

Fiscal Estimate - 2001 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 01-2474/1	Introduction Number SB-169
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Subject

Protective occupation participant status for prison, secured correctional facility and mental health facility employees

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<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"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Decrease Costs	

Local:

<input type="checkbox"/> No Local Government Costs	3. <input type="checkbox"/> Increase Revenue	5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
<input type="checkbox"/> Indeterminate	4. <input type="checkbox"/> Decrease Revenue	
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	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS s. 20.515 (1)(w)	

Agency/Prepared By	Authorized Signature	Date
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Fiscal Estimate Narratives

ETF 5/3/01

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Subject					
Protective occupation participant status for prison, secured correctional facility and mental health facility employees					

Assumptions Used in Arriving at Fiscal Estimate

LRB 2474/1 reclassifies prospectively state employees who are employed at state correctional institutions, secured correctional facilities, mental health institutes or any secure mental health unit or facility for sexually violent persons as protective occupation participants under the Wisconsin Retirement System. The formula factor used to generate their retirement benefits would change from 1.6% to 2.0%.

There are approximately 2,746 FTE non-protective employees at the Department of Corrections and 1,718 FTE non-protective employees at the Department of Health and Family Services. Total one-time administrative costs of changing participants from one employment category to another are estimated at \$10,900 SEG. These costs include developing and revising various ETF forms and brochures, revising the ETF Internet Homepage and responding to increased workload demands for retirement estimates, written, e-mail and telephone inquiries and counseling sessions with participants.

Additional on-going administrative costs of handling and managing the applications for benefits under the s. 40.65 duty disability and s. 40.63 special disability retirement programs is \$16,300 SEG and .40 FTE trust funds specialist position. It is expected that 38 duty disability and 8 special disability retirement applications from this population in the first year based on previous benefit program experience. The costs associated with these applications are as follows:

9.5 hrs./application for processing new applications: 437 hours
4.5 hrs./application for annual benefit management activities: 207 hours

Total: 644 hours

.40 FTE Trust Funds Specialist 1:
Salary \$11,100
Fringe \$4,000
Supplies and Services \$1,200
One-Time Systems Furniture/Computer: \$8,500

Total: \$ 16,300 on-going; \$19,400 one-time

In addition, there will be increased costs to DOC and DHFS payroll to cover the increased premium for duty disability benefits.

This fiscal estimate addresses only the administrative costs of LRB 2474/1. The Joint Survey Committee

on Retirement Systems will estimate the fiscal effect on the trust fund.

Long-Range Fiscal Implications

Administrative costs will continue to increase as additional benefits are filed and on-going benefit management accumulates.

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):		
\$8,500 SEG one-time for systems furniture/computer; \$10,900 SEG one-time for administrative costs		
II. Annualized Costs:	Annualized Fiscal Impact on funds from:	
	Increased Costs Decreased Costs	
A. State Costs by Category		
State Operations - Salaries and Fringes	\$15,100	
(FTE Position Changes)		
State Operations - Other Costs	1,200	
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$16,300 \$	
B. State Costs by Source of Funds		
GPR		
FED		
PRO/PRS		
SEG/SEG-S (16,300)	16,300	
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)		
	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	\$16,300	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		
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