

Fiscal Estimate - 2019 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 19-4089/1	Introduction Number SB-388
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Description
 state debt guaranties; delegations by the Board of Regents of the University of Wisconsin System; organizations affiliated with the UW System; and standards of conduct for certain UW System employees

Fiscal Effect

State:

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

Local:

- | | | |
|--|--|--|
| <input type="checkbox"/> No Local Government Costs
<input 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

Affected Ch. 20 Appropriations

GPR FED PRO PRS SEG SEGS

Agency/Prepared By ETHC/ Julie Nischik (608) 261-2035	Authorized Signature Dan Carlton (608) 267-0715	Date 9/12/2019
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Fiscal Estimate Narratives

ETHC 9/12/2019

LRB Number 19-4089/1	Introduction Number SB-388	Estimate Type Original
Description state debt guaranties; delegations by the Board of Regents of the University of Wisconsin System; organizations affiliated with the UW System; and standards of conduct for certain UW System employees		

Assumptions Used in Arriving at Fiscal Estimate

If passed as currently drafted, 2019 Senate Bill 388 would increase the number of individuals who are subject to the Code of Ethics and the number of individuals that are required to file an annual statement of economic interests (SEI) with the Ethics Commission. As drafted, the bill includes any employee of a UW institution who is: (1) a chancellor, dean, director, (2) anyone who is responsible for signing a contract on behalf of the institution, or (3) an officer or board member of a UW-affiliated organization on an ongoing basis. According to the UW System website, there are 13 four-year universities and 13 two-year branch campuses within the system. It is not known how many individuals within each UW System school would be a chancellor, dean, director, or would be responsible for signing a contract. The number of "university affiliated organizations" is also not presently known; nor is it known how many individuals would be an officer or board member of the affiliated organizations. In light of the foregoing, it is unclear how many additional individuals would be subject to the Code of Ethics and required to file an SEI. Therefore, the Commission cannot calculate an exact amount of the increase in costs to the Commission.

The Commission will likely need to provide training to the newly-covered individuals concerning the ethics laws and lobbying laws. The Commission expects to be able to absorb these costs into its existing budget. Additionally, there will likely be an increased number of requests for advice. There may also be a few additional ethics complaints filed with the Commission. The amount of staff time required to provide advice and process complaints varies depending on the nature of the request or the nature of the complaint. While the number of requests for advice might be modest to significant, the number of additional complaints is anticipated to be minimal.

Currently, there are about 2,500 officials who are required to file an SEI with the Commission. Additionally, candidates are required to file an SEI as a part of obtaining ballot placement. The number of candidates filing an SEI varies. The Commission's website allows a person required to file to do so electronically. Any new officials would also use the site to file their SEI. Commission staff would have to add the new filers to the SEI system and provide training on how to use the system. There may also be additional public records requests made for SEI filings as a result of the bill.

Fiscal Estimate

The Commission expects an increase in the amount of staff time related to advice, complaints, and SEI-related efforts. It may be possible for the Commission to absorb the associated costs into the existing budget, but that is not certain because the Commission does not know how many additional individuals would become state public officials and would be required to file a SEI.

Long-Range Fiscal Implications

Unknown.

Fiscal Estimate Worksheet - 2019 Session

Detailed Estimate of Annual Fiscal Effect

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): Increase in 1st year after bill passage, on-boarding for new SEI filers, but specific costs unknown.		
II. Annualized Costs:	Annualized Fiscal Impact on funds from:	
	Increased Costs Decreased Costs	
A. State Costs by Category		
State Operations - Salaries and Fringes	\$	\$
(FTE Position Changes)	(0.0 FTE)	
State Operations - Other Costs	0	
Local Assistance	0	
Aids to Individuals or Organizations	0	
TOTAL State Costs by Category	\$0	\$
B. State Costs by Source of Funds		
GPR		
FED	0	
PRO/PRS	0	
SEG/SEG-S	0	
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)		
	Increased Rev	Decreased Rev
GPR Taxes	\$0	\$
GPR Earned	0	
FED	0	
PRO/PRS	0	
SEG/SEG-S	0	
TOTAL State Revenues	\$0	\$
NET ANNUALIZED FISCAL IMPACT		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$0	\$0
NET CHANGE IN REVENUE	\$0	\$0
Agency/Prepared By	Authorized Signature	Date
ETHC/ Julie Nischik (608) 261-2035	Dan Carlton (608) 267-0715	9/12/2019