

Fiscal Estimate Narratives

ETF 12/17/01

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|--|-----------------------------------|-------------------------------|
| LRB Number 01-3509/1 | Introduction Number AB-654 | Estimate Type Original |
| Subject Military service credit for certain teacher annuitants | | |

Assumptions Used in Arriving at Fiscal Estimate

AB 654 provides that an annuitant who terminated Wisconsin Retirement System (WRS) covered employment during 1981, who at the time of termination was a teacher, and who had at least 30 years of creditable service must be granted creditable military service for active service in the U.S. armed forces. The creditable military service granted under this bill will be paid from general purpose revenue and may only be used for the calculation of a WRS annuity payment that is paid after the effective date of the bill.

The Department estimates that 20% (62) of the 308 WRS annuitant accounts meeting the requirement's of the bill would be eligible for creditable military service. Based upon that assumption, the Department would incur one-time costs of \$2,795 SEG to revise brochures and other correspondence, train staff, handle increased workload of inquiries and counseling appointments and walk-ins, and to compute the corrected annuities.

Long-Range Fiscal Implications

None.

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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|--|--|--|-----------------|
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| Subject | | | |
| Military service credit for certain teacher annuitants | | | |
| I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): | | | |
| One-time costs of \$2,795 SEG | | | |
| 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) | | | |
| State Operations - Other Costs | | | |
| Local Assistance | | | |
| Aids to Individuals or Organizations | | | |
| TOTAL State Costs by Category | | \$ | \$ |
| B. State Costs by Source of Funds | | | |
| GPR | | | |
| FED | | | |
| PRO/PRS | | | |
| SEG/SEG-S | | | |
| III. 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 | | | |
| | | <u>State</u> | <u>Local</u> |
| NET CHANGE IN COSTS | | \$ | \$ |
| NET CHANGE IN REVENUE | | \$ | \$ |
| Agency/Prepared By | | Authorized Signature | Date |
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