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

Fiscal Estimate - 2001 Session

	Original		Updated		Corrected		Suppleme	ental
LRB	Number	01-4145/1		Intro	duction Numb	oer A	B-775	
Subject Retiren		for educational	support personne	l under th	ne Wisconsin retire	ement sys	tem	-
Fiscal	Effect			<u>'</u>				
Local:		Existing tions Existing tions ew Appropriation vernment Costs	Increase E Revenues Decrease Revenues s	Existing	absorb [] Decrea	within age Yes se Costs f Local Go	May be pos ency's budg E	ssible to et No
2	Permiss Decreas Permiss	sive 🛛 Mandator se Costs sive 🔲 Mandator	y Permissive 4. Decrease y Permissive	Manc Revenue	□ Cou □ Sch latory Dist	inties [ool [ricts	Village Others WTCS Districts	Cities
Fund S	Sources Affe		PRS 🛭 SEG	à 🏻 SE	Affected Ch	. 20 Appr	opriations	
Agenc	y/Prepared I	Ву	Aut	horized S	Signature		Da	ate
ETF/ Pa	ETF/ Pam Henning (608) 267-2929 Dave Hinrichs (608) 266-3763 3/4/02						4/02	

Fiscal Estimate Narratives ETF 3/4/02

LRB Number 01-4145/1	Introduction Number AB-775	Estimate Type Original						
Subject								
Retirement benefits for educational support personnel under the Wisconsin retirement system								

Assumptions Used in Arriving at Fiscal Estimate

AB 775 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			
LRB	Number (01-4145/ ⁻	1	Intro	duction Nu	mber	AB-775			
Subje	ct			**						
Retire	ment benefits fo	or education	al support pe	rsonnel unde	r the Wisconsi	n retirem	ent system			
	-time Costs or alized fiscal eff		npacts for S	tate and/or L	ocal Governn	nent (do	not include in			
\$120,9 proced	900 one-time fo dures	r computer p	orogramming	, increased w	orkload and re	vision to	communications and			
II. Anr	nualized Costs	*			Annualized Fiscal Impact on funds from:					
					Increased Cos	sts	Decreased Costs			
	te Costs by Ca									
	e Operations -		Fringes		\$6,8	00				
	E Position Char									
	e Operations -	Other Costs								
	al Assistance		·							
\vdash	s to Individuals									
<u> </u>	OTAL State Co	osts by Cate	egory		\$6,8	00	\$			
B. Sta	te Costs by Sc	urce of Fur	nds	- · · · · · · · · · · · · · · · · · · ·						
GPF	٦									
FEC)				-					
PRO	D/PRS									
SEC	S/SEG-S				6,8	00				
III. Sta (e.g., t	ite Revenues - tax increase, d	Complete t ecrease in I	his only who icense fee, o	en proposal v ets.)	will increase o	or decrea	ase state revenues			
, .					Increased R	ev	Decreased Rev			
GPF	R Taxes		<u>.</u>			\$	\$			
	R Earned									
FEL)									
	D/PRS									
SEC	S/SEG-S									
Т	OTAL State Re	venues				\$	\$			
			NET ANNUA	LIZED FISC	AL IMPACT					
					<u>Sta</u>	<u>ate</u>	Local			
NET CHANGE IN COSTS				\$6,8	00	\$				
NET CHANGE IN REVENUE					\$	\$				
Agency/Prepared By Auth				Authorized 9	Signature	**	Date			
ETF/ F	Pam Henning (6	08) 267-292	9	Dave Hinrich	ve Hinrichs (608) 266-3763 3/4/					