

Fiscal Estimate - 2001 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 01-3589/1	Introduction Number SB-314
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Subject
 Salaries of part-time technical college faculty

Fiscal Effect

State:

No State Fiscal Effect
 Indeterminate

<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
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Local:

No Local Government Costs
 Indeterminate

1. <input checked="" type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	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 checked="" type="checkbox"/> WTCS Districts
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Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

Agency/Prepared By WTCS/ Morna Foy (608) 266-2449	Authorized Signature Dan Clancy (608) 266-7983	Date 11/21/01
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Fiscal Estimate Narratives

WTCS 11/21/01

LRB Number 01-3589/1	Introduction Number SB-314	Estimate Type Original
Subject Salaries of part-time technical college faculty		

Assumptions Used in Arriving at Fiscal Estimate

Individual WTCS districts determine remuneration and fringe benefits for full and part-time faculty through collective bargaining and contractual agreements. A rigorous estimate of the direct cost of compensating part-time technical college instructors at the same rate as full-time instructors would require an extensive comparison of existing full-time and part-time employment contracts and a detailed analysis of the qualifications and work experience of part-time instructors at each of the 16 Wisconsin technical college districts.

However, based on average statewide remuneration levels and fringe benefit rates per FTE for part-time and full-time instructor positions, enactment of SB 314 could increase technical college districts' annual operating costs by approximately \$35 million statewide. This estimate assumes that current instructor position levels will remain stable and the distribution of qualifications, work experience and other factors affecting compensation is similar for WTCS part-time and full-time instructors.

The fiscal effect of enactment of SB 314 on individual districts would depend on the number of part-time FTE instructor positions employed by the district, the qualifications and work experience of the district's part-time instructors and the specific conditions of each WTCS district's compensation agreements for full-time instructors.

Long-Range Fiscal Implications

The long-range effects of a significant increase in annual operating costs as a result of SB 314 will differ depending on the extent of each district's annual increase in operating costs resulting from an increase in part-time instructor compensation and each district's ability to absorb such an increase. All 16 districts may be required to make program and/or staffing reductions to cover the increase in costs, and these reductions could be significant in limited fiscal capacity districts (those districts that already are at or close to the maximum tax rate of 1.5 mill). In addition, if instruction costs increase, districts may seek to renegotiate existing expectations for faculty workload to reduce the need for instructor positions.

Finally, if districts are required to use a greater proportion of their operating budgets to finance instructor compensation, the need for State GPR (State Aids) to districts to support programs and provide access (by increased courses and sections) may increase.