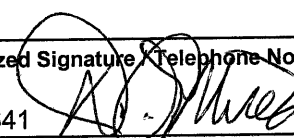


<b>FISCAL ESTIMATE FORM</b>		<b>1999 Session</b>	
<input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> UPDATED <input type="checkbox"/> CORRECTED <input type="checkbox"/> SUPPLEMENTAL		<b>LRB # 99 - 2984/1</b> <b>INTRODUCTION # 99 SB 329</b> Admin. Rule #	
<b>Subject</b> Prohibit inclusion of social security number on WRS statement of benefits and on any account statement under the deferred compensation program			
<b>Fiscal Effect</b>			
State: <input type="checkbox"/> No State Fiscal Effect Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.		<input checked="" type="checkbox"/> Increase Costs - May be possible to Absorb Within Agency's Budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  <input type="checkbox"/> Decrease Costs	
<input type="checkbox"/> Increase Existing Appropriation <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Appropriation <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Create New Appropriation			
Local: <input type="checkbox"/> No local government costs			
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 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"/> WTCS Districts	
<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)	
<b>Assumptions Used in Arriving at Fiscal Estimate:</b>			
<p>SB 329 requires the Department of Employee Trust Funds to ensure that a participant's social security number does not appear on the annual Wisconsin Retirement System (WRS) statement of benefits (SOB).</p> <p>The fiscal impact of suppressing the social security number on the SOB would involve minimal computer programming changes. However, additional staff resources would be needed to verify accurately the participant and his/her WRS account when approximately 2,000 SOB's are returned each year from participants with questions for ETF staff to respond to. The costs associated with the verification would be \$4,100 SEG for salaries and fringe benefits. Also, approximately 4,000 SOB's are returned each year from inactive participants due to undeliverable addresses. These statements are used to update the participant's record with a "lost contact" date. With no SSN, staff resources will be needed to spend additional time to verify the statements with the correct participant. Costs associated with the verification would require an additional .75 FTE and \$29,200 SEG salary and fringe benefits, \$1,200 SEG on-going supplies, \$3,500 SEG one-time PC and software and \$5,000 SEG one-time system furniture.</p> <p>SB 329 also requires the deferred compensation board to ensure that any statement sent to employees who participate in the deferred compensation plan not contain the social security number of the employee.</p> <p>The third party administrator that administers the state deferred compensation program currently utilizes only social security numbers (SSN) of participants as account identifiers. If the SSN is required to be suppressed on all documentation (quarterly statements, confirmation statements of trades/transactions, enrollment confirmation statements, etc.) sent by the third party administrator to the participant, the third party administrator would need to develop a new system to mask or disguise the SSN or create a dummy identifier. The disguised or dummy SSN would still need to be cross-referenced with the true SSN, which is needed to correspond with payroll offices submitting deferrals. The fiscal cost would be approximately \$1 million to \$3 million to create a new system and would take up to 1 year to develop. These additional costs would be paid by the participant in higher administrative fees.</p>			
<b>Long-Range Fiscal Implications:</b>			
On-going.			
<b>Prepared By: / Phone # / Agency Name</b> Pamela Henning 267-2929 Department of Employee Trust Funds		<b>Authorized Signature / Telephone No.</b> 266-3641 	<b>Date</b> 1/20/00

**FISCAL ESTIMATE WORKSHEET**

Detailed Estimate of Annual Fiscal Effect

1999 Session

- ORIGINAL       UPDATED  
 CORRECTED     SUPPLEMENTAL

**LRB # 99 - 2984/1**

Admin. Rule #

**INTRODUCTION # 99 SB 329**

**Subject**


Prohibit inclusion of social security number on WRS statement of benefits and on any account statement under the deferred compensation program

**I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):**  
**\$8,500 SEG**

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>		
State Operations - Salaries and Fringes	\$ 33,300	\$ -
(FTE Position Changes)	(.75 FTE)	(- FTE)
State Operations - Other Costs	1,200	-
Local Assistance		-
Aids to Individuals or Organizations		-
<b>TOTAL State Costs by Category</b>	<b>\$ 34,500</b>	<b>\$ -</b>
<b>B. State Costs by Source of Funds</b>		
GPR	\$	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S	34,500	-
<b>State Revenues</b> Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	<b>Increased Rev.</b>	<b>Decreased Rev.</b>
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$ -</b>

**NET ANNUALIZED FISCAL IMPACT**

	STATE	LOCAL
NET CHANGE IN COSTS	\$ 34,500	\$
NET CHANGE IN REVENUES	\$	\$

<b>Prepared By: / Phone # / Agency Name</b> Pamela Henning 267-2929 Department of Employee Trust Funds	<b>Authorized Signature/Telephone No.</b> 266-3641 	<b>Date</b> 1/20/00
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