

Fiscal Estimate - 2007 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 07-3154/1	Introduction Number SB-265
Description Affirmative action practices in state and local government contracting and state and local government hiring, the consideration of race or ethnicity in the University of Wisconsin System, and eligibility requirements for minority teacher loans and minority undergraduate grants awarded by the Higher Educational Aids Board	
Fiscal Effect	
State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs	
Local: <input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue 5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
Fund Sources Affected Affected Ch. 20 Appropriations <input checked="" 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 OSER/ Demetri Fisher (608) 266-3017	Authorized Signature Yer Vang (608) 266-9820
Date 9/28/2007	

Fiscal Estimate Narratives
OSER 9/28/2007

LRB Number 07-3154/1	Introduction Number SB-265	Estimate Type Original
Description Affirmative action practices in state and local government contracting and state and local government hiring, the consideration of race or ethnicity in the University of Wisconsin System, and eligibility requirements for minority teacher loans and minority undergraduate grants awarded by the Higher Educational Aids Board		

Assumptions Used in Arriving at Fiscal Estimate

Fiscal Estimate for SB 265

This bill would require that only United States citizens could benefit from affirmative action practices in state and local government contracting; state and local government hiring, the consideration of race or ethnicity in the University of Wisconsin System, and the Higher Educational Aids Board grants.

With respect to this bill, the Office of State Employment Relations' authority is limited to the proposed Section 8. ch. 230.01(2m) which states that "for purposes of affirmative action under this chapter, the race or ethnicity of an employee or applicant for employment may not be considered unless the employee or applicant for employment may not be considered unless the employee or applicant for employment is a United States citizen."

Under current law, ch. 230, Wis.Stats., the existing policy for the state as an employer is to take affirmative action relating to state civil service. Under the proposed bill, it would prohibit the consideration of race or ethnicity for affirmative action in state civil service if an individual was not a United States citizen.

The fiscal impact would be related to programming changes in state government affirmative action programs under Chapter 230. The following programs and forms would be fiscally impacted by the proposed bill and require programming changes: 1) Affirmative Action/Equal Employment Opportunity (AA/EEO) Certification Procedures; 2) AA Planning Standards; 3) AA/Division of Merit Recruitment Selection Bulletins; 4) State Training Programs; 5) OSER-State Application Forms and Instructions; 6) Expanded Certification Forms and Instructions; 7) Disabled Expanded Certification Forms and Instruction; 8) New Employee Hiring Forms; 9) Area of Competition Analysis Procedures; 10) Wisconsin Human Resource Handbook; and 11) Labor Union Contract. Given the programming changes noted here, the fiscal estimate would be approximately \$100,696.00 to implement the changes (estimate based on the required staff and number of hours).

With regards to system changes, the Office of State Employment Relations (OSER) utilizes the state's Personnel Management Information System (PMIS) as a tool to collect and run data reports. The PMIS does not currently capture segregated information as required for SB 265. The database for this system will need to be reconfigured to accommodate this change. This can be accomplished by either altering a current field or adding an additional field to be used in capturing the newly sought information. Once the system has been updated it must be tested and debugged and then all existing employees in the system who are not currently U.S. citizens must be segregated so that any further actions taken can be appropriately applied. Similar changes must be made to ethnic coding in payroll systems, reconfigurations to Wisc.Jobs, application screen processes, expanded certification systems (including Disability Expanded Certification), hiring action reporting, Applicant Passing Examination Reports and Applicant Flow by Job Group configurations. These activities must also be accompanied by a survey of current Wisc.Jobs applicants for their citizenship and a survey of current Disabled Expanded Certification participants for their citizenship with their corresponding updates to WiscJobs. The fiscal estimate for computer re-programming and information management applications required for these changes would be approximately \$37,434.00.

Additionally, when applicant or employment numbers change in any way, the subsequent feeder groups used for calculating the state's relevant labor market pools would need to be altered. This process would have to be re-tooled for our calculation of census based relevant labor market pools to be correct. Our office would need to develop additional processes to calculate changes in Feeder Group Analysis, Systems to Code in Verification of Citizenship in the Hiring Process and Veterans information (in the instance that a veteran of a foreign war is not a U.S. citizen). Furthermore, training programs would be necessary to train AA/EEO professionals, HR and payroll professionals regarding the programming and system changes to

verify compliance with the bill. The fiscal estimate for these changes would be approximately \$84,216.00.

The overall fiscal impact would be approximately \$222,346.00 for the Office of State Employment Relations to make changes to existing state civil service programs and systems. However, this fiscal amount does not account for the potential fiscal impact related to administrative or programming changes at other state department levels and university campuses. Each of these agencies may need to re-program policies and systems in their respective payroll and HR systems. To the extent that there may be programming changes required for other state agencies due to this bill, the fiscal impact would be indeterminate. The fiscal impact to local government affirmative action program is indeterminate because our Office does not collect or administer those programs.

Long-Range Fiscal Implications

At present, the long range fiscal impact is indeterminate.