

Fiscal Estimate - 2017 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 17-2015/1	Introduction Number SB-490
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Description
 exempting from the state family and medical leave law an employer that is covered under the federal family and medical leave law

Fiscal Effect

State:

- | | | |
|---|---|--|
| <input type="checkbox"/> No State Fiscal Effect | <input type="checkbox"/> Increase Existing Revenues | <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget |
| <input checked="" type="checkbox"/> Indeterminate | <input type="checkbox"/> Decrease Existing Revenues | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Increase Existing Appropriations | | <input type="checkbox"/> Decrease Costs |
| <input type="checkbox"/> Decrease Existing Appropriations | | |
| <input type="checkbox"/> Create New Appropriations | | |

Local:

- | | | |
|--|--|---|
| <input type="checkbox"/> No Local Government Costs | | |
| <input checked="" type="checkbox"/> Indeterminate | | |
| 1. <input type="checkbox"/> Increase Costs | 3. <input type="checkbox"/> Increase Revenue | 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 |
| <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | |
| 2. <input type="checkbox"/> Decrease Costs | 4. <input type="checkbox"/> Decrease Revenue | |
| <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | |

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	

Agency/Prepared By	Authorized Signature	Date
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Fiscal Estimate Narratives

UWS 11/27/2017

LRB Number	17-2015/1	Introduction Number	SB-490	Estimate Type	Original
Description exempting from the state family and medical leave law an employer that is covered under the federal family and medical leave law					

Assumptions Used in Arriving at Fiscal Estimate

This proposed legislation would provide an exemption from state family and medical leave law for any employer that is covered under the federal family and medical leave law.

In order to provide this estimate, data and input were collected from the UW System Office of Human Resources as well as the UW Service Center. As the largest employer for the state of Wisconsin, this legislation would have significant impact on the UW System. The exact costs for this proposed bill were indeterminate; however, this estimate illustrates potential impacts.

Under current law, employees have the opportunity to qualify for either Wisconsin Family Medical Leave (WFMLA) OR Federal Medical Leave (FMLA). Currently, in order to qualify for WFMLA, employees must have been employed for more than 52 consecutive weeks and have worked for at least 1,000 hours (paid leave is included in this total). The FMLA eligibility differs in the threshold of hours as well as the amount of time needed to qualify. For FMLA, employees must have been employed for at least 12 months (not necessarily consecutively) and have worked at least 1,250 hours. By having two sets of eligibility criteria, a greater proportion of new employees, LTEs, and eligible students receive coverage.

This proposed legislation would eliminate the requirement that UW System offer WFMLA. Therefore, it would impact any employees that would have qualified for WFMLA but whose hours worked or length of employment prohibit them from qualifying for FMLA. Of the total number of UW System employees, there are approximately 5,900 current employees that are eligible for WFMLA but would NOT qualify for FMLA, and therefore would not have coverage under the new proposed legislation. It is important to note that this is an approximate number based on data from November of 2017.

The upfront costs in staff time for this change would be more than the long-term maintenance costs of the proposal. Modifications would need to be made in the University of Wisconsin Human Resources System. Additionally, UW System policies would require a range of modifications from slight changes to extensive updates. The policy approval process for systemwide policies undergoes a thorough review and vetting process to update relevant existing policies. Additionally, employee and employer websites would need to be reviewed and updated throughout the System. Finally, processes would need to be reviewed and updated along with communication efforts and training to institutions and employees. Total staff time to complete all necessary changes associated with this proposed legislation would be approximately 480 hours. While UW System would not require additional staff to complete the necessary work for the changes required, it would take away from other work priorities.

Long-Range Fiscal Implications

If this change were to be approved, it would reduce long-term administrative burden systemwide for providing family leave. This proposal would reduce the overall pool of eligible employees, as each eligible employee would only need to be evaluated by one set of criteria.