions find their way into any new agreements resulting from the bill's provisions.

For example, re-establishing a four percent employer payment of state employee contributions toward the Wisconsin Retirement System (WRS) could result in an annual State cost of \$78 million to the general fund, or \$155.9 million all funds, based on savings figures provided for Act 10 by the State Budget Office. However, since WRS contributions would once again be subject to bargaining, it is not possible to tell if these would indeed be the final costs.

There are other costs savings that were allowed by 2011 Wisconsin Act 10, such as the removal of pay status-based overtime (versus work status-based overtime), and the removal of some professional development provisions. It is too early to determine either the savings from these changes, or the increased costs to the State under this bill's provisions, if in fact new provisions identical to the previous provisions were re-bargained.

Finally, it can be assumed that the cost of the bargaining process itself would be significantly moer than normal because the base collective bargaining agreements no longer exist. Therefore, any new bargaining efforts under this bill's provisions would start anew, but the costs are still indeterminate.

The Office of State Employment Relations is responsible for personnel and employment relations policies for state government employees. We do not have the expertise or resources necessary to estimate the fiscal impact of this bill on local units of government.

Long-Range Fiscal Implications