

Fiscal Estimate - 2015 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 15-3232/1	Introduction Number AB-0747	
Description Salaries of senators and representatives to the assembly		
Fiscal Effect		
State: <input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations </div> <div style="width: 30%;"> <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues </div> <div style="width: 30%;"> <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 </div> </div>		
Local: <input checked="" type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> 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 </div> <div style="width: 30%;"> 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 </div> <div style="width: 30%;"> 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 </div> </div>		
Fund Sources Affected Affected Ch. 20 Appropriations <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS		
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Fiscal Estimate Narratives

LFB 1/27/2016

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Description Salaries of senators and representatives to the assembly					

Assumptions Used in Arriving at Fiscal Estimate

Under Article IV, Section 26 of the Wisconsin State Constitution, "the compensation of a public officer may not be increased or diminished during the term of office..." Specifically related to legislator's salaries, subsection (2)(b) states: "Any increase in the compensation of members of the legislature shall take effect, for all senators and representatives to the assembly, after the next general election beginning with the new assembly term." Salaries for elected state public officers are established under the biennial state Compensation Plan. Legislative salaries for the 2015-16 legislative session are \$50,950 annually. Under the 2015-17 state Compensation Plan, legislative salaries will remain at \$50,950 for the 2017-18 legislative session beginning January 3, 2017.

Under Assembly Bill 747, the salary for state legislators could not increase unless the average annual salary of first-year, full-time teachers is at least equal to the salary of state legislators. Further, if the average annual salary of first-year teachers is at least equal to the salary of state legislators, the bill would restrict any increase in legislators' salaries to a percentage that is no greater than the percentage increase in average salaries for first-year, full-time teachers from the immediately preceding school year to the current school year.

The bill would require that the Department of Public Instruction (DPI), by December 1 of each even-numbered year, determine the average annual salary for first-year, full-time teachers in Wisconsin for the immediately preceding school year. Further, the bill would require DPI to determine the percentage change between the average annual salary determined under and the average annual salary for first-year, full-time teachers in this state for the current school year.

Based on information from the Department of Public Instruction's Wisconsin teacher and staff salary database the average salary for a first-year, full-time teacher with one year of experience in 2013-14 was estimated to be approximately \$38,900 annually. Because this salary level is significantly below legislative salaries in 2015-16, it appears likely that legislative salaries could not be increased under the bill for a number of years. However, it is not known how much legislative salaries would otherwise increase, nor is the potential increase in first-year teacher salaries known. As a result, the fiscal effect of the bill is indeterminate.

Long-Range Fiscal Implications