

FISCAL ESTIMATE FORM

1999 Session

ORIGINAL

UPDATED

CORRECTED

SUPPLEMENTAL

LRB # 2114/1

INTRODUCTION # AB 326

Admin. Rule #

Subject

Granting creditable military service under the WRS for service in the national guard or reserve component of the U.S. armed forces.

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

Decrease Costs

Create New Appropriation

Local: No local government costs

1. Increase Costs

Permissive Mandatory

3. Increase Revenues

Permissive Mandatory

5. Types of Local Governmental Units Affected:

Towns Villages Cities

2. Decrease Costs

Permissive Mandatory

4. Decrease Revenues

Permissive Mandatory

Counties Others _____

School Districts WTCS Districts

Fund Sources Affected

GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

s. 20.515 (1)(w)

Assumptions Used in Arriving at Fiscal Estimate:

LRB 2114/1 provides that participants who served at least 20 years in the national guard or reserve component of the US armed forces may receive one year of WRS military service credit for service in the national guard or reserves. The military service credit would be granted in the same employment category as the participant's category on the termination date. The maximum amount of military service credit a participant may receive is 4 years. The cost of the service would be added to the participant's employer's unfunded accrued actuarial liability balance.

Based upon the requirements of the bill, the Department assumes a 10% increase (166) in the number of participants requesting credit for military service and an additional 1,000 inquiries (phone and written) about military service credit. It is estimated that our Member Services Bureau will have one-time staff costs of \$5,500 to revise forms and brochures, change telephone system messages, revise internal operating procedures, provide staff training, and handle increased workload associated with telephone and written inquiries, e-mails and walk-in appointments.

The Division of Employer Services estimates on-going annual operational staff costs of \$2,400 for military service processing based upon the 10% increase in participants submitting requests for additional military service credit and \$100 one-time staff costs to revise employer manuals and worker procedures.

It is estimated that our Benefits Services Bureau will have on-going annual staff costs of \$736 to calculate the present value of the new benefit based upon the 10% increase in the number of participants.

The Controller's Office estimates an additional \$866 per year in staff costs to update the unfunded accrued actuarial liability balances on our Wisconsin Employee Benefit System (WEBS) for employers, calculate the new prior service contribution rates and update the contribution rates on WEBS.

Long-Range Fiscal Implications:

On-going.

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Date

3/3/99

FISCAL ESTIMATE WORKSHEET

Detailed Estimate of Annual Fiscal Effect

1999 Session

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):
\$5,600 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	\$ 4,002.00	\$ -
(FTE Position Changes)	(FTE)	(- FTE)
State Operations - Other Costs		-
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$ 4,002.00	\$ -
B. State Costs by Source of Funds		
GPR	\$	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S	\$4,002.00	-
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

STATE

LOCAL

NET CHANGE IN COSTS \$ \$4,002.00
NET CHANGE IN REVENUES \$ _____ \$ _____

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