Fiscal Estimate - 2007 Session

	Original		Updated		Corrected		Supplemental		
LRB	Number	07-1430/1		Introd	duction Numb	ber Al	B-0175		
Relatin	Description Relating to: deduction of membership dues from retirement annuities under the Wisconsin Retirement System								
Fiscal	Effect	<u> </u>							
	No State Fisco Indeterminate Increase E Appropria Decrease Appropria	e Existing ttions Existing	☐ Increase I Revenues ☐ Decrease Revenues	Existing	to abs	ase Costs sorb within Yes ase Costs	- May be possible agency's budget \tilde{\ti)	
Local: No Local Government Costs Indeterminate 1. Increase Costs Permissive Mandatory 2. Decrease Costs Permissive Mandatory Permissive Mandatory Permissive Mandatory Permissive Mandatory Decrease Revenue Permissive Mandatory Permissive Mandatory Districts 5. Types of Local Government Units Affected Towns Village Cities Counties Districts Districts									
Fund Sources Affected Affected Ch. 20 Appropriations ☐ GPR ☐ FED ☐ PRO ☐ PRS ☑ SEG ☐ SEGS 20.515 (1) (w)									
Agenc	y/Prepared I	Ву	Auth	orized S	ignature		Date		
ETF/ Jon Kranz (608) 267-0908 Dav				e Stella (6	3/20/2007	7			

Fiscal Estimate Narratives ETF 3/22/2007

LRB Number 07-	-1430/1	Introduction Number	AB-0175	Estimate Type	Original			
Description Relating to: deduction of membership dues from retirement annuities under the Wisconsin Retirement System								

Assumptions Used in Arriving at Fiscal Estimate

This bill would permit the Department of Employee Trust Funds (ETF) to allow WRS annuitants to authorize deductions from their annuities for dues to labor organizations, professional organizations, and certain retiree organizations. Assumptions used in the preparation of this estimate are as follows:

- * 3% of all WRS annuitants would authorize the Department to make deduction at least once per year.
- * Approximately 6,000 transactions per year (500 per month) would be generated as a result of this bill.
- * The Department would be required to ensure that the receiving organization is eligible as per the statutory criteria.
- * The Department would be required to modify various systems to appropriately handle the banking, reporting, accounting, and reconciliation functions.
- * 2-3 three electronic file formats would be made available for handle the electronic transmission between ETF and the receiving organization.
- * The new benefit payment system (currently undergoing acceptance testing) would be utilized note that the current payment system is not able to process these types of deductions).
- * Costs associated with this bill are presumed to be legitimate uses of the Public Employee Trust Fund Note that the determination of this point is beyond the scope of this estimate. Should it be determined that this is not an appropriate use of the Trust fund, an alternative funding source would need to be identified.

Long-Range Fiscal Implications

As the annuitant population increases, additional resources will be required to handle the additional workload. The annuitant population is expected to double over the next 15 years.

Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

	X	Original		Updated			Corrected		Supplemental		
LF	3B	Number	07-1430	/1		Intro	duction No	umber	AB-0175		
Re	Description Relating to: deduction of membership dues from retirement annuities under the Wisconsin Retirement System										
an	I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): \$392,000 primarily to modify information technology systems that would be used in processing.										
II.	II. Annualized Costs:						Annualized	Fiscal Im	pact on funds from:		
							Increased Co				
A.	Stat	e Costs by	Category								
\prod	State	Operations	- Salaries ar	nd Fringes		·	\$56,1	00	\$		
	(FTE	Position Ch	anges)				(1.3 F7	E)			
	State	Operations	- Other Cost	S							
	Loca	l Assistance									
	Aids	to Individual	s or Organiza	ations							
Ш	TC	TAL State	Costs by Ca	tegory			\$56,1	00	\$		
В.	State	e Costs by	Source of Fu	unds							
\prod	GPR										
	FED										
	PRO	/PRS									
	SEG/SEG-S						56,1	00			
III. re\	Stat enu	e Revenues es (e.g., tax	s - Complete increase, d	this only w ecrease in l	hen icer	proposa se fee, ei	l will increas ts.)	e or decr	ease state		
<u> </u>							Increased R	lev	Decreased Rev		
⊢	GPR Taxes				\$			\$			
\vdash		Earned									
	FED										
		/PRS									
Щ	SEG/SEG-S										
Ш	TOTAL State Revenues							\$ \$			
NET ANNUALIZED FISCAL IMPACT											
<u> </u>							Sta		Local		
	NET CHANGE IN COSTS						\$56,1				
ΝE	NET CHANGE IN REVENUE \$ \$										
_											
Ag	Agency/Prepared By Aut				uthorized Signature			Date			
ETF/ Jon Kranz (608) 267-0908 Dav				ve Stella (608) 266-3641			3/20/2007				