Wisconsin Department of Administration Division of Executive Budget and Finance DOA-2048 (R07/2000)

Fiscal Estimate - 2001 Session

Original Updated	Corrected	Supplemental			
LRB Number 01-3420/1	Introduction Number	AB-498			
Subject					
Contribution rates under the Wisconsin retiremen	t system	·			
Fiscal Effect					
Appropriations Rever Decrease Existing Decre Appropriations Rever Create New Appropriations	ease Existing absorb within a	s - May be possible to agency's budget No ts			
Permissive Mandatory Permis 2. Decrease Costs 4. Decrea	5.Types of Local of Units Affected Units Affected Towns Countles ase Revenue School School Districts	Government Village Cities Others WTCS Districts			
Fund Sources Affected Affected Ch. 20 Appropriations GPR FED PRO PRS SEG SEGS s. 20.515 (1)(w)					
Agency/Prepared By	Authorized Signature	Date			
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Fiscal Estimate Narratives ETF 9/25/01

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Subject						
Contribution rates under the Wisconsin retirement system						

Assumptions Used in Arriving at Fiscal Estimate

AB 498 establishes a 5% required employee contribution rate under the Wisconsin Retirement System for all participating employees and eliminates the requirement that any increase or decrease in contribution rates be reflected equally in reductions or increases in the required employer and employee contribution rates.

In addition, AB 498 eliminates the benefit adjustment contribution that under current law was treated as an employer contribution regardless of whether the employee or employer paid the contribution.

There are no administrative costs to the Department associated with this bill. In addition, the total contribution rate will not increase according to the consulting actuary to the ETF Board.

The Joint Survey Committee on Retirement Systems will provide further detail on the impact of this bill on the trust fund.

Long-Range Fiscal Implications