



**Fiscal Estimate Narratives**

**DPI 2/7/02**

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

**Assumptions Used in Arriving at Fiscal Estimate**

This bill increases Wisconsin retirement system (WRS) benefits provided to an "educational support personnel employee" who is defined as any school district employee other than a teacher, librarian or administrator. This bill:

requires that educational support personnel employees and teachers, librarians, and administrators must be treated the same in terms of qualifying for coverage under the WRS, with full-time employment for educational support personnel employees set at 1,320 hours per year;

provides that the final average earnings of an educational support personnel employee are increased by 25% for the purpose of determining the initial amount of a WRS retirement annuity;

reduces the amount that is required for the purpose of calculating what constitutes a year of creditable service from .75 to .65 of a year of creditable service.

State fiscal effect:

This bill has no fiscal effect on the department of public instruction.

Local fiscal effect:

It is assumed that many school districts would experience an increase in shared costs as a result of this bill. These increases in shared costs would vary from district to district and are indeterminate. Shared cost is a factor in the state school aid formula. Therefore, the bill will have a redistributive effect on general equalization aids that are distributed to school districts.

**Long-Range Fiscal Implications**