

FISCAL ESTIMATE
DOA-2048 N(R10/94)

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.
99-SB 329 LRB-2984/1
Amendment No. If Applicable

Subject
Prohibiting printing of employe social security numbers on state forms reporting hours of work

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum certain 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

- | | | |
|---|---|--|
| <p>1. <input type="checkbox"/> Increase Costs
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</p> <p>2. <input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</p> | <p>3. <input type="checkbox"/> Increase Revenues
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</p> <p>4. <input type="checkbox"/> Decrease Revenues
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</p> | <p>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"/> WTCS Districts</p> |
|---|---|--|

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

SB 329 requires the secretary of employment relations to ensure that no state agency require that its employes record their number of hours worked during any part of a pay period on a form on which the employe's social security number is printed.

This requirement would have no fiscal impact on the department of employment relations. However, the legislation would have significant fiscal impact on the various state employe payroll systems:

DOA Central Payroll System:

This automated system calculates wages and benefits, as well as leave and retirement, and issues pay checks to most classified state employes outside of the UW System. Employe social security numbers are the key link identifying hours worked by specific employes which determines rate of pay as well as other benefits earned.

To re-engineer the time collection and reporting portion of the Central Payroll System to substitute an alternative employe identifier would require an estimated \$143,000 worth of employe time assuming 2860 hours to program and test modifications to the system at \$50 per hour. This assumes that DOA programming staff could be made available for that many hours without seriously impacting critical state functions. It is unlikely that state staff could complete the project in the seven months required in the bill.

If DOA hired contract programmers to implement the change, the costs would increase twofold as the contractors currently charge from \$75 to \$110 per hour for their services. Assuming the change would require contract labor, the estimated cost would be \$286,000 for the analysis and programming tasks as calculated by the DOA IT staff. In addition, there would be a need for approximately 160 additional hours for non-state staff unfamiliar with the time keeping module and the other systems interfaced, to study the business need. This raises the estimate for the DOA payroll system alone to \$302,000.

UW System Payroll:

UW staff estimate reprogramming the UW system payroll would require 2200 hours for analysis and programming and an additional 364 hours for testing and implementation. UW feels the work would be best done by UW staff at an average cost of \$ 55 dollars per hour, for a total value of \$141,000. We have no estimate of the cost of other systems delayed while UW IT staff work on this project. If UW needed to contract for the effort, the cost per hour rises to \$80.

Long-Range Fiscal Implications

Agency/Prepared by: (Name & Phone No.)
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Elizabeth Reinwald 266-5316

Authorized Signature/Telephone No.

Elizabeth Reinwald

Date

1/26/00

ORIGINAL
 CORRECTED

UPDATED
 SUPPLEMENTAL

1999 Session

FISCAL ESTIMATE
DOA-2048 N(R10/94)

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Subject **Prohibiting printing of employe social security numbers on state forms reporting hours of work**

Assumptions continued:

Other state agencies' time accounting:

Several larger state agencies such as DOT, DHFS, DOC, DWD, and DNR have internal employe time collection systems rather than reporting on paper forms to DOA Central Payroll. These agencies all use employe social security numbers as the main link connecting the employes' time records and the payroll system for calculating and paying wages and benefits. These agencies would have to re-program their internal systems in order to interface with a re-programmed DOA Central Payroll.

It is assumed the larger agencies use automated systems for collection of hours worked. It is also assumed that these internal systems are not stand-alone time accounting systems but, instead, are integrated systems storing other employe data such as travel records, IRS 1099 data, telecom and computer network location and equipment, training records etc.

Given the complexity of these systems, costs to re-program work time collect data in these larger agencies are estimated to be comparable to the costs estimated for DOA and the UW System. DER does not have information as to whether these agencies could absorb the costs or accomplish the tasks in the seven months required in the bill.

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1/26/00

FISCAL ESTIMATE WORKSHEET

1997 Session

Detailed Estimate of Annual Fiscal Effect

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.

Amendment No.

DOA-2047 (R10/94)

99-SB 329 LRB-2984/1

Subject

Prohibiting printing of employe social security numbers on state forms reporting hours of work

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

\$ 443,000

II. Annualized Costs:

Annualized Fiscal Impact on State Funds from:

		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes			
(FTE Position Changes)		(FTE)	(- FTE)
State Operations - Other Costs			
Local Assistance			
Aids to Individuals and Organizations			
TOTAL State Costs by Category			
B. State Costs by Source of Funds--Uncertain.			
GPR	See Assumptions		
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues		Increased Rev.	Decreased Rev.
Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
GPR Taxes			
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues			

NET ANNUALIZED FISCAL IMPACT
STATE

LOCAL

NET CHANGE IN COSTS

NET CHANGE IN REVENUES

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1/26/00