

LRB or Bill No./Adm. Rule LRB-2277/1 or SB 88
Amendment No. if applicable

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ORIGINAL       UPDATED  
 CORRECTED       SUPPLEMENTAL

FISCAL ESTIMATE  
DOA-2048 (R10/92)

**Subject**  
Creditable military service under the Wisconsin Retirement System.

**Fiscal Effect**  
 State:  No State Fiscal Effect  
 Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.  
 Increase Existing Appropriation       Increase Existing Revenues  
 Decrease Existing Appropriation       Decrease Existing Revenues  
 Create New Appropriation

Increase Costs - May be possible to absorb Within Agency's Budget     Yes     No  
 Decrease Costs

Local:  No local government costs

1. <input type="checkbox"/> Increase Costs  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory  <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenues  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory  4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Governmental Units affected: <input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others _____ <input type="checkbox"/> School Districts <input type="checkbox"/> VTAE Districts
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<b>Fund Sources Affected</b> <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEG-S	<b>Affected Ch. 20 Appropriations</b> s. 20.515 (1)(w)
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**Assumptions Used in Arriving at Fiscal Estimate**

Under current law, a participant in the WRS may not receive credit for military service if the participant is using the same military service to receive a federal retirement benefit. This bill eliminates this provision.

Based upon these assumptions, there will be a 5% ongoing increase in participants requesting credit for active military service and an additional 500 inquiries (phone and written) about military service credit. It is estimated that our Member Services Bureau will have one-time staff costs of \$2,700 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 \$1,200 for military service processing based upon the 5% increase (84) in participants submitting requests for additional military service credit. One-time costs of \$100 are estimated to revise employer manuals and worker instructions.

Military calculation and affidavit notification programs within our Wisconsin Employee Benefits System (WEBS) will need to be modified to reflect the new changes in the bill. One-time estimated costs for system changes for contract developer analysis, design and testing, user testing and central processing unit (CPU) time are \$16,800.

This fiscal estimate addresses only the administrative costs of SB 88. The Joint Survey Committee on Retirement Systems will estimate the fiscal effect on the trust fund.

**Long-Range Fiscal Implications**

On-going.

<b>Agency/Prepared by: (Name &amp; Phone No.)</b> Department of Employee Trust Funds Pamela Henning (267-2929)	<b>Authorized Signature/Telephone No.</b> David Hennrichs      266-3763	<b>Date</b> 4-1-99
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**FISCAL ESTIMATE WORKSHEET**

**1999 Session**

Detailed Estimate of Annual Fiscal Effect     original     updated  
 DOA-2047 (R10/92)                                     corrected     supplem.

LRB or Bill#/Adm. Rule#  
**SB 88**

Amendment No.

**Subject:**  
 Creditable military service under the Wisconsin Retirement System.

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal eff)                                    **\$19,600 one-time**

II. Annualized Costs:	Annualized Fiscal impact on State Funds from:	
	Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>		
State Operations - Salaries & Fringes	\$1,200	
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$1,200</b>	<b>\$0</b>
<b>B. State Costs by Source of Funds</b>	<b>Increased Costs</b>	<b>Decreased Costs</b>
GPR		
FED		
PRO/PRS		
SEG/SEG-S	\$1,200	
<b>III. State Revenues-</b>	<b>Increased Revenue</b>	<b>Decreased Revenue</b>
Complete this only when proposal will increase or decrease state revenues (tax increase, decreased fees)		
GPR Taxes		
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
<b>TOTAL State Revenues</b>	<b>\$0</b>	<b>\$0</b>

**NET ANNUALIZED FISCAL IMPACT:**

	STATE	LOCAL
NET CHANGE IN COSTS	\$1,200	
NET CHANGE IN REVENUES	\$0	

Agency/Prepared by:(Name & Phone No.) Department of Employee Trust Funds Pamela Henning (267-2929)	Authorized Signature /Phone No. <i>David Hennrichs</i> 266-3763	Date 4-1-99
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