

Fiscal Estimate Narratives
ETF 2/20/02

LRB Number	01-3651/1	Introduction Number	SB-403	Estimate Type	Original
Subject					
Educational support staff and benefits provided under the Wisconsin retirement system					

Assumptions Used in Arriving at Fiscal Estimate

SB 403 increases WRS benefits provided to educational support personnel employees who are defined under current law as a school district employee other than a teacher, librarian or administrator. The bill makes three changes under the WRS:

1. Changes the full-time equivalent of one year of creditable service for an educational support personnel employee to 1,320 hours (from 1,904 hours);
2. Increases the final average earnings by 25% for purposes of determining the initial amount of a WRS retirement annuity; and
3. Reduces the amount required for purposes of calculating a year of creditable service from 0.75 to 0.65.

The Department estimates that 51,466 individuals under the WRS have educational support personnel employment status. The bill will require the Department to make the following changes:

- * Modify, test and implement computer programming changes to 25 applications - \$54,400 one-time
- * Revise forms, brochures, and procedures - \$2,800 one-time
- * Increase workload for written inquiries, benefit estimates, appointments, and walk-ins by 5% (2,573) - \$54,700 one-time
- * Revise annuity calculation worksheets and procedures; modify and test retirement annuity calculator - \$9,000 one-time
- * Calculate and correct annuity benefits - \$6,800 on-going

This fiscal estimate addresses only the administrative costs of SB 403. The Joint Survey Committee on Retirement Systems will estimate the fiscal effect of the bill on the trust fund.

Long-Range Fiscal Implications

Ongoing.

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject		
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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):		
\$120,900 one-time for computer programming, increased workload and revision to communications and procedures		
II. Annualized Costs:	Annualized Fiscal Impact on funds from:	
	Increased Costs Decreased Costs	
A. State Costs by Category		
State Operations - Salaries and Fringes	\$6,800	
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$6,800	
B. State Costs by Source of Funds		
GPR		
FED		
PRO/PRS		
SEG/SEG-S	6,800	
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	\$6,800	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		
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